

Voluntary Unconditional General Offer

OFFER DOCUMENT DATED 7 JANUARY 2021

OFFER PRICE

For each Offer Share

S\$2.00

in cash

The Offer Price is **FINAL** and the Offeror will **NOT** increase the Offer Price¹

CLOSE OF THE OFFER

ACCEPTANCES OF THE OFFER SHOULD BE RECEIVED BY 5.30 P.M. (SINGAPORE TIME) ON 4 FEBRUARY 2021, OR SUCH LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE OFFEROR

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.



Hi-P INTERNATIONAL LIMITED

If you are in any doubt about this Offer (as defined herein) or the action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately. CLSA Singapore Pte Ltd ("CLSA") and DBS Bank Ltd. ("DBS Bank", and together with CLSA, the "Joint Financial Advisers") are acting for and on behalf of YHT Venture Pte. Ltd. (the "Offeror") and do not purport to advise Shareholders (as defined herein) of Hi-P International Limited (the "Company"). In preparing its letter to Shareholders on behalf of the Offeror, the Joint Financial Advisers have not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder.

If you have sold or transferred all your issued and paid-up ordinary shares in the capital of the Company (the "Shares") held through The Central Depository (Pte) Limited ("CDP"), you need not forward this Offer Document and the accompanying Form of Acceptance and Authorisation for Offer Shares (the "FAA") to the purchaser or the transferee as arrangements will be made by CDP for a separate Offer Document and FAA to be sent to the purchaser or the transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately hand this Offer Document and the accompanying Form of Acceptance and Transfer for Offer Shares (the "FAT") to the purchaser or the transferee or to the bank, stockbroker or agent through whom you effected the sale or the transfer, for onward transmission to the purchaser or the transferee.

The views of the Independent Directors (as defined herein) and the independent financial adviser to the Independent Directors on the Offer will be made available to you by the Company in due course. You may wish to consider their views before taking any action in relation to the Offer. The Singapore Exchange Securities Trading Limited ("SGX-ST") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Document.

The procedures for acceptance of the Offer are set out in Appendix V to this Offer Document and in the accompanying FAA and/or FAT.

The contents of this Offer Document have not been reviewed by any regulatory authority in any jurisdiction. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Offer Document, you should obtain independent professional advice.

All capitalised terms shall, if not otherwise defined herein, bear the same meanings as ascribed to them in this Offer Document.

VOLUNTARY UNCONDITIONAL GENERAL OFFER

for and on behalf of

YHT VENTURE PTE. LTD.

(Company Registration No.: 202039108M)
(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

Hi-P International Limited

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

other than those Shares held directly or indirectly, by YHT Venture Pte. Ltd. as at the date of the Offer



CLSA Singapore Pte Ltd

(Company Registration No.: 198703750W)
(Incorporated in the Republic of Singapore)



DBS Bank Ltd.

(Company Registration No.: 196800306E)
(Incorporated in the Republic of Singapore)

¹ Save that the Offeror reserves the right to do so in accordance with the Code (as defined herein) if a competitive situation arises

What should I know about the Offer?

1. THE OFFER

On 18 December 2020, YHT Venture Pte. Ltd. (the “**Offeror**”) announced its intention to make a voluntary unconditional general offer (“**Offer**”) for all the issued and paid-up ordinary shares (“**Shares**”) in the capital of Hi-P International Limited (the “**Company**”).

2. THE OFFEROR

The Offeror is a Singapore-incorporated investment holding company wholly owned by Mr Yao Hsiao Tung (“**Mr Yao**”). Mr Yao is the Chairman and CEO of the Company.

Mr Yao, together with Wong Huey Fang (“**Madam Wong**”) collectively own approximately 83.50%⁽¹⁾ of the total number of Shares and have irrevocably undertaken to accept the Offer in respect of all such Shares, and any Shares which they may acquire on or after the date of the Irrevocable Undertakings.

As at the Latest Practicable Date, the Offeror does not hold any Shares.

3. WHAT DO I GET FOR MY SHARES?

Offer Price: S\$2.00 in cash for each Offer Share

The Offer Price is **FINAL** and the Offeror will **NOT** increase the Offer Price⁽²⁾
An illustration of the consideration to be received by a Shareholder who validly accepts the Offer:

1,000 Shares FOR ILLUSTRATION ONLY	=	S\$2,000 in cash FOR ILLUSTRATION ONLY
5,000 Shares FOR ILLUSTRATION ONLY	=	S\$10,000 in cash FOR ILLUSTRATION ONLY
10,000 Shares FOR ILLUSTRATION ONLY	=	S\$20,000 in cash FOR ILLUSTRATION ONLY

Notes:

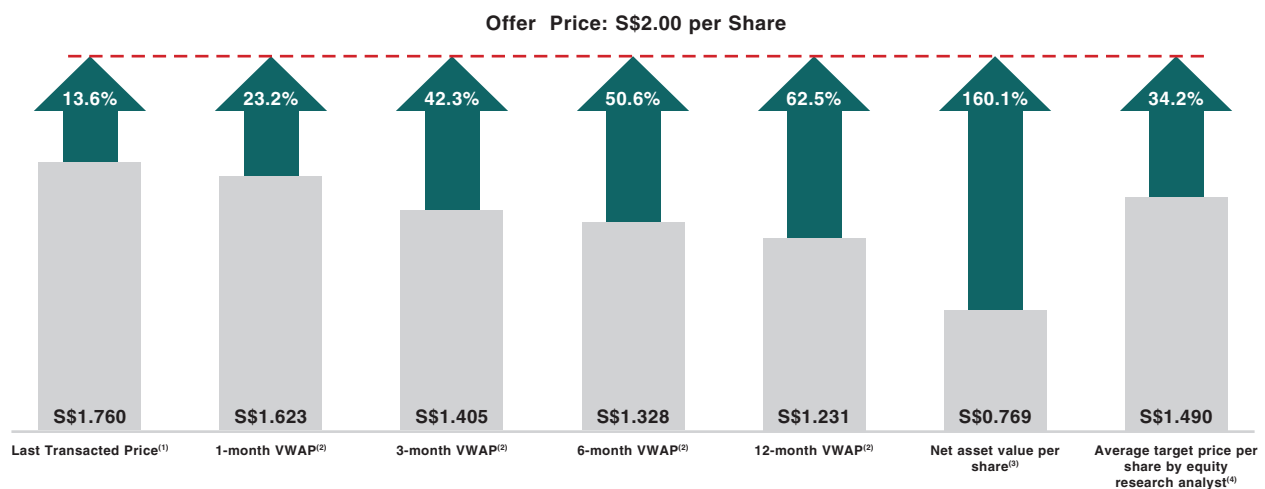
- (1) The percentage is based on 807,467,735 Shares (excluding 79,707,265 Shares held by the Company as treasury shares)
- (2) Save that the Offeror reserves the right to do so in accordance with the Code if a competitive situation arises

What should I know about the Offer?

4. OFFER PRICE AT PREMIUM

The Offer Price presents an opportunity for Shareholders to realise their entire investment in cash at a favourable valuation without incurring brokerage and trading costs.

The Offer Price represents a premium of approximately 42.3% over the three-month VWAP per Share of S\$1.405



Source: Bloomberg L.P.

Notes:

- (1) As at 14 December 2020, being the last full Market Day on which the Shares were transacted prior to the Offer Announcement Date (the “Last Trading Day”)
- (2) The volume-weighted average prices (“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
- (3) Based on 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
- (4) 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 prevailing economic environment is uncertain due to the ongoing COVID-19 pandemic, and the Offer represents an opportunity for Shareholders to realise their investment in the Shares at a premium to historical market prices.

The Offer presents Shareholders with a clean cash exit opportunity to **realise their entire investment at a premium over the prevailing benchmark prices** of the Shares without incurring brokerage and other trading costs.

What should I know about the Offer?

5. LOW TRADING LIQUIDITY

Opportunity for Shareholders who may otherwise find it difficult to exit their investment in the Company due to low trading liquidity of the Shares

The average daily trading volume of the Shares over the one-, three-, six- and 12-month periods up to and including the Last Trading Date are detailed in the table below:

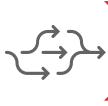
	Average daily trading volume as a percentage of total number of issued Shares ⁽¹⁾⁽²⁾
One-month period prior to and including the Last Trading Date	0.388%
Three-month period prior to and including the Last Trading Date	0.296%
Six-month period prior to and including the Last Trading Date	0.309%
12-month period prior to and including the Last Trading Date	0.351%

Notes:

- (1) The average daily trading volume is based on data extracted from Bloomberg L.P. as at the Last Trading Date and calculated using the daily total volume of Shares traded divided by the total number of Shares
- (2) The percentage figures are rounded to the nearest three (3) decimal places

What should I know about the Offer?

6. RATIONALE FOR THE OFFER



Greater management flexibility

- The privatisation 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



No need for access to capital markets

- The Company has not accessed the Singapore capital markets for funding since 2004 and 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



Compliance costs of maintaining listing

- 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

What should I know about the Offer?

7. WHAT ARE THE OFFEROR'S INTENTIONS FOR THE COMPANY?

The Offeror intends to privatise and delist the Company from the SGX-ST

The Offeror has no current intentions to (a) introduce any major changes to the existing business of the Company; (b) re-deploy the fixed assets of the Company; or (c) discontinue the employment of the existing employees of the Company and its subsidiaries, in each case, other than in the ordinary and usual course of business.

However, the Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Company and its subsidiaries.

8. WHEN WILL I GET PAID IF I ACCEPT THE OFFER?

Shareholders who accept the Offer can expect to receive payment of the Offer Price within **seven (7) business days** of the date of receipt of their valid acceptances by the Offeror.

The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Offer will be made available to you in due course by the Company. You may wish to consider their views before taking any action in relation to the Offer.

How can I accept the Offer?

