

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA HIGH PRECISION AUTOMATION GROUP LIMITED

中國高精密自動化集團有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 591)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “AGM”) of China High Precision Automation Group Limited (the “Company”) will be held at Concord Room II–III, 8th Floor, Renaissance Harbour View Hotel, No. 1 Harbour Road, Wanchai, Hong Kong at 10:00 a.m. on Tuesday, 29 November 2011 for the following purposes:

ORDINARY RESOLUTIONS

1. To consider and approve the audited consolidated financial statements and the reports of the directors of the Company (the “Directors”) and of the auditors of the Company for the year ended 30 June 2011.
2. To declare a final dividend for the year ended 30 June 2011.
3. To re-elect the following retiring Directors and to authorise the board of Directors (the “Board”) to fix the remuneration of the Directors:
 - (i) to re-elect Mr. Zou Chong as an executive Director;
 - (ii) to re-elect Mr. Su Fang Zhong as an executive Director;
 - (iii) to re-elect Dr. Hu Guo Qing as an independent non-executive Director; and
 - (iv) to re-elect Mr. Chan Yuk Hiu Taylor as an independent non-executive Director.
4. To consider and, if thought fit, pass with or without amendments, the following as ordinary resolutions:
 - (A) “**THAT**
 - (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which might require the exercise of such powers, subject to and in accordance

with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (as amended from time to time) (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined), or (b) the exercise of options under any share option scheme or similar arrangement adopted by the Company for the grant or issue to the employees and Directors and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for or rights to acquire shares of the Company, or (c) an issue of shares upon the exercise of the subscription rights attaching to any warrants which may be issued by the Company; or (d) an issue of shares of the Company as scrip dividend or similar arrangement in accordance with the memorandum and articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution: “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
 - (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution of the Company in general meeting.

“**Rights Issue**” means an offer of shares of the Company open for a period fixed by the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any legal restrictions under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong).”

(B) “**THAT:**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period of all powers of the Company to purchase or otherwise acquire shares in the capital of the Company on the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed and recognised by the Stock Exchange and the Hong Kong Securities and Futures Commission (“SFC”) for this purpose, subject to and in accordance with all applicable rules and regulations of the SFC, the Stock Exchange or of any other stock exchange as amended from time to time and are applicable laws in this regard be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of shares of the Company which are authorized to be purchased pursuant to the approval in paragraph (i) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (iii) for the purpose of this resolution: “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
 - (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution of the Company in general meeting.”

(C) “**THAT**

conditional upon the passing of the resolutions set out in paragraphs 4(A) and 4(B) of the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to the resolution set out in paragraph 4(A) of the notice convening this meeting be and is hereby extended by the addition thereto an amount of shares representing the aggregate nominal amount of shares of the Company purchased or otherwise acquired by the Company pursuant to the authority granted to the Directors under the resolution set out in paragraph 4(B) above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

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

Hong Kong, 28 October 2011

Notes:

- (1) Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on behalf of him. A proxy need not be a shareholder of the Company.
- (2) A form of proxy for the AGM is enclosed. In order to be valid, a form of proxy, together with the power of attorney or other authority (if any) under which the form is signed, or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the AGM or any adjournment thereof.
- (3) Where there are joint registered holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (4) Completion and delivery of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the AGM or any adjourned meeting or upon the poll concerned and, in such event, the instrument appointing a proxy will be deemed to be revoked.
- (5) The register of members of the Company will be closed for the purpose of ascertaining the right of shareholders of the Company to attend and vote at the AGM from Wednesday, 23 November 2011 to Tuesday, 29 November 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 22 November 2011.
- (6) The register of members of the Company will be closed for the purpose of ascertaining the entitlement of shareholders of the Company to the proposed final dividend from Monday, 5 December 2011 to Thursday, 8 December 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend (subject to the approval of shareholders of the Company at the AGM), all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at the address as mentioned in Note 5 above not later than 4:30 p.m. on Friday, 2 December 2011.
- (7) With regard to the proposed resolutions no. 4(A) to 4(C) above, the Directors wish to state that they have no immediate plans to issue any new shares or repurchase any shares of the Company.
- (8) A circular containing, among others things, an explanatory statement relating to the proposed resolution no. 4(B) above has been despatched to the shareholders of the Company.
- (9) As at the date of this notice, Mr. Wong Fun Chung is an executive Director and the chairman of the board of Directors; Mr. Zou Chong, Mr. Su Fang Zhong and Mr. Cheung Chuen are the executive Directors; Dr. Hu Guo Qing, Ms. Ji Qin Zhi and Mr. Chan Yuk Hiu Taylor are the independent non-executive Directors.