

**HI-P INTERNATIONAL LIMITED**  
(Company Registration No. 198004817H)

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**PROPOSED ACQUISITION OF 5,500,000 ISSUED AND PAID UP ORDINARY SHARES IN THE CAPITAL OF HI-P FLEX PTE. LTD., A SUBSIDIARY OF HI-P INTERNATIONAL LIMITED**

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**INTRODUCTION**

The Board of Directors of Hi-P International Limited (the "Company") wishes to announce that it has entered into an agreement (the "Share Purchase Agreement") to acquire 5,500,000 ordinary shares in the capital of Hi-P Flex Pte. Ltd. (the "Sale Shares") (the "Proposed Acquisition"). The Company currently holds 37,000,000 ordinary shares in the capital of Hi-P Flex, which constitute approximately 87.06% of its share capital, while the Sale Shares constitute the balance 12.94%. Upon completion of the acquisition, Hi-P Flex will become a wholly-owned subsidiary of the Company.

**CONSIDERATION**

The consideration for the acquisition of the Sale Shares is the US dollar equivalent of RMB25,000,000 (the "Consideration") (based on the average exchange rate published by the Central Bank of China on the completion date) and was arrived at on a willing-buyer-willing-seller basis, taken into account the net asset value of Hi-P Flex as at 31 December 2009.

The Company intends to finance the Consideration through internal resources of funds.

**BOOK VALUE AND NET TANGIBLE ASSET VALUE**

The book value of the Sale Shares upon investment is S\$5,500,000. The audited net tangible asset value of the Sale Shares (based on 12.94% of the net tangible asset value of Hi-P Flex as at 31 December 2009, as recorded in the books of Hi-P Flex), is approximately S\$5,275,421.

**RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL**

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual does not exceed 5%. This announcement is made pursuant to Rule 704(15)(d) of the Listing Manual.

**INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the Proposed Acquisition.

**DOCUMENT FOR INSPECTION**

A copy of the Share Purchase Agreement is available for inspection during normal business hours at the Company's registered address at 11 International Business Park Jurong East Singapore 609926 for a period of three (3) months from the date hereof.

By Order of the Board  
Hi-P International Limited

Yao Hsiao Tung  
Executive Chairman and Chief Executive Officer  
28 April 2010