STEP 1

Locate the Acceptance Forms

If your Offer Shares are deposited with CDP	If you are a CPFIS Investor and/or SRS Investor
EITHER: If submitting by post , look for the enclosed FAA and proceed to Step 2A below OR: If submitting in electronic form , go to SGX's Investor Portal at investors.sgx.com and proceed to Step 2B in the next page	Contact your respective CPF/SRS Agent Bank

If your Offer Shares are not deposited with CDP, look for the enclosed FAT and refer to the procedures for acceptance within the FAT and Appendix V of this Offer Document.

If you have misplaced the FAA or FAT:

Electronic copies are available from the website of the SGX-ST at www.sgx.com

STEP 2A

BY POST: Fill in your details and return the Acceptance Form to accept the Offer

- Check or fill in your personal particulars, Securities Account number and number of Offer Shares held by you
- Under Section C, "All the Offer Shares indicated in Section A" OR "the number of Offer Shares as indicated in the box below" and fill in the number of Offer Shares in the "Free Balance" of your CDP Securities Account that you wish to tender in acceptance of the Offer

c Declaration by Shareholder

I/we wish to accept the Offer for the number of Offer Shares as indicated below:

Choose one option

All the Offer Shares indicated in Section A,

or

the number of Offer Shares as indicated in the box below

Choose one option for acceptance of the Offer

- Please proceed to sign and fill in the applicable date at the bottom of Section C of the FAA

By signing below, I/we agree to the terms and conditions of the Offer as set out in the Offer Document and in this FAA, including the section "Authorisation" on page 2 of this FAA.

Sign here

Date here

Signature(s) of depositor(s)/Joint depositors

Date

- Return the completed FAA in the enclosed pre-addressed envelope so as to arrive **NO LATER THAN 5.30 p.m (Singapore time) on 4 February 2021** (or such later date(s) as may be announced from time to time by or on behalf of the Offeror)

How can I accept the Offer?

STEP 2B

BY ELECTRONIC FORM: Fill in your details online on SGX's Investor Portal to accept the Offer

- If you wish to accept the Offer using the electronic form of the FAA, you may do so via SGX-ST's Investor Portal at investors.sg.com (for individual and joint-alt account holders only).
- On the main screen of the Investor Portal, look for "Corporate Actions Form Submission" and click on the Security Name *Hi-P International Limited*.

Corporate Actions Form Submission NEW
Please click on Security Name to proceed with the submission.

Security Name	Type	Election Start	Election End	Particulars
Hi-P International Limited				

Click on Security Name

- Check that it is the *Form of Acceptance and Authorisation for Offer Shares* for Hi-P International Limited, then click *Proceed*.

Hi-P International Limited



Click Proceed

Proceed

- Fill in your Applicant Account Information as prompted, then click *Verify*.



Applicant Account Information

CDP Securities Account Number

123456789012

Please provide 11 digits of your CDP account number

Last 4 characters of NRIC or Passport Number

123D

Last 4 alphanumeric characters of NRIC or Passport Number

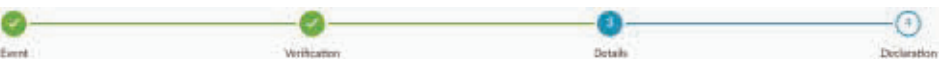
Fill in your CDP Securities Account Number

Fill in your last 4 characters of NRIC or Passport Number

Click Verify

Verify

- Fill in the number of Offer Shares of which you wish to accept the Offer, then click *Next*.



Election Option(s)

I wish to accept the Offer for the number of Offer Shares as indicated below:

12345

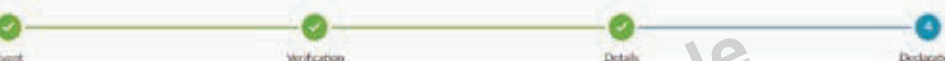
Next number in the Offer process: 123456789012

Fill in the number of Offer Shares

Click Next

Next

- Check the boxes to agree to the declarations, then click *Submit*.



Check the boxes

I consent to CDP collecting and using the personal data I have provided herewith for the purposes of processing my application.
 I agree and acknowledge that this application is subject to the terms and conditions set out in the other relevant documents provided to me, and by submitting this application, I accept such terms and conditions unconditionally.

Click Submit

Submit

What should I know about the Offer?

Despatch of this Offer Document	7 January 2021
Despatch of the Company's circular containing the views of the Independent Directors and the independent financial adviser	No later than 21 January 2021
Closing date and time	5.30 p.m. (Singapore time) on 4 February 2021 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror)

Who can I call if I have enquiries in relation to the Offer?

Any inquiries relating to the Offer should be directed during office hours to:

CLSA Singapore Pte Ltd
Corporate Finance & Capital Markets
Telephone: (65) 6416 7888

DBS Bank Ltd.
Strategic Advisory
Telephone: (65) 6878 2150

Important Notice

The information in this section is a summary of the Offer and is qualified by, and should be read in conjunction with, the full information contained in the rest of this Offer Document. In the event of any inconsistency or conflict between the terms of this summary and this Offer Document, the terms set out in this Offer Document shall prevail.

Nothing in this section is intended to be, or shall be taken as advice, recommendation or solicitation to Shareholders or any other party. CLSA and DBS are acting for and on behalf of the Offeror and do not purport to advise Shareholders.

Shareholders should read the Company's circular in relation to the Offer after it is despatched and carefully consider the information and advice contained in that circular.

Responsibility Statement

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

The Directors jointly and severally accept responsibility accordingly.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Offer Document, the FAA and the FAT:

<i>“Awards”</i>	:	Shall have the meaning ascribed to it in paragraph 2.1(c) of this Offer Document
<i>“Books Closure Date”</i>	:	Shall have the meaning ascribed to it in paragraph 2.4(a) of this Offer Document
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Charged Securities”</i>	:	Shall have the meaning ascribed to it in paragraph 1.8 of APPENDIX III to this Offer Document
<i>“Close Relative”</i>	:	Includes immediate family (i.e. parents, siblings, spouse and children), siblings of parents (i.e. uncles and aunts) as well as their children (i.e. cousins), and children of siblings (i.e. nephews and nieces)
<i>“Closing Date”</i>	:	5.30 p.m. Singapore time on 4 February 2021 or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for the lodgement of acceptances of the Offer
<i>“CLSA”</i>	:	CLSA Singapore Pte Ltd
<i>“Code”</i>	:	The Singapore Code on Take-overs and Mergers
<i>“Companies Act”</i>	:	The Companies Act (Chapter 50 of Singapore)
<i>“Company”</i>	:	Hi-P International Limited
<i>“Company Options”</i>	:	Shall have the meaning ascribed to it in paragraph 2.1(b) of this Offer Document
<i>“Company Securities”</i>	:	Means (a) Shares; (b) Company Options; (c) securities which carry voting rights in the Company; or (d) Convertible Securities, Warrants, Options or Derivatives in respect of (a) or (c)
<i>“Compulsory Acquisition”</i>	:	Shall have the meaning ascribed to it in paragraph 9.2 of this Offer Document
<i>“Convertible Securities”</i>	:	Securities convertible or exchangeable into new Shares or existing Shares
<i>“CPF”</i>	:	Central Provident Fund
<i>“CPF Agent Banks”</i>	:	Agent banks included under the CPFIS

<i>“CPFIS”</i>	:	Central Provident Fund Investment Scheme
<i>“CPFIS Investors”</i>	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
<i>“Date of Receipt”</i>	:	Shall have the meaning ascribed to it in paragraph 1.1(a)(ii) of APPENDIX V to this Offer Document
<i>“DBS Bank”</i>	:	DBS Bank Ltd.
<i>“DCS”</i>	:	Shall have the meaning ascribed to it in paragraph 1.4 of APPENDIX V to this Offer Document
<i>“Derivatives”</i>	:	Includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities
<i>“Directors”</i>	:	The directors of the Offeror as at the Latest Practicable Date
<i>“Dissenting Shareholders”</i>	:	Shall have the meaning ascribed to it in paragraph 9.2 of this Offer Document
<i>“Distribution”</i>	:	Shall have the meaning ascribed to it in paragraph 2.3 of this Offer Document
<i>“Electronic Acceptance”</i>	:	Shall have the meaning ascribed to it in paragraph 1.1 of APPENDIX V to this Offer Document
<i>“Encumbrances”</i>	:	Shall have the meaning ascribed to it in paragraph 2.3 of this Offer Document
<i>“FAA”</i>	:	Form of Acceptance and Authorisation for Offer Shares which forms part of this Offer Document and which is issued to Shareholders whose Shares are deposited with CDP
<i>“FAT”</i>	:	Form of Acceptance and Transfer for Offer Shares which forms part of this Offer Document and which is issued to Shareholders whose Shares are not deposited with CDP
<i>“Financing Security Arrangements”</i>	:	Shall have the meaning ascribed to it in paragraph 1.8 of APPENDIX III to this Offer Document
<i>“Free Float Requirement”</i>	:	Shall have the meaning ascribed to it in paragraph 9.1 of this Offer Document
<i>“FY2019”</i>	:	The financial year ended 31 December 2019
<i>“Group”</i>	:	The Company and its subsidiaries

<i>“Independent Directors”</i>	:	The directors of the Company who are considered to be independent for the purposes of the Offer
<i>“Independent Shareholders”</i>	:	Shall have the meaning ascribed to it in paragraph 9.3 of this Offer Document
<i>“Irrevocable Undertakings”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1 of this Offer Document
<i>“Joint Financial Advisers”</i>	:	CLSA and DBS Bank
<i>“Last Trading Day”</i>	:	14 December 2020, being the last full Market Day on which the Shares were transacted prior to the Offer Announcement Date
<i>“Latest Practicable Date”</i>	:	28 December 2020, being the latest practicable date prior to the printing of this Offer Document
<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST in force as at the Latest Practicable Date
<i>“Madam Wong”</i>	:	Madam Wong Huey Fang
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading of securities
<i>“Mr Yao”</i>	:	Mr Yao Hsiao Tung
<i>“NAV”</i>	:	Shall have the meaning ascribed to it in paragraph 7.1(a)(i) of this Offer Document
<i>“Offer”</i>	:	The voluntary unconditional general offer by the Joint Financial Advisers, for and on behalf of the Offeror, to acquire all the Offer Shares on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT, as such Offer may be amended, extended and revised from time to time by or on behalf of the Offeror
<i>“Offer Announcement”</i>	:	Shall have the meaning ascribed to it in paragraph 1.1 of this Offer Document
<i>“Offer Announcement Date”</i>	:	18 December 2020
<i>“Offer Document”</i>	:	This document issued by the Joint Financial Advisers, for and on behalf of the Offeror, in respect of the Offer
<i>“Offer Period”</i>	:	The period from the Offer Announcement Date until the date the Offer is declared to have closed or lapsed
<i>“Offer Price”</i>	:	Shall have the meaning ascribed to it in paragraph 2.2 of this Offer Document

<i>“Offer Shares”</i>	:	Shall have the meaning ascribed to it in paragraph 2.1 of this Offer Document
<i>“Offeror”</i>	:	YHT Venture Pte. Ltd.
<i>“Offeror Share”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(d) of this Offer Document
<i>“Option Holders”</i>	:	Shall have the meaning ascribed to it in paragraph 3.1 of this Offer Document
<i>“Option Price”</i>	:	Shall have the meaning ascribed to it in paragraph 3.2 of this Offer Document
<i>“Options”</i>	:	Means options to subscribe for or purchase new Shares or existing Shares
<i>“Options Proposal”</i>	:	Shall have the meaning ascribed to it in paragraph 3.2 of this Offer Document
<i>“Overseas Person”</i>	:	Shall have the meaning ascribed to it in paragraph 10 of this Offer Document
<i>“Purchaser”</i>	:	Shall have the meaning ascribed to it in paragraph 1.1 of APPENDIX V to this Offer Document
<i>“Reinvestment”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(d) of this Offer Document
<i>“Reinvestment Amount”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(d) of this Offer Document
<i>“Relevant Day”</i>	:	Shall have the meaning ascribed to it in paragraph 3(a) of APPENDIX IV to this Offer Document
<i>“Relevant Period”</i>	:	Shall have the meaning ascribed to it in paragraph 1.2(a) of APPENDIX III to this Offer Document
<i>“Relevant Person”</i>	:	Shall have the meaning ascribed to it in paragraph 3 of APPENDIX V to this Offer Document
<i>“Restricted Jurisdiction”</i>	:	Shall have the meaning ascribed to it in paragraph 10 of this Offer Document
<i>“Securities Account”</i>	:	A securities account maintained by a depositor with CDP but does not include a securities sub-account
<i>“Securities and Futures Act”</i>	:	Securities and Futures Act (Chapter 289 of Singapore)
<i>“Settled Shares”</i>	:	Shall have the meaning ascribed to it in paragraph 1.1(b) of APPENDIX V to this Offer Document

<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Share Award Scheme”</i>	:	The Hi-P Employee Share Award Scheme 2018 which was approved by Shareholders on 20 April 2018
<i>“Share Option Schemes”</i>	:	The Hi-P Employee Share Option Scheme 2003 which was approved by Shareholders on 7 October 2003 and the Hi-P Employee Share Option Scheme 2014 which was approved by Shareholders on 29 April 2014
<i>“Share Registrar”</i>	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), in its capacity as the share registrar of the Company
<i>“Shareholder”</i>	:	Holders of Shares (including persons whose/which Shares are deposited with CDP or who/which have purchased Shares on the SGX-ST)
<i>“Shares”</i>	:	Issued and paid-up ordinary shares in the capital of the Company
<i>“SIC”</i>	:	Securities Industry Council of Singapore
<i>“SRS”</i>	:	Supplementary Retirement Scheme
<i>“SRS Agent Banks”</i>	:	Agent banks included under the SRS
<i>“SRS Investors”</i>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<i>“S\$” and “Singapore cents”</i>	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
<i>“Undertaking Options”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(c) of this Offer Document
<i>“Undertaking Shares”</i>	:	Shall have the meaning ascribed to it in paragraph 4.1(a) of this Offer Document
<i>“Unsettled Buy Position”</i>	:	Shall have the meaning ascribed to it in paragraph 1.1(b) of APPENDIX V to this Offer Document
<i>“Voluntary Delisting Rules”</i>	:	Shall have the meaning ascribed to it in paragraph 9.3 of this Offer Document
<i>“VWAP”</i>	:	Shall have the meaning ascribed to it in paragraph 7.1(a)(iii) of this Offer Document
<i>“Warrants”</i>	:	Rights to subscribe for or purchase new Shares or existing Shares

“YHT Global” : YHT Global Pte. Ltd., a company wholly owned by Mr Yao

“%” : Per centum or percentage

Acting in Concert. The expression “acting in concert” shall have the meaning ascribed to it in the Code.

Depositors and Depository Agents. The terms “depositor” and “depository agent” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

Gender. Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include corporations.

Headings. The headings in this Offer Document are inserted for convenience only and shall be ignored in construing this Offer Document.

Rounding. Any discrepancies in figures included in this Offer Document between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Document may not be arithmetic aggregations of the figures that precede them.

Shareholders. References to “you”, “your” and “yours” in this Offer Document are, as the context so determines, to Shareholders.

Statutes. Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act, the Listing Manual or the Code or any modification thereof and used in this Offer Document shall, where applicable, have the meaning assigned to it under the Companies Act, the Listing Manual or the Code, or any modification thereof, as the case may be, unless the context otherwise requires.

Time and Date. Any reference to a time of the day and date in this Offer Document shall be a reference to Singapore time and date, respectively, unless otherwise stated.

Total Number of Shares. Unless stated otherwise, any reference in this Offer Document to the total number of Shares is a reference to a total of 807,467,735 Shares (excluding 79,707,265 treasury shares) as at the Latest Practicable Date (based on the results of the electronic instant information search of the Company obtained from the Accounting and Corporate Regulatory Authority of Singapore on the Latest Practicable Date).

Forward-Looking Statements

All statements other than statements of historical facts included in this Offer Document 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.



CLSA SINGAPORE PTE LTD
(Company Registration No.: 198703750W)
(Incorporated in the Republic of Singapore)

and



DBS BANK LTD.
(Company Registration No.: 196800306E)
(Incorporated in the Republic of Singapore)

7 January 2021

To: Shareholders of Hi-P International Limited

Dear Sir/Madam

**VOLUNTARY UNCONDITIONAL GENERAL OFFER BY THE JOINT FINANCIAL ADVISERS,
FOR AND ON BEHALF OF THE OFFEROR, FOR THE OFFER SHARES**

1. INTRODUCTION

1.1 Offer Announcement

On the Offer Announcement Date, the Joint Financial Advisers announced, for and on behalf of the Offeror, that the Offeror intends to make the Offer for the Offer Shares in accordance with Rule 15 of the Code (the "**Offer Announcement**"). A copy of the Offer Announcement is available on the website of the SGX-ST at www.sgx.com.

1.2 Formal Offer

This Offer Document contains the formal offer by the Joint Financial Advisers, for and on behalf of the Offeror, to acquire all the Offer Shares subject to the terms and conditions set out in this Offer Document. We urge you to read this document carefully and properly consider this Offer.

2. THE OFFER

2.1 Offer Shares

The Offer is extended, on the same terms and conditions, to:

- (a) all the Shares, other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer;
- (b) all new Shares unconditionally issued or to be issued pursuant to the valid exercise of any options to subscribe for new Shares (the "**Company Options**") granted under the Share Option Schemes, prior to the close of the Offer; and
- (c) all new Shares unconditionally issued or to be issued pursuant to the valid vesting or release of any awards for new Shares ("**Awards**") granted under the Share Award Scheme, prior to the close of the Offer.

For the purposes of the Offer, the expression "**Offer Shares**" will include the aforesaid Shares.

2.2 Consideration

For each Offer Share: S\$2.00 in cash (the “Offer Price”)

The Offer Price is final and 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.

2.3 No Encumbrances

The Offer Shares will be acquired (a) fully paid; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever (the “**Encumbrances**”); and (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends and other distributions or return of capital, if any, which may be announced, declared, paid or made thereon (the “**Distributions**”) by the Company on or after the Offer Announcement Date).

2.4 Adjustment for Distributions

The Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Offer Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer 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 Offer 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 Offer 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 Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

2.5 Unconditional Offer

The Offer is unconditional in all respects.

2.6 Warranty

Acceptance of the Offer will be deemed to constitute an unconditional and irrevocable warranty by the accepting Shareholder that each Offer Share tendered in acceptance of the Offer is sold by the accepting Shareholder, or on behalf of the beneficial owner(s) thereof, as (a) fully paid; (b) free from Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all Distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Offer Announcement Date).

2.7 Closing Date

Except insofar as the Offer may be withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder, the Offer will remain open for acceptances for a period of at least 28 days from the date of posting of this Offer Document.

Accordingly, the Offer will close at 5.30 p.m. Singapore time on 4 February 2021 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

2.8 Details of the Offer

APPENDIX IV to this Offer Document sets out further details on (a) the duration of the Offer; (b) the settlement of the consideration for the Offer; (c) the requirements relating to the announcement of the level of acceptances of the Offer; and (d) the right of withdrawal of acceptances of the Offer.

2.9 Procedures for Acceptance

APPENDIX V to this Offer Document sets out the procedures for acceptance of the Offer.

3. COMPANY OPTIONS AND AWARDS

3.1 Company Options

As at the Latest Practicable Date, based on the latest information available to the Offeror, there are 13,349,401 outstanding Company Options. Under the rules of the Share Option Schemes, the Company Options are not transferable by the holders thereof (the "**Option Holders**"). In view of this restriction, the Offeror will not make an offer to acquire the Company Options in connection with the Offer (although, as stated above, the Offer will be extended to all new Shares unconditionally issued or to be issued pursuant to the valid exercise of the Company Options prior to the close of the Offer).

3.2 Options Proposal

Instead, the Joint Financial Advisers will, for and on behalf of the Offeror, make a proposal (the "**Options Proposal**") to the Option Holders, subject to the relevant Company Options being exercisable into new Shares as at the Option Holders' respective dates of acceptance of the Options Proposal and continuing to be exercisable into new Shares, to pay to the Option Holders a cash amount (the "**Option Price**") on the basis of the "see-through" price of the Company Options (determined as provided below), in consideration of the Option Holders agreeing:

- (a) not to exercise all or any of their Company Options into new Shares; and
- (b) not to exercise any of their rights as Option Holders,

in each case from the date of their acceptance of the Options Proposal to the respective dates of expiry of such Company Options. Further, Option Holders who have accepted the Options Proposal will be required to surrender their relevant Company Options for cancellation. If the Offer is withdrawn or if the relevant Company Options cease to be exercisable into new Shares, the Options Proposal will lapse accordingly. For the avoidance of doubt, as mentioned in paragraph 2.1(b) of this Offer Document, the Offer will be extended to all new Shares unconditionally issued or to be issued pursuant to the valid exercise of Company Options prior to the close of the Offer.

3.3 Option Price

The Option Price is calculated on a “see-through” basis, that is, the Option Price in relation to any Company Option is the amount of the excess of the Offer Price over the exercise price of that Company Option. Where the exercise price of a Company Option is equal to or higher than the Offer Price, the Option Price for each Company Option will be fixed at a nominal amount of S\$0.001.

3.4 Offer and Options Proposal Mutually Exclusive

The Offer and the Options Proposal are separate and are mutually exclusive. The Options Proposal does not form part of the Offer, and *vice versa*. Without prejudice to the foregoing, if the Option Holders wish to exercise their Company Options in order to accept the Offer in respect of the new Shares to be issued pursuant to such exercise, they may not accept the Options Proposal in respect of such Company Options. Conversely, if Option Holders wish to accept the Options Proposal in respect of their Company Options, they may not exercise those Company Options in order to accept the Offer in respect of the new Shares to be issued pursuant to such exercise.

3.5 Despatch of Options Proposal

Details of the Options Proposal have been separately despatched to Option Holders.

3.6 No Awards Offer

As at the Latest Practicable Date, based on the latest information available to the Offeror, there are 2,622,995 outstanding Awards granted under the Share Award Scheme. Under the rules of the Share Award Scheme, the Awards are not transferable by the holders thereof. In view of this restriction, the Joint Financial Advisers, for and on behalf of the Offeror, will not make an offer to acquire the Awards. For the avoidance of doubt, as mentioned in paragraph 2.1(c) of this Offer Document, the Offer will be extended to all new Shares unconditionally issued or to be issued pursuant to the valid vesting or release of Awards prior to the close of the Offer.

4. IRREVOCABLE UNDERTAKINGS

4.1 Details of Irrevocable Undertakings

As at the Latest Practicable Date, Mr Yao Hsiao Tung (“**Mr Yao**”) holds 673,496,144 Shares, representing approximately 83.41% of the total number of Shares and Madam Wong Huey Fang (“**Madam Wong**”) holds 737,982 Shares, representing approximately 0.09% of the total number of Shares. Each of Mr Yao and Madam Wong has executed an irrevocable undertaking dated 17 December 2020 (the “**Irrevocable Undertakings**”) in favour of the Offeror, pursuant to which each of them has undertaken, *inter alia*, the following:

- (a) to accept the Offer in respect of all his/her Shares as at the date of the Irrevocable Undertakings (the “**Undertaking Shares**”), which represent approximately 83.41% and 0.09% of the total number of Shares respectively, and any Shares which he/she may, directly or indirectly, acquire on or after the date of the Irrevocable Undertakings;
- (b) not to transfer or otherwise dispose of any Shares held by him/her during the period commencing from the date of the Irrevocable Undertakings and ending on 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 their respective Irrevocable Undertakings¹;

¹ As at the Latest Practicable Date, YHT Global holds 35,416,000 Shares, representing approximately 4.39% of the total number of Shares.

- (c) not to exercise all or any Company Options held by him/her as at the date of the Irrevocable Undertakings and which may be granted to him/her after the date of the Irrevocable Undertakings (collectively, the “**Undertaking Options**”), and not to accept the Options Proposal in respect of the Undertaking Options. In the event that the Offeror does not become entitled to exercise its right of Compulsory Acquisition by the close of the Offer, the foregoing undertaking shall be in respect of the period prior to and up to the close of the Offer. In the event that the Offeror exercises its right of Compulsory Acquisition, the foregoing undertaking shall be in respect of the period prior to and up to the completion of the Compulsory Acquisition; and
- (d) to direct that the aggregate Offer Price payable (the “**Reinvestment Amount**”) to:
- (i) Mr Yao in respect of his Undertaking Shares; and
 - (ii) Madam Wong in respect of her Undertaking Shares,

be applied to subscribe for new shares in the capital of the Offeror (each, an “**Offeror Share**”), on the basis that the issue price per new Offeror Share will be equivalent to the Offer Price (the “**Reinvestment**”). The SIC has confirmed that the Reinvestment does not constitute a prohibited special deal for the purposes of Rule 10 of the Code.

For the avoidance of doubt, acceptances of the Offer by Mr Yao and Madam Wong in respect of Shares which he/she may directly or indirectly (through a vehicle controlled by either or both of them) acquire after the date of the Irrevocable Undertakings will be satisfied by the Offeror by payment of the Offer Price in cash in accordance with Rule 30 of the Code.

4.2 Expiry of Irrevocable Undertakings

The Irrevocable Undertakings shall expire: (a) in the event that the Offeror does not become entitled to exercise its right of Compulsory Acquisition by the close of the Offer, upon the close or withdrawal of the Offer; or (b) in the event that the Offeror exercises its right of Compulsory Acquisition, upon the completion of the Compulsory Acquisition.

5. INFORMATION ON THE OFFEROR

The Offeror is an investment holding vehicle incorporated under the laws of Singapore on 2 December 2020. As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$1, consisting of one (1) ordinary share, which is held by Mr Yao.

APPENDIX I to this Offer Document sets out certain additional information on the Offeror.

6. INFORMATION ON THE COMPANY

6.1 Incorporation and Listing

Based on publicly available information, the Company was incorporated under the laws of Singapore on 26 December 1980 and was listed on the Main Board of the SGX-ST on 17 December 2003.

6.2 Share Capital

As at the Latest Practicable Date, based on publicly available information, the Company has an issued and paid-up share capital of S\$119,725,495 comprising 807,467,735 Shares (excluding 79,707,265 treasury shares).

6.3 Additional Information on the Company

APPENDIX II to this Offer Document sets out additional information on the Company.

7. FINANCIAL EVALUATION OF THE OFFER AND TRADING VOLUME OF THE SHARES

7.1 Financial Evaluation of the Offer

The prevailing economic environment is uncertain due to the ongoing COVID-19 pandemic. The Offer presents a clean cash exit opportunity for Shareholders to realise their investment in the Shares at a favourable valuation, without incurring brokerage and other trading costs. The Offer Price represents a premium over the prevailing benchmark prices of the Shares.

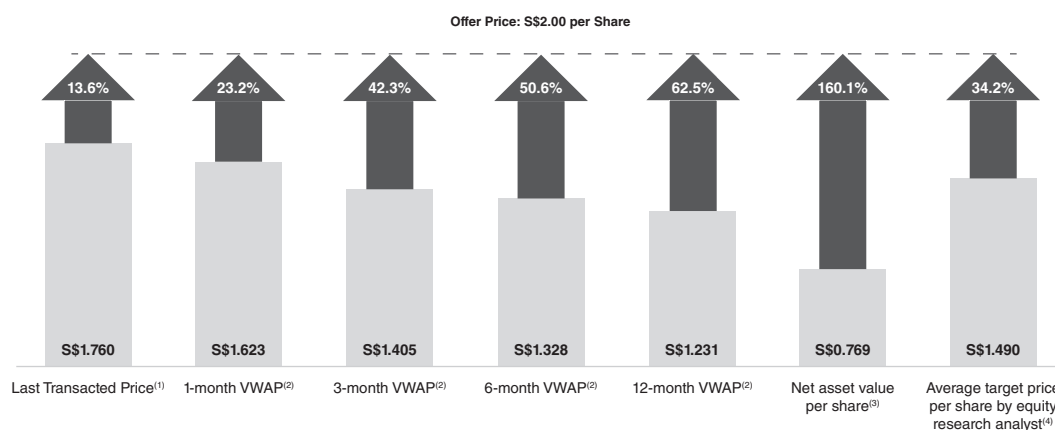
(a) The Offer Price is at a premium to the NAV per Share and prevailing Share prices over the last 12 months

The Offer Price represents a premium of approximately:

- (i) 160.1% over the net asset value (“NAV”) per Share as of 30 June 2020;
- (ii) 13.6% over the last transacted price per Share of S\$1.760 on the Last Trading Day; and
- (iii) 23.2%, 42.3%, 50.6% and 62.5% over the volume weighted average price (“VWAP”) per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods, respectively, up to and including the Last Trading Day.

(b) The Offer Price exceeds the average of analysts’ price targets

The Offer Price also represents a premium of approximately 34.2% over the average target price of S\$1.490 per Share by equity research analysts covering the Company.



Source: Bloomberg L.P.

Notes:

- (1) As at the Last Trading Day
- (2) The VWAPs 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
- (3) Based on 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
- (4) 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

7.2 Low Trading Liquidity of the Shares

The trading liquidity of the Shares has been low. The average daily trading volume of the Shares over the last one (1)-month period, three (3)-month period, six (6)-month period and 12-month period up to and including the Last Trading Day are set out in the table below.

	One (1)-month period	Three (3)-month period	Six (6)-month period	12-month period
Average daily trading volume as a percentage of total Shares⁽¹⁾⁽²⁾	0.388%	0.296%	0.309%	0.351%

Notes:

(1) The average daily trading volume is based on data extracted from Bloomberg L.P. as at the Last Trading Day and calculated using the daily total volume of Shares traded divided by the total number of Shares

(2) The percentage figures are rounded to the nearest three (3) decimal places

8. RATIONALE FOR THE OFFER AND INTENTIONS FOR THE COMPANY

8.1 Greater Management Flexibility

The Offeror is making the Offer with a view to delisting the Company from the SGX-ST and exercising any rights of compulsory acquisition that may arise under Section 215(1) of the Companies Act. The Offeror believes that privatising 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.

8.2 No Need for Access to Capital Markets

Since 2004, the Company has not carried out any corporate exercise to raise funds on the SGX-ST. The Company is also 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.

8.3 Compliance Costs of Maintaining Listing

In maintaining its listed status, the Company incurs compliance and associated costs. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to the maintenance of its listed status and focus its resources on its business operations.

8.4 Offeror's Intentions for the Company

The Offeror has no current intentions to (a) introduce any major changes to the existing business of the Company; (b) re-deploy the fixed assets of the Company; or (c) discontinue the employment of the existing employees of the Company and its subsidiaries, in each case, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Company and its subsidiaries.

9. LISTING STATUS AND COMPULSORY ACQUISITION

9.1 Listing Status

Under Rule 723 of the Listing Manual, the Company must ensure that at least 10% of the total number of Shares is at all times held in public hands (the “**Free Float Requirement**”). Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and persons acting in concert with it to above 90% of the total number of Shares (excluding treasury shares), the SGX-ST may suspend the trading of the Shares (excluding treasury shares) in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of Shares are held by at least 500 Shareholders who are members of the public.

Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares (excluding treasury shares), thus causing the percentage of the total number of Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

Under Rule 724(1) of the Listing Manual, if the Free Float Requirement is not satisfied, the Company must, as soon as possible, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of the Shares held in public hands to at least 10%, failing which the Company may be removed from the Official List of the SGX-ST.

9.2 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding, for the avoidance of doubt, any shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares from Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”) at a price equal to the Offer Price (the “**Compulsory Acquisition**”).

In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total Shares, Dissenting Shareholders will have a right to require the Offeror to acquire their Shares at the Offer Price. Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

9.3 Offeror’s Intentions

The Offeror does not intend to maintain the listing status of the Company. In the event that, *inter alia*, the Free Float Requirement is not satisfied, the Offeror intends to delist the Company and does not intend to take any step for the public float to be restored and/or for any trading suspension of the Shares by the SGX-ST to be lifted. **Furthermore, the Offeror, if and when entitled, intends to exercise its rights of Compulsory Acquisition under Section 215(1) of the Companies Act.**

In addition, the Offeror also reserves the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual (collectively, the “**Voluntary Delisting Rules**”). Without prejudice to the foregoing, if the Offeror receives, as

at the Closing Date, valid acceptances of the Offer from Shareholders (other than persons acting in concert with the Offeror) (the “**Independent Shareholders**”) representing at least 75% of the total number of issued Shares held by the Independent Shareholders and subject to substantive compliance with the other requirements set out in such Voluntary Delisting Rules, the Offeror intends to seek SGX-ST’s waiver from strict compliance with such Voluntary Delisting Rules.

In the event that the public float is lost and the Offeror is unable to exercise its right of Compulsory Acquisition or the Company is unable to meet the requirements set out in the Voluntary Delisting Rules, the trading of the Shares may be subjected to a prolonged period of suspension.

10. **OVERSEAS PERSONS**

The availability of the Offer to Shareholders whose mailing addresses are outside of Singapore (as shown on the register of members of the Company or, as the case may be, in the records of CDP) (each, an “**Overseas Person**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Person should inform himself about and observe any applicable legal requirements, and exercise caution in relation to the Offer, as this Offer Document, the FAAs and the FATs have not been reviewed by any regulatory authority in any overseas jurisdiction. **Where there are potential restrictions on sending this Offer Document, the FAAs and/or the FATs to any overseas jurisdictions, the Offeror, the Joint Financial Advisers and CDP each reserves the right not to send these documents to Shareholders in such overseas jurisdictions. For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom this Offer Document, the FAAs and/or the FATs have not been, or may not be, sent.**

Copies of this Offer Document and any other formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction (a “**Restricted Jurisdiction**”) and will not be capable of acceptance by any such use, means, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility.

Overseas Persons may, nonetheless, obtain copies of this Offer Document, the FAAs and/or the FATs and any related documents, during normal business hours and up to the Closing Date, from the Offeror through its receiving agent, CDP (if he is a depositor) at 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588; or the Share Registrar (if he is a scripholder), Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) at its office located at 80 Robinson Road, #11-02, Singapore 068898.

Alternatively, an Overseas Person may write to the Offeror through CDP (if he is a depositor) at Robinson Road Post Office, P.O. Box 1984, Singapore 903934, or the Share Registrar (if he is a scripholder) at the address listed above, to request for this Offer

Document, the FAAs and/or the FATs and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Person's own risk, up to five (5) Market Days prior to the Closing Date.

It is the responsibility of any Overseas Person who wishes to (a) request for this Offer Document, the FAAs, the FATs and/or any related documents; and/or (b) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Person shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including the Joint Financial Advisers) shall be fully indemnified and held harmless by such Overseas Person for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including the Joint Financial Advisers) may be required to pay. In (i) requesting for this Offer Document, the FAAs and/or the FATs and any related documents; and/or (ii) accepting the Offer, the Overseas Person represents and warrants to the Offeror and the Joint Financial Advisers that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. **Any Overseas Person who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.**

The Offeror and the Joint Financial Advisers each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Persons) by announcement on the website of the SGX-ST or notice and if necessary, by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including an Overseas Person) to receive or see such announcement, notice or advertisement.

11. CONFIRMATION OF FINANCIAL RESOURCES

DBS Bank, as Joint Financial Adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by holders of the Offer Shares on the basis of the Offer Price, excluding the Reinvestment Amount.

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

The Directors jointly and severally accept responsibility accordingly.

13. GENERAL

Any omission relating to the despatch of this Offer Document, the FAAs and/or the FATs, or any notice, advertisement or announcement required to be given under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made or should be made shall not invalidate the Offer in any way.

The Offer, this Offer Document, the FAAs and/or the FATs, all acceptances of the Offer, all contracts made pursuant thereto and all actions taken or deemed to be taken in connection with any of the foregoing shall be governed by, and construed in accordance with, the laws of Singapore and all accepting Shareholders agree, by accepting the Offer, to submit to the non-exclusive jurisdiction of the Singapore courts.

CPFIS Investors will receive further information on how to accept the Offer from the CPF Agent Banks directly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their CPF investment accounts.

SRS Investors will receive further information on how to accept the Offer from the SRS Agent Banks directly. SRS Investors are advised to consult their respective SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice. SRS Investors who wish to accept the Offer are to reply to their respective SRS Agent Banks by the deadline stated in the letter from their respective SRS Agent Banks. SRS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their SRS investment accounts.

Unless expressly provided otherwise in this Offer Document, the FAAs and/or the FATs, a person who is not a party to any contracts made pursuant to the Offer, this Offer Document, the FAAs and/or the FATs has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

The Offeror and the Joint Financial Advisers each reserves the right to treat acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the FAA and/or the FAT, as the case may be, or if made otherwise than in accordance with the provisions herein and in the FAA and/or the FAT.

The Joint Financial Advisers are acting for and on behalf of the Offeror and do not purport to advise Shareholders. In preparing their letter to Shareholders for and on behalf of the Offeror, the Joint Financial Advisers have not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder.

The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Offer will be made available to Shareholders in due course and in any event, the Independent Directors are required under the Code to despatch their views within 14 days of the posting of this Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Offer.

APPENDIX IV to this Offer Document sets out additional general information relating to the Offer. Your attention is drawn to all the Appendices which form part of this Offer Document.

Issued by
CLSA SINGAPORE PTE LTD and DBS BANK LTD.

For and on behalf of
YHT VENTURE PTE. LTD.

7 January 2021

Any inquiries relating to this Offer Document or the Offer should be directed during office hours to:

CLSA Singapore Pte Ltd
Corporate Finance and Capital Markets

Tel: +65 6416 7888

DBS Bank Ltd.
Strategic Advisory

Tel: +65 6878 2150

APPENDIX I

ADDITIONAL INFORMATION ON THE OFFEROR

1. DIRECTORS OF THE OFFEROR

The names, addresses and descriptions of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr Yao Hsiao Tung	c/o 80 Robinson Road, #11-02 Singapore 068898	Director
Madam Wong Huey Fang	c/o 80 Robinson Road, #11-02 Singapore 068898	Director

2. REGISTERED OFFICE OF THE OFFEROR

The registered office of the Offeror is at 80 Robinson Road, #11-02, Singapore 068898.

3. PRINCIPAL ACTIVITY OF THE OFFEROR

The Offeror is an investment holding company.

4. NO FINANCIAL STATEMENTS

As the Offeror was recently incorporated on 2 December 2020, the Offeror has not prepared any financial statements since the date of its incorporation.

5. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save for the making and financing of the Offer, there have been no known material changes in the financial position of the Offeror since its incorporation.

6. SIGNIFICANT ACCOUNTING POLICIES

As no audited financial statements of the Offeror have been prepared since the date of its incorporation, there are no significant accounting policies to be noted.

APPENDIX II

ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS

Based on publicly available information, the names, addresses and descriptions of the directors of the Company as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr Yao Hsiao Tung	c/o 11 International Business Park Singapore 609926	Executive Chairman and Chief Executive Officer
Madam Wong Huey Fang	c/o 11 International Business Park Singapore 609926	Executive Director and Chief Administrative Officer
Mr Yeo Tiong Eng	c/o 11 International Business Park Singapore 609926	Non-Executive Director
Mr Gerald Lim Thien Su	c/o 11 International Business Park Singapore 609926	Lead Independent Director
Mr Chester Lin Chien	c/o 11 International Business Park Singapore 609926	Independent Director
Madam Leong Lai Peng	c/o 11 International Business Park Singapore 609926	Independent Director
Mr Seow Choke Meng	c/o 11 International Business Park Singapore 609926	Independent Director
Mr Ho Kheong Chun Peter	c/o 11 International Business Park Singapore 609926	Independent Director

2. SHARE CAPITAL

As at the Latest Practicable Date, based on publicly available information, the Company has an issued and paid-up share capital of S\$119,725,495 consisting of 807,467,735 Shares (excluding 79,707,265 treasury shares). As at the Latest Practicable Date, the Company does not have any other class of share capital.

As at the Latest Practicable Date, based on information available to the Offeror, save for the Company Options and Awards, the Company has not granted any other options or issued any rights, warrants or other securities convertible into, exercisable for or redeemable with any Shares.

There is no restriction in the constitution of the Company on the right to transfer any Shares, which has the effect of requiring the holders of the Offer Shares, before transferring them, to first offer them for purchase to Shareholders or to any other person.

3. REGISTERED OFFICE

The registered office of the Company is at 11 International Business Park, Singapore 609926.

4. PRINCIPAL ACTIVITY OF THE COMPANY

The principal activities of the Company and its subsidiaries are those relating to integrated contract manufacturing.

5. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as disclosed in this Offer Document and save for the information on the Group which is publicly available (including, without limitation, the annual report of the Company for FY2019 which includes the audited consolidated financial statements of the Company and its subsidiaries for FY2019 as released by the Company on the website of the SGX-ST on 8 April 2020, and other announcements released by the Company on the website of the SGX-ST), there has not been, within the knowledge of the Offeror, any material change in the financial position or prospects of the Company since 31 December 2019, being the date of the last audited consolidated financial statements of the Company laid before Shareholders in general meeting.

APPENDIX III

ADDITIONAL GENERAL INFORMATION

1. DISCLOSURE OF INTERESTS IN COMPANY SECURITIES

1.1 Holdings in Company Securities

(a) Holdings in Shares

As at the Latest Practicable Date, based on the latest information available to the Offeror, the interests in Shares held by the Offeror, the Directors and persons acting in concert with the Offeror are set out below:

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mr Yao	673,496,144	83.41	35,416,000 ⁽²⁾	4.39	708,912,144	87.79
YHT Global	35,416,000	4.39	–	–	35,416,000	4.39
Szeto Tzen ⁽⁴⁾	1,282,000	0.16	–	–	1,282,000	0.16
Madam Wong	737,982	0.09	–	–	737,982	0.09
Hung Han-I, Carrie ⁽³⁾	620,865	0.08	–	–	620,865	0.08
Carrie Yao Chia Juei ⁽³⁾	108,000	0.01	–	–	108,000	0.01
Kng Mian Tze ⁽⁵⁾	12,500	0.00	–	–	12,500	0.00
Heleston Chew Khai Suen ⁽⁶⁾	10,000	0.00	–	–	10,000	0.00
Yao Hsiao Kuang ⁽³⁾	622	0.00	–	–	622	0.00

Notes:

- (1) The percentage shareholding interest is based on the total number of Shares as at the Latest Practicable Date. Percentages are rounded to the nearest two (2) decimal places.
- (2) Mr Yao is deemed to have an interest in the 35,416,000 Shares held by YHT Global as he is the 100% shareholder of YHT Global.
- (3) Close Relative of Mr Yao and presumed to be acting in concert with the Offeror pursuant to the Code.
- (4) Close Relative of Madam Wong and presumed to be acting in concert with the Offeror pursuant to the Code.
- (5) Close Relative of Szeto Tzen and Heleston Chew Khai Suen and presumed to be acting in concert with the Offeror pursuant to the Code.
- (6) Close Relative of Szeto Tzen and Kng Mian Tze and presumed to be acting in concert with the Offeror pursuant to the Code.

(b) Holdings in Company Options

As at the Latest Practicable Date, based on the latest information available to the Offeror, the Company Options held by the Offeror, the Directors and the persons acting in concert with the Offeror are set out below:

Name	No. of Company Options	Exercise Period	Exercise Price (S\$)
Mr Yao	2,571,000	5 May 2012 to 4 May 2021	1.20
	1,119,650	4 May 2013 to 3 May 2022	0.90
	222,659	30 April 2014 to 29 April 2023	0.699
	447,073	12 May 2016 to 11 May 2025	0.57
Madam Wong	326,000	5 May 2012 to 4 May 2021	1.20
	136,421	4 May 2013 to 3 May 2022	0.90
	20,670	30 April 2014 to 29 April 2023	0.699
	24,725	12 May 2016 to 11 May 2025	0.57
Hung Han-I, Carrie ⁽¹⁾	100,000	9 April 2013 to 8 April 2022	0.96
	500,000	Up to 100,000 Company Options exercisable after each of the first, second, third, fourth and fifth anniversaries of 30 June 2020 ⁽²⁾	1.08
Carrie Yao Chia Juei ⁽¹⁾	300,000	Up to 60,000 Company Options exercisable after each of the first, second, third, fourth and fifth anniversaries of 30 June 2020 ⁽²⁾	1.08

Notes:

- (1) Close Relative of Mr Yao and presumed to be acting in concert with the Offeror pursuant to the Code.
- (2) The actual number of Company Options exercisable at each such anniversary is to be determined by the relevant employee's performance rating, as assessed by the Company, for the financial year immediately preceding the relevant anniversary.

(c) Holdings in Awards

As at the Latest Practicable Date, based on the latest information available to the Offeror, the Awards under the Hi-P Employee Share Award Scheme 2018 held by the Offeror, the Directors and the persons acting in concert with the Offeror are set out below:

Name	Date of Grant	No. of Outstanding Awards
Hung Han-I, Carrie ⁽¹⁾	1 August 2018	64,000
	31 March 2019	64,000
	14 April 2020	64,000
Carrie Yao Chia Juei ⁽¹⁾	1 August 2018	60,000
	31 March 2019	48,000

Note:

(1) Close Relative of Mr Yao and presumed to be acting in concert with the Offeror pursuant to the Code.

As at the Latest Practicable Date, the Offeror does not hold any Company Securities.

1.2 Dealings in Company Securities

(a) Dealings in Shares

Based on information available to the Offeror, save as disclosed below and in the announcements released by the Joint Financial Advisers, for and on behalf of the Offeror, on the website of the SGX-ST on 21 December 2020, 22 December 2020, 23 December 2020, 24 December 2020 and 28 December 2020, each in relation to dealings in Shares by YHT Global, none of the Offeror, the Directors and persons acting in concert with the Offeror has dealt in Shares during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date (the “**Relevant Period**”):

Name	Transaction Date	Transaction Type	No. of Shares	Transaction price per Share (S\$)
CLSA	27 November 2020	Buy	457,100	1.7236
CLSA	27 November 2020	Buy	250,100	1.7208
CLSA	27 November 2020	Sell	707,200	1.7208

(b) Dealings in Company Options

None of the Offeror, the Directors and persons acting in concert with the Offeror has dealt in Company Options during the Relevant Period.

1.3 Undertakings to accept or reject the Offer

As at the Latest Practicable Date, save for the Irrevocable Undertakings, no person has given any undertaking to the Offeror or any persons acting in concert with it, to accept or reject the Offer.

1.4 Arrangements of the kind referred to in Note 7 on Rule 12 of the Code

As at the Latest Practicable Date, save for the Irrevocable Undertakings, neither the Offeror nor any persons acting in concert with it has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares which may be an inducement to deal or refrain from dealing in the Shares.

1.5 No agreement in connection with or dependent on the Offer

As at the Latest Practicable Date, save for the Irrevocable Undertakings, there is no agreement, arrangement or understanding between (a) the Offeror or any persons acting in concert with it; and (b) any of the present or recent directors of the Company, or any of the present or recent Shareholders or any other persons that has any connection with or is conditional upon the outcome of the Offer.

1.6 Transfer of Offer Shares

Save as disclosed in this Offer Document, as at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any of the Offer Shares acquired by the Offeror pursuant to the Offer will or may be transferred to any other person. The Offeror, however, reserves the right to transfer any of the Shares to any of its related corporations (as defined in the Companies Act) or for the purpose of granting security in favour of financial institutions which have extended or which may extend credit facilities to it from time to time.

1.7 No payment or benefit to directors of the Company

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for payment or other benefit being made or given to any director of the Company or to any director of any corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or as consideration for, or in connection with, his retirement from office or otherwise in connection with the Offer.

1.8 Security interest over or borrowing/lending of Company Securities

As security for the financing arrangements entered into in connection with the Offer, the Offeror and Mr Yao have granted charges in favour of DBS Bank over all Company Securities at any time, and from time to time, held by or on behalf of each of them respectively (the "**Financing Security Arrangements**").

As at the Latest Practicable Date, Mr Yao has granted charges in favour of DBS Bank over (a) the following Company Securities held by him: (i) 673,496,144 Shares, representing approximately 83.41% of the total number of Shares; and (ii) Options to subscribe for an aggregate of 4,360,382 Shares, representing approximately 0.54% of the total number of Shares; and (b) 35,416,000 Shares held by YHT Global, representing approximately 4.39% of the total number of Shares (collectively, the "**Charged Securities**"). Pursuant to the terms of his Irrevocable Undertaking, Mr Yao shall procure the release of the Charged Securities from the Financing Security Arrangements to enable him and YHT Global to accept the Offer in respect of the Charged Securities.

Save as disclosed in this Offer Document, as at the Latest Practicable Date, none of the Offeror or any persons acting in concert with it has (a) granted a security interest over any Company Securities to another person, whether through a charge, pledge or otherwise; (b) borrowed from another person any Company Securities (excluding borrowed Company Securities which have been on-lent or sold); or (c) lent any Company Securities to another person.

2. GENERAL

2.1 Consent

Each of the Joint Financial Advisers has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and letter and all references thereto in the form and context in which they respectively appear.

2.2 Costs and expenses

All costs and expenses of or incidental to the Offer including the preparation and circulation of this Offer Document, the FAA and the FAT (other than professional fees and other costs relating to the Offer incurred or to be incurred by the Company) and stamp duty and transfer fees resulting from acceptances of the Offer will be paid by the Offeror.

3. MARKET QUOTATIONS

The closing price of the Shares on the SGX-ST, as reported by Bloomberg L.P., on (a) the Latest Practicable Date was S\$2.000; and (b) the Last Trading Day was S\$1.760. The closing prices of the Shares on the SGX-ST on the last Market Day (on which there were trades in respect of the Shares) of each of the six (6) calendar months preceding the Offer Announcement Date, as reported by Bloomberg L.P., are set out below:

Month	Closing Price of the Month (S\$)
June 2020	1.060
July 2020	1.280
August 2020	1.240
September 2020	1.180
October 2020	1.210
November 2020	1.720

During the period commencing six (6) months preceding the Offer Announcement Date and ending on the Latest Practicable Date (being 18 June 2020 to 28 December 2020 (both dates inclusive)):

- (a) the highest closing price of the Shares on the SGX-ST, as reported by Bloomberg L.P., was S\$2.000, which was transacted on 18 December 2020, 21 December 2020, 22 December 2020, 23 December 2020, 24 December 2020 and 28 December 2020; and
- (b) the lowest closing price of the Shares on the SGX-ST, as reported by Bloomberg L.P., was S\$1.050, which was transacted on 22 September 2020.

4. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the office of the Share Registrar at 80 Robinson Road, #11-02, Singapore 068898 during normal business hours, while the Offer remains open for acceptance:

- (a) the Offer Announcement;
- (b) the Irrevocable Undertakings; and
- (c) the letters of consent from the Joint Financial Advisers referred to in paragraph 2.1 of this **APPENDIX III**.

APPENDIX IV

DETAILS OF THE OFFER

1. DURATION OF THE OFFER

(a) Closing Date

Except insofar as the Offer may be withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder, the Offer will remain open for acceptances for a period of at least 28 days from the date of posting of this Offer Document.

The Offer will close at 5.30 p.m. Singapore time on 4 February 2021 (the “Closing Date”) or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

(b) Offer to remain open for 14 days thereafter

Pursuant to Rule 22.6 of the Code, as the Offeror has not stated in this Offer Document that the Offer will not be extended beyond the first closing date, the Offer will remain open for a period of not less than 14 days after the date on which the Offer would otherwise have closed.

(c) Revision

Pursuant to Rule 20.1 of the Code, the Offer, if revised, will remain open for acceptance for a period of at least 14 days from the date of despatch of the written notification of the revision to Shareholders, as the case may be. In any case, where the terms are revised, the benefit of the Offer (as so revised) will be made available to each Shareholder including those who had previously accepted the Offer.

(d) Subsequent closing date(s)

If there is an extension of the Offer, pursuant to Rule 22.4 of the Code, any announcement of an extension will state the next closing date or if the Offer is unconditional as to acceptances, a statement may be made that the Offer will remain open until further notice. In the latter case, those Shareholders who have not accepted the Offer will be notified in writing at least 14 days before the Offer is closed.

2. SETTLEMENT FOR THE OFFER

Subject to the receipt by the Offeror from accepting Shareholders of valid acceptances, complete in all respects and in accordance with the instructions given in this Offer Document, the FAA, the FAT and/or the terms and conditions for Electronic Acceptance (as the case may be) and in the case of a depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the “Free Balance” of the depositor’s Securities Account at the relevant time(s), remittances in the form of S\$ cheques drawn on a bank in Singapore for the appropriate amounts will be despatched, pursuant to Rule 30 of the Code, to the accepting Shareholder (or, in the case of a Shareholder holding share certificate(s) which is not deposited with CDP, his designated agent (if any)) by ordinary post and at the risk of the accepting Shareholder or in such manner as he may have agreed with CDP for payment of any cash distribution as soon as practicable but in any event within seven (7) business days of the date of such receipt.

3. ANNOUNCEMENTS

- (a) Pursuant to Rule 28.1 of the Code, by 8.00 a.m. Singapore time on the dealing day (the “**Relevant Day**”) immediately after the day on which the Offer is due to expire, or is revised or extended (if applicable), the Offeror will announce and simultaneously inform the SGX-ST of the total number of Shares (as nearly as practicable):
- (i) in respect of which valid acceptances of the Offer have been received;
 - (ii) held by the Offeror and any person acting in concert with it before the Offer Period; and
 - (iii) acquired or agreed to be acquired by the Offeror and any person acting in concert with it during the Offer Period,
- and will specify the respective percentages of the total number of Shares represented by such numbers.
- (b) Under Rule 28.2 of the Code, if the Offeror is unable, within the time limit, to comply with paragraph 3(a) above, the SIC will consider requesting the SGX-ST to suspend dealings in the Shares until the relevant information is given.
- (c) In this Offer Document, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by the Joint Financial Advisers or advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone or facsimile or through SGXNET or otherwise of an announcement on the website of the SGX-ST. An announcement made otherwise than on the website of the SGX-ST shall be notified simultaneously to the SGX-ST.
- (d) In computing the number of Offer Shares represented by acceptances, the Offeror will at the time of making an announcement take into account acceptances which are valid in all respects.

4. RIGHT OF WITHDRAWAL

Except as expressly provided in this Offer Document and the Code, acceptances of the Offer shall be irrevocable.

APPENDIX V

PROCEDURES FOR ACCEPTANCE OF THE OFFER

1. PROCEDURES FOR ACCEPTANCE OF THE OFFER BY DEPOSITORS WHOSE/WHICH SECURITIES ACCOUNTS ARE AND/OR WILL BE CREDITED WITH OFFER SHARES

1.1 Depositors whose/which Securities Accounts are credited with Offer Shares

If you have Offer Shares standing to the credit of the “Free Balance” of your Securities Account, you are entitled to receive this Offer Document together with the FAA. If you wish to accept the Offer, you should complete and sign the accompanying FAA or complete the electronic form of the FAA in accordance with the provisions and instructions in this Offer Document and the provisions and instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms of the Offer) and submit the duly completed FAA,

either by hand to:

YHT VENTURE PTE. LTD.

c/o The Central Depository (Pte) Limited
11 North Buona Vista Drive
#01-19/20
The Metropolis
Singapore 138589

or **by post** in the enclosed pre-addressed envelope **at your own risk**, to:

YHT VENTURE PTE. LTD.

c/o The Central Depository (Pte) Limited
Robinson Road Post Office
P.O. Box 1984
Singapore 903934

or **in electronic form** via SGX’s Investor Portal at <investors.sgx.com>,

so as in each case to arrive not later than 5.30 p.m. Singapore time on the Closing Date.

If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope, which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore.

If you have sold or transferred all your Offer Shares held through CDP, you need not forward this Offer Document and/or the accompanying FAA to the purchaser or the transferee (the “**Purchaser**”) as arrangements will be made by CDP for a separate Offer Document and FAA to be sent to the Purchaser. Purchasers should note that CDP will, on behalf of the Offeror, send a copy of this Offer Document and the FAA by ordinary post at the Purchasers’ own risk to their respective addresses as they appear in the records of CDP.

If you wish to accept the Offer, you must indicate in Section C of the FAA the number of Offer Shares in respect of which you wish to accept the Offer.

(a) If you:

- (i) do not specify such number; or
- (ii) specify a number which exceeds the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account on the date of receipt of the FAA by CDP (the “**Date of Receipt**”) or, in the case where the Date of Receipt is on the Closing Date, by 5.30 p.m. Singapore time on the Closing Date,

you shall be deemed to have accepted the Offer in respect of all the Offer Shares standing to the credit of the “Free Balance” of your Securities Account on the Date of Receipt or 5.30 p.m. Singapore time on the Closing Date (if the FAA is received by CDP on the Closing Date).

- (b) If paragraph 1.1(a)(ii) above applies and at the time of verification by CDP of the FAA on the Date of Receipt, there are outstanding settlement instructions with CDP to receive further Offer Shares into the “Free Balance” of your Securities Account (“**Unsettled Buy Position**”), and the Unsettled Buy Position settles such that the Offer Shares in the Unsettled Buy Position are transferred to the “Free Balance” of your Securities Account at any time during the period the Offer is open, up to 5.30 p.m. Singapore time on the Closing Date (“**Settled Shares**”), you shall be deemed to have accepted the Offer in respect of the balance number of Offer Shares indicated in the FAA or the relevant section of the electronic form of the FAA which have not yet been accepted pursuant to paragraph 1.1(a)(ii) above, or the number of Settled Shares, whichever is less.

If you are a depository agent, you may accept the Offer via the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents (the “**Electronic Acceptance**”). Such Electronic Acceptances must be submitted **not later than 5.30 p.m. Singapore time on the Closing Date**. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf. Such Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Offer Document as if the FAA has been duly completed, signed in its originality and submitted to CDP.

1.2 Depositors whose/which Securities Accounts will be credited with Offer Shares

If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the “Free Balance” of your Securities Account, you should also receive this Offer Document together with the FAA. If you wish to accept the Offer in respect of such Offer Shares, you should, after the “Free Balance” of your Securities Account has been credited with such number of Offer Shares, complete and sign the accompanying FAA or complete the electronic form of the FAA in accordance with the provisions and instructions in this Offer Document and the provisions and instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms of the Offer) and submit the duly completed FAA,

either by hand to:

YHT VENTURE PTE. LTD.

c/o The Central Depository (Pte) Limited
11 North Buona Vista Drive
#01-19/20
The Metropolis
Singapore 138589

or **by post** in the enclosed pre-addressed envelope **at your own risk**, to:

YHT VENTURE PTE. LTD.

c/o The Central Depository (Pte) Limited
Robinson Road Post Office
P.O. Box 1984
Singapore 903934

or **in electronic form** via SGX’s Investor Portal at <investors.sgx.com>,

so as in each case to arrive not later than 5.30 p.m. Singapore time on the Closing Date.

