



Karin Technology
Holdings Limited

Karin Technology Holdings Limited

(Incorporated in Bermuda on 30 August 2002)
(Company Registration Number 32514)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at Level 4, Empress 2, The Carlton Hotel, 76 Bras Basah Road, Singapore 189558 on Thursday, 15 October 2009 at 10:30 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2009 together with the Directors' Report and the Auditors' Report thereon. **(Resolution 1)**
2. To approve a final dividend of HK 2.7 cents per ordinary share and a special dividend of HK 2.7 cents per ordinary share for the financial year ended 30 June 2009. **(Resolution 2)**
3. To approve Directors' Fees of HK\$640,000.00 for the financial year ended 30 June 2009. **(Resolution 3)**
4. To re-elect the following Directors retiring pursuant to Bye-Law 86 of the Company's Bye-Laws, and who, being eligible, offer themselves for re-election:
 - (i) Mr Lee Yiu Chung, Eugene; and **(Resolution 4)**
 - (ii) Prof. Ng Tung Sang (See explanatory Note 1) **(Resolution 5)**
5. To re-appoint Messrs Ernst & Young, Hong Kong as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

AS SPECIAL BUSINESS

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

6. Authority to allot and issue shares **(Resolution 7)**

"That in accordance with Rule 806 of the Listing Manual ("Listing Manual") of the Singapore Exchange Securities Trading Limited ("SGX-ST"), approval be and is given to the Directors to issue:–

 - (a) shares in the Company (whether by way of bonus, rights or otherwise); or
 - (b) convertibles securities; or
 - (c) additional convertible securities arising from adjustments made to the number of convertible securities previously issued in the events of rights, bonus or capitalization issues; or
 - (d) shares arising from the conversion of convertible securities,

at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that:–

 - (i) the aggregate number of shares and convertible securities that may be issued shall not be more than 50% of the total number of issued shares excluding treasury shares, in the capital of the Company or such other limit as may be prescribed by the SGX-ST as at the date the general mandate is passed;
 - (ii) the aggregate number of shares and convertible securities to be issued other than on a pro-rata basis to existing shareholders shall not be more than 20% of the total number of issued shares excluding treasury shares in the capital of the Company or such other limit as may be prescribed by the SGX-ST as at the date the general mandate is passed;
 - (iii) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraphs (i) and (ii) above, total number of issued shares excluding treasury shares in the capital of the Company shall be calculated based on the total number of issued shares excluding treasury shares in the capital of the Company as at the date the general mandate is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or employee stock options in issue as at the date the general mandate is passed and any subsequent bonus issue, consolidation or subdivision of the Company's shares; and
 - (iv) the 50% limit in (i) above may be increased to 100% for the Company to undertake pro-rata renounceable rights issues and unless earlier revoked or varied by the Company in general meeting, such authority shall continue in force until the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier." (See Explanatory Note 2)

7. To authorise Director to issue shares (other than on a pro-rata basis) with a maximum discount of 20% **(Resolution 8)**

"That subject to and pursuant to the share issue mandate in Resolution 7 above being obtained, authority be and is hereby to the Directors to issue new shares other than on a pro-rata basis to shareholders of the Company at an issue price per new share which shall be determined by the Directors in their absolute discretion provided that such price shall not represent more than a 20% discount for new shares to the weighted average price per share determined in accordance with the requirements of the SGX-ST." (See Explanatory Note 3)

8. To authorise Director to grant options and issue shares under the Karin Employee Share Option Scheme **(Resolution 9)**

"That the Directors of the Company be and are hereby authorised to offer and grant options in accordance with Karin Employee Share Option Scheme ("Scheme") and to allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of the options under the Scheme provided always that the aggregate number of shares to be issued pursuant to the Scheme shall not exceed 15% of the total number of issued shares excluding treasury shares in the capital of the Company from time to time." (See Explanatory Note 4)

9. "That, subject to and contingent upon the passing of Resolution 9 above, the exercise price of the options may, at the discretion of the Committee (as defined in the Scheme), be set at a discount subject to the following conditions:
 - (a) the maximum discount shall not exceed 20% of the market price, which is the average of the last dealt prices for a share determined by reference to the daily Official List published by the SGX-ST for a period of five (5) consecutive market days immediately prior to the relevant date of grant of the option (as determined in accordance with the rules of the Scheme); and
 - (b) in no event shall the exercise price be less than the nominal value of each share."

10. Proposed renewal of the 2009 Share Buyback Mandate (see Appendix) That: **(Resolution 11)**
 - (a) pursuant to the Company's Bye-laws (the "Bye-laws"), the Companies Act 1981 of Bermuda (the "Companies Law") and the listing manual of Singapore Exchange Securities Trading Limited ("SGX-ST") (the "Listing Manual"), approval be and is hereby given for the renewal of the Share Buyback Mandate (as hereinafter defined) and the directors of the Company (the "Directors") be authorised to exercise all the powers of the Company to purchase or otherwise acquire issued ordinary shares, fully paid in the capital of the Company ("Shares") not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) market purchase(s) ("Market Purchase"), transacted on SGX-ST through SGX-ST's Central Limit Order Book (CLOB) trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted; and/or
 - (ii) off-market purchase(s) ("Off-Market Purchase") (if effected otherwise than on SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit and in the interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Bye-laws and the Listing Manual,

and otherwise in accordance with all other laws and regulations (the "Share Buyback Mandate");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earlier of:
 - (i) the date on which the next annual general meeting of the Company ("AGM") is held or required by law or the Bye-laws to be held;
 - (ii) the date on which Share purchases or acquisitions pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Buyback Mandate is varied or revoked at a general meeting.
- (the "Relevant Period").

In this resolution:

"Prescribed Limit" means ten per cent. (10%) of the issued ordinary share capital of the Company as at the date of passing of this resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Law, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time); and

"Maximum Price" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase: 105% of the Average Closing Price (as hereinafter defined);
- (ii) in the case of an Off-Market Purchase: 120% of the Highest Last Deal Price (as hereinafter defined), where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period;

"Highest Last Deal Price" means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (c) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or any of them may consider expedient, necessary, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution. (See Explanatory Note 5)
11. To transact any other business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Wong Chi Cheung, Clarence
Cho Form Po
Joint Company Secretaries

Singapore, 29 September 2009

Explanatory Notes on Businesses to be Transacted:–

1. Prof. Ng Tung Sang, if re-elected, he will remain as Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee, and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
2. Resolution 7, if passed, will authorise and empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and/or convertible securities in the Company up to an amount not exceeding in aggregate 50 percent of the total number of issued shares excluding treasury shares in the capital of the Company of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20 percent of the issued share capital of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.
 - (a) For the purpose of Resolution 7, the total number of issued shares (excluding treasury shares) is based on the Company's total number of issued shares (excluding treasury shares) at the time this proposed ordinary resolution is passed after adjusting for new shares arising from the conversion or exercise of convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this proposed ordinary resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.
 - (b) The 50% limit as stated in Note 2 above may be increased to 100% in respect of the allotment and issuance of shares by way of a pro-rata renounceable rights issue. This is one of the new measures introduced by the Singapore Exchange Limited, in consultation with the Monetary Authority of Singapore, on 20 February 2009 to accelerate and facilitate listed issuers' fund raising efforts and will be in effect until 31 December 2010.
 - (c) This mandate will provided the Directors with an opportunity to raise funds and avoid prolonged market exposure by reducing the time taken for shareholders' approval in the event the need arises. Minority shareholders' interests are mitigated as all shareholders have equal opportunities to participate and can dispose their entitlements through trading of nil-paid rights if they do not wish to subscribe for their rights shares.
3. Resolution 8, if passed, will allow the Company to undertake placements of new shares other than on a pro-rata basis at discounts up to 20% to the weighted average price per share determined in accordance with the requirements of the SGX-ST. This is also one of the new measures by the Singapore Exchange Limited, in consultation with the Monetary Authority of Singapore, on 20 February 2009 to accelerate and facilitate listed issuers' fund raising effort and will be in effect until 31 December 2010.
4. Resolution 9, if passed, will empower the Directors of the Company to offer and grant options under the Scheme and to allot and issue shares pursuant to the exercise of such options under the Scheme not exceeding 15 percent of the total number of issued shares excluding treasury shares in the capital of the Company from time to time.
5. Resolution 11, if passed, will empower the Directors, from the date of the above meeting until the next AGM, to repurchase Shares by way of Market Purchases or Off-Market Purchases of up to ten per cent. (10%) of the issued ordinary share capital of the Company at such price up to the Maximum Price. Information relating to this proposed resolution is set out in the appendix attached to the annual report.

Notes:–

1. If a Member being a Depositor whose name appears in the Depository Register (as defined in Bye-Laws of the Company) wishes to attend and vote at the Annual General Meeting, then he/she/it should complete the Proxy Form and deposit the duly completed Proxy Form at the office of the Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.) at 8 Cross Street, #11-00 PWC Building, Singapore 048424, at least forty-eight (48) hours before the time of the Annual General Meeting.
2. If a Depositor wishes to appoint a proxy/proxies, then the Proxy Form must be signed and deposited at the office of the Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), at least forty-eight (48) hours before the time of the Annual General Meeting.