

*Unless otherwise defined in this announcement, terms defined in the prospectus dated 2 November 2009 (the “Prospectus”) issued by China High Precision Automation Group Limited (the “Company”) have the same meanings when used in this announcement.*

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## **CHINA HIGH PRECISION AUTOMATION GROUP LIMITED**

### **中國高精密自動化集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 591)**

### **EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that the Over-Allotment Option referred to in the Prospectus has been exercised in full by the Sole Global Coordinator on behalf of the Placing Underwriters on 19 November 2009 in respect of 37,500,000 Shares, representing 15% of the Offer Shares initially available under the Share Offer (assuming no exercise of the Over-Allotment Option), solely for the purposes of covering over-allocations in the Placing.

The Over-Allotment Shares will be issued and allotted by the Company at HK\$4.00 per Share (excluding brokerage of 1.0%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the Offer Price per Share in connection with the Share Offer.

The Company announces that the Over-Allotment Option referred to in the Prospectus has been exercised in full by the Sole Global Coordinator on behalf of the Placing Underwriters on 19 November 2009 in respect of 37,500,000 Shares (the “Over-Allotment Shares”), representing 15% of the Offer Shares initially available under the Share Offer (assuming no exercise of the Over-Allotment Option) solely for the purpose of covering over-allocations in the Placing.

The Over-Allotment Shares will be issued and allotted by the Company at HK\$4.00 per Share (excluding brokerage of 1.0%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the Offer Price in connection with the Share Offer.

Pursuant to the Stock Borrowing Agreement, the Sole Global Coordinator has borrowed 37,500,000 Shares from Mr. Wong to cover over-allocations in the Placing. The Over-Allotment Shares will be used to facilitate the return in full to Mr. Wong of 37,500,000 borrowed Shares which were used solely to cover over-allocations in the Placing.

Listing of and permission to deal in the Over-Allotment Shares have been granted by the Listing Committee of the Stock Exchange.

On the basis that 25% of the issued share capital of the Company held by the public is maintained, with reference to the Prospectus, the Board wishes to state that, the shareholding structure of the Company after the Share Offer have become unconditional and the Capitalisation Issue are as follows:

	<b>Immediately before the issue of the Over-Allotment Shares</b>		<b>Immediately after the issue of the Over-Allotment Shares</b>	
	<i>Approximate Number of Shares</i>	<i>% of issued share capital</i>	<i>Approximate Number of Shares</i>	<i>% of issued share capital</i>
<b>Shareholders</b>				
Mr. Wong	341,175,082 <sup>(1)</sup>	34.12	341,175,082	32.89
Wong Sun Hoi	56,250,162	5.63	56,250,162	5.42
Fortune Plus	96,824,704	9.68	96,824,704	9.33
Standard Bank Plc	72,524,782	7.25	72,524,782	6.99
Orchid Asia 1	67,124,805	6.71	67,124,805	6.47
Other Shareholders	116,100,465	11.61	116,100,465	11.19
Public	<u>250,000,000</u>	<u>25.00</u>	<u>287,500,000</u>	<u>27.71</u>
	<u><u>1,000,000,000</u></u>	<u><u>100</u></u>	<u><u>1,037,500,000</u></u>	<u><u>100</u></u>

*Note:*

- (1) This includes the 37,500,000 Shares borrowed by the Sole Global Coordinator pursuant to the Stock Borrowing Agreement.

As shown in the shareholding structure of the Company set out above, immediately before the issue and allotment of the Over-Allotment Shares by the Company, 25% of the issued share capital of the Company is held by the public. Such shareholding percentage held by the public will be increased to approximately 27.71% immediately upon the issue and allotment of the Over-Allotment Shares by the Company.

The additional net proceeds to be received by the Company upon issue and allotment of the Over-Allotment Shares are estimated to be approximately HK\$135 million which will be used by the Company for the purposes set out in the paragraph headed "Offer Price And Net Proceeds From The Share Offer" in the announcement dated 12 November 2009 issued by the Company on a pro rata basis. With the Over-Allotment Option exercised in full, the total net proceeds from the Share Offer to be received by the Company are estimated to be approximately HK\$1,054 million.

The Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules. No new Shares or securities convertible into equity securities of the Company may be issued within six months from the Listing Date save for the situations set out in Rule 10.08 of the Listing Rules.

By order of the Board  
**China High Precision Automation Group Limited**  
**Wong Fun Chung**  
*Chairman*

Hong Kong, 19 November 2009

*As at the date of this announcement, the executive Directors are Mr. Wong Fun Chung, Mr. Zou Chong, Mr. Su Fang Zhong and Mr. Cheung Chuen, and the independent non-executive Directors are Ms. Ji Qin Zhi, Dr. Hu Guo Qing and Mr. Chan Yuk Hiu, Taylor.*