Please note that the enclosed pre-addressed envelope is pre-paid for posting in Singapore only and it is your responsibility to affix adequate postage on the said envelope if posting outside of Singapore.

If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been or will not be, credited to the “Free Balance” of your Securities Account (as, for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected. **None of the Offeror, the Joint Financial Advisers or CDP accepts any responsibility or liability in relation to such rejection, including the consequences thereof.**

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares is liable to be rejected if the “Free Balance” of your Securities Account is not credited with such Offer Shares by the Date of Receipt (if the FAA is received by CDP prior to the Closing Date) or 5.30 p.m. Singapore time on the Closing Date (if the FAA is received by CDP on the Closing Date), unless paragraph 1.1(a)(ii) read together with paragraph 1.1(b) of this **APPENDIX V** apply. If the Unsettled Buy Position does not settle by 5.30 p.m. Singapore time on the Closing Date, your acceptance in respect of such Offer Shares will be rejected. **None of the Offeror, the Joint Financial Advisers or CDP accepts any responsibility or liability in relation to such rejection, including the consequences thereof.**

1.3 Depositors whose/which Securities Accounts are and will be credited with Offer Shares

If you already have Offer Shares standing to the credit of the “Free Balance” of your Securities Account, and if you have also purchased additional Offer Shares on the SGX-ST that are in the process of being credited to the “Free Balance” of your Securities Account, you may accept the Offer in respect of the Offer Shares standing to the credit of the “Free Balance” of your Securities Account but in respect of the additional Offer Shares purchased which are in the process of being credited to the “Free Balance” of your Securities Account, you may accept the Offer in respect of such additional Offer Shares only after the “Free Balance” of your Securities Account has been credited with such number of Offer Shares. The provisions set out above shall apply in the same way to your acceptance(s).

1.4 General

For the avoidance of doubt, FAAs received by CDP on a Saturday, Sunday or public holiday in Singapore will only be processed and validated on the next business day.

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account. You can verify the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account (a) through CDP Online if you have registered for CDP Internet Access Service; or (b) through the CDP Phone Service using SMS OTP, under the option “To check your securities balance”.

Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the Offer Shares in respect of which you have accepted the Offer from the “Free Balance” of your Securities Account to the “Blocked Balance” of your Securities Account. Such Offer Shares will be held in the “Blocked Balance” until the consideration for such Offer Shares has been despatched to you.

No acknowledgement will be given by CDP for submissions of FAAs made. All communications, notices, documents and payments to be delivered or sent to you will be sent by ordinary post at the risk of the person(s) entitled thereto to the mailing address appearing in the records of CDP. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

CDP will send you a notification letter stating the number of Offer Shares debited from the “Free Balance” of your Securities Account together with payment of the Offer Price which will be credited directly into your designated bank account for S\$ via CDP’s Direct Crediting Service (“**DCS**”) on the payment date as soon as practicable.

In the event you are not subscribed to CDP’s DCS, any monies to be paid shall be credited to your Cash Ledger and be subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein).

If you do not have any existing Securities Account in your own name at the time of acceptance of the Offer, your acceptance as contained in the FAA will be rejected.

If you are a depositor whose/which Securities Account is or will be credited with Offer Shares but you do not receive this Offer Document and/or the FAA, you may obtain this document and/or the FAA from CDP by submitting a request to CDP via phone (+65 6535 7511) or email services (asksgx@sgx.com). Electronic copies of the FAA may also be obtained on the website of the SGX-ST at www.sgx.com.

If you hold Offer Shares in a “Broker-linked Balance” and you wish to accept the Offer in respect of such Offer Shares, you must take the relevant steps to transfer such Offer Shares out of the “Broker-linked Balance” to the “Free Balance” of your Securities Account. The FAA may not be used to accept the Offer in respect of Offer Shares in a “Broker-linked Balance”.

2. PROCEDURES FOR ACCEPTANCE OF THE OFFER BY SHAREHOLDERS WHO HOLD OFFER SHARES WHICH ARE NOT DEPOSITED WITH CDP

If you hold Offer Shares which are not deposited with CDP, you are entitled to receive this Offer Document together with the FAT. If you wish to accept the Offer, you should complete and sign the FAT (which is available upon request from **YHT VENTURE PTE. LTD.** c/o Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #11-02, Singapore 068898) in accordance with the provisions and instructions in this Offer Document including the provisions and instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms of the Offer) and submit the duly completed and signed original FAT with the relevant share certificate(s) and/or other document(s) of title and/or any other relevant document(s) required by the Offeror **by hand or by post**, at your own risk, to:

YHT VENTURE PTE. LTD.

c/o Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)
80 Robinson Road, #11-02
Singapore 068898

so as to arrive not later than 5.30 p.m. Singapore time on the Closing Date.

If the number of Offer Shares in respect of acceptances for the Offer as inserted by you in the FAT exceeds the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT, or if no such number of Offer Shares is inserted by you, then you shall be deemed to have accepted the Offer in respect of all the Offer Shares as represented by the share certificate(s) and/or other document(s) of title accompanying the FAT.

General

If your Offer Shares are represented by share certificate(s) which are not registered with the Company in your own name, you must send in, at your own risk, the relevant share certificate(s), other document(s) of title and/or other relevant documents required by the Offeror together with a duly completed and signed original FAT accompanied by transfer form(s), duly completed and executed by the person(s) registered with the Company as the holder of the Offer Shares and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it).

It is your responsibility to ensure that the FAT is properly completed in all respects. The Offeror, the Joint Financial Advisers and/or the Share Registrar will be entitled, in their sole and absolute discretion, to reject any acceptance which does not comply with the provisions and instructions contained herein and in the FAT, or (subject to the preceding paragraph) which is not accompanied by the relevant share certificate(s), other document(s) of title and/or any other relevant document(s) required by the Offeror, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject or treat as valid any acceptance will be final and binding, and none of the Offeror, the Joint Financial Advisers or the Share Registrar accepts any responsibility or liability for the consequences of such a decision.

Except as specifically provided for in this Offer Document and the Code, acceptance of the Offer is irrevocable.

No acknowledgement of receipt of any FAT, share certificate(s), other document(s) of title, transfer form(s) and/or any other relevant document(s) required by the Offeror will be given.

All communications, notices, certificates, documents and remittances to be delivered or sent to you will be sent by ordinary post at your sole risk.

Payment will be sent to you (or your designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the register of members of the Company) by ordinary post at your address as it appears in the register of members of the Company at your own risk (or to such different name and address as may be specified by you in the FAT and at your own risk), by way of a S\$ cheque drawn on a bank in Singapore for the appropriate amount.

If you are a Shareholder who holds Offer Shares which are not deposited with CDP but you do not receive the FAT, you may obtain the FAT upon production of satisfactory evidence that you are a Shareholder, from **YHT VENTURE PTE. LTD.** c/o Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) at its office at 80 Robinson Road, #11-02, Singapore 068898.

3. OTHER RELEVANT INFORMATION IN RESPECT OF THE PROCEDURES FOR ACCEPTANCE

If you hold share certificate(s) of some of the Offer Shares beneficially owned by you and if you have deposited the rest of the Offer Shares beneficially owned by you with CDP, you are required to complete, sign and submit at your own risk, the signed original FAT in respect of the Offer Shares represented by share certificate(s) and the signed original FAA in respect of the Offer Shares which are deposited with CDP, if you wish to accept the Offer in respect of all such Offer Shares. Both the FAT and the FAA must be completed, signed and accompanied by the relevant documents and submitted to the Offeror in accordance with the respective procedures for acceptance set out in paragraphs 1 and 2 of this **APPENDIX V**.

If you hold share certificate(s) of the Offer Shares beneficially owned by you and you wish to accept the Offer in respect of such Offer Shares, you should not deposit the share certificate(s) with CDP during the period commencing on the date of this Offer Document and ending on the Closing Date (both dates inclusive) as your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the Offer.

If you wish to accept the Offer, it is your responsibility to ensure that the FAA and/or the FAT, as the case may be, is properly completed in all respects, submitted with original signature(s) and all required documents are provided. The Offeror, the Joint Financial Advisers, CDP and/or the Share Registrar will be entitled, in their sole and absolute discretion, to reject any acceptance which does not comply with the provisions and instructions contained herein and in the FAA and/or the FAT, as the case may be, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject or treat as valid any acceptance will be final and binding, and none of the Offeror, the Joint Financial Advisers, CDP or the Share Registrar accepts any responsibility or liability for the consequences of such a decision.

Acceptances in the form of the FAA and/or the FAT received by the Offeror, the Joint Financial Advisers, CDP and/or the Share Registrar, on a Saturday, Sunday or public holiday will only be processed and validated on the next business day.

Submission of the duly completed and signed original FAA and/or FAT through CDP and/or the Share Registrar and/or, as the case may be, the Offeror or the Joint Financial Advisers, shall be conclusive evidence in favour of the Offeror, the Joint Financial Advisers, CDP and the Share Registrar of the right and title of the person(s) signing it to deal with the same and with the Offer Shares to which it relates. The Offeror and CDP shall be entitled to assume the accuracy of any information and/or documents submitted together with any FAA, and shall not be required to verify or question the validity of the same.

By completing and delivering the FAA and/or FAT, you (a) consent to the collection, use and disclosure of your personal data by the Offeror, Joint Financial Advisers, CDP, Share Registrar, CPF Board, the SGX-ST, Securities Clearing and Computer Services (Pte) Ltd and the Company (the “**Relevant Persons**”) or any person designated by the Relevant Persons in connection with the purpose of facilitating your acceptance of the Offer, and in order for the Relevant Persons or such designated person to comply with any applicable laws, listing rules, regulations and/or guidelines; (b) warrant that where you disclose the personal data of another person, such disclosure is in compliance with applicable law; and (c) agree that you will indemnify the Relevant Persons or such designated person in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of such warranty.

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