



**KARIN TECHNOLOGY HOLDINGS LIMITED**  
(Incorporated in Bermuda on 30 August 2002)  
Company Registration Number 32514

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## **INCORPORATION OF A NEW SUBSIDIARY**

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### **New Subsidiary**

The board of directors (“**Board**”) of Karin Technology Holdings Limited (the “**Company**”) wishes to announce that the Company has, through Karin Technology (BVI) Limited, incorporated a new wholly-owned subsidiary in Hong Kong, KIMIC Investment Limited (“**KIMIC**”), with an initial share capital of HK\$1.00. KIMIC was incorporated as an investment holding company for the purpose of setting up a joint venture company (“**JV Co**”).

### **Information on JV Co**

KIMIC will be incorporating a JV Co in Shenzhen, the People’s Republic of China (“**PRC**”), with 53% of the equity interests of the JV Co held by KIMIC, while the remaining 47% of the equity interests of the JV Co held by Matrix Engineering Inc. (深圳市钜微電子技術有限公司), a third party investor based in the PRC (“**JV Partner**”).

The JV Co is intended to have a total registered capital of RMB6,000,000, of which KIMIC shall be contributing RMB 3,180,000 in cash (in proportion to its equity interest), and the balance shall be contributed by JV Partner by way of cash and transfer of assets (including intangible assets).

### **Information on JV Partner**

JV Partner, which is and has been one of the Company’s business partner in the PRC for more than 5 years, is engaged in providing a full range of power supply solution services including technical support, application know how and tailor-made design, with a focus on the following markets - telecommunications, military, aerospace, transportation, industrial instrumentation and equipment, among others.

Upon the due incorporation and registration of the JV Co by the relevant PRC authorities, JV Partner shall transfer its existing business to the JV Co.

### **Financial Effect**

The incorporation of KIMIC is not, in itself, expected to have any material impact on the earnings and net tangible assets per share of the Company for the current financial year ending 30 June 2011.

The investment into the JV Co is expected to be funded entirely through internal sources. The Company will provide updates as and when there are material developments in relation to the incorporation of the JV Co.

Based on the Company’s anticipated contribution to the registered capital of the JV Co, none of the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Securities Trading Limited amount to 5% or more.

**Interests of Directors and Controlling Shareholders**

None of the Directors, and as far as the Directors are aware, none of the controlling shareholders of the Company, has any interest, direct or indirect, in the transaction, save through their shareholdings (if any) in the Company.

On behalf of the Board  
Ng Yuk Wing, Philip  
Executive Chairman

13 September 2010