
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular, or as to the action to be taken, you should consult a stockbroker, or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Launch Tech Company Limited**, you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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LAUNCH

深圳市元征科技股份有限公司

LAUNCH TECH COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8196)

**(I) PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR;
(II) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
AND
NOTICE OF SPECIAL GENERAL MEETING**

Notice dated 16 August 2010 convening the SGM to be held at 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the PRC on 30 September 2010 at 11:00 a.m. is set out on pages 8 to 11 of this circular.

Whether or not you intend to attend the meeting, you are reminded to complete the proxy form enclosed with this circular, in accordance with the instructions printed thereon and return the same to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the holders of the H Shares only) or the Company's business office at 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the PRC (for the holders of the Domestic Shares only) as soon as possible but in any event not less than 24 hours before the time fixed for holding the SGM or at any adjournment thereof. Completion and delivery of the said proxy form will not prevent you from attending, and voting in person at, the SGM or at any adjourned meeting if you so wish.

Reply slip for the SGM is also enclosed. You are reminded to complete and sign the reply slip and return the signed slip in accordance with the instructions printed thereon.

16 August 2010

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. GEM-listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM listed issuers.

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DEFINITION

In this circular, the following expressions have the following meanings unless the context requires otherwise:–

“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Company”	深圳市元征科技股份有限公司 (Launch Tech Company Limited), a joint stock limited company incorporated in the PRC with limited liability and whose H Shares are currently listed on the GEM
“Crosby ChinaChips”	Crosby ChinaChips Holdings (1) (BVI) Limited, the holder of the Transfer Shares as at the Latest Practicable Date
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary shares of RMB0.10 each issued by the Company, which are subscribed for or credited as fully paid up in RMB, and all of such shares are not listed on the Stock Exchange, which includes the Non-listed Foreign Investment Shares
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM, as amended from time to time
“GEM”	the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign invested ordinary shares of RMB0.10 each in the share capital of the Company, which are listed on the GEM and subscribed for and traded in Hong Kong Dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	13 August 2010, being the latest practicable date prior to the printing of the circular for ascertaining certain information for inclusion in this circular
“Non-listed Foreign Investment Shares”	the non-listed foreign investment ordinary shares of RMB0.10 each issued by the Company, which are subscribed for or credited as fully paid up in RMB, and all of such shares are not listed on the Stock Exchange

DEFINITION

“PRC”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“SGM Notice”	the notice dated 16 August 2010 for convening the SGM as set out on pages 8 to 11 of this circular
“SGM”	the special general meeting of the Company to be held on 30 September 2010, for the purpose of approving (i) the appointment of a non-executive Director and (ii) the amendments proposed to be made to the Articles of Association
“Share Transfer Term Sheet”	the share transfer term sheet dated 25 July 2010 entered into between Crosby ChinaChips and SPX, pursuant to which Crosby ChinaChips conditionally agreed to sell and transfer and SPX conditionally agreed to purchase and acquire the Transfer Shares in accordance with the terms and conditions of the Share Transfer Term Sheet
“Shareholders”	holders of the Shares, including holders of the Domestic Shares and the H Shares, unless specified otherwise
“Shares”	shares of RMB0.10 each in the capital of the Company
“SPX”	SPX Corporation, a company listed on the New York Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer Shares”	16,467,000 Non-listed Foreign Investment Shares which are held by Crosby ChinaChips as at the Latest Practicable Date

LETTER FROM THE BOARD

LAUNCH

深圳市元征科技股份有限公司
LAUNCH TECH COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8196)

Executive Directors

Mr. Liu Xin (Chairman)
Mr. Liu Jun (Chief executive officer)
Ms. Liu Ping

Registered office:

Xin Yang Building
Bagua Number Four Road
Futian District
Shenzhen, the PRC

Non-executive Director

Ms. Liu Yong

Principal place of business in Hong Kong:

Room 1801, 18th Floor,
Wing On Central Building,
26 Des Voeux Road Central,
Hong Kong

Independent Non-executive Directors

Mr. Jiang Chao
Mr. Liu Yuan
Dr. Zou Shulin

16 August 2010

To the Shareholders

Dear Sir or Madam,

**(I) PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR
AND
(II) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

1. INTRODUCTION

At the SGM, ordinary resolution and special resolutions will be proposed to approve (i) the appointment of a non-executive Director and (ii) to approve the amendments proposed to be made to the Articles of Association. The purpose of this circular is to give you notice of the SGM and to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the above proposed resolutions at the SGM.

2. PROPOSED APPOINTMENT OF A NON-EXECUTIVE DIRECTOR

As at the Latest Practicable Date, the Board comprises seven Directors, namely: (i) Mr. Liu Xin, Mr. Liu Jun and Ms. Liu Ping, as executive Directors, (ii) Ms. Liu Yong, as non-executive Director and (iii) Mr. Jiang Chao, Mr. Liu Yuan and Dr. Zou Shulin, as independent non-executive Directors.

LETTER FROM THE BOARD

The Company proposes to elect Ms. Liu Xiaohua as a non-executive Director for a term commencing on the date of the SGM to the date of expiry of the terms of appointment of the other members of the Board, being 17 March 2013, unless otherwise terminated prematurely in accordance with the terms of her letter of appointment. Her appointment is subject to the approval of the Shareholders at the SGM.

After the aforesaid appointment of Ms. Liu Xiaohua, the Company will have a total of eight Directors, comprising (i) Mr. Liu Xin, Mr. Liu Jun and Ms. Liu Ping, as executive Directors, (ii) Ms. Liu Yong and Ms. Liu Xiaohua, as non-executive Directors and (iii) Mr. Jiang Chao, Mr. Liu Yuan and Dr. Zou Shulin, as independent non-executive Directors.

The biographical details of Ms. Liu Xiaohua are set out in the Appendix to this circular.

3. PROPOSED AMENMDENTS TO THE ARTICLES OF ASSOCIATION

Changes in shareholding structure of the Company

The Board noted that, pursuant to the Share Transfer Term Sheet, Crosby ChinaChips has conditionally agreed to sell and transfer the Transfer Shares, and SPX has conditionally agreed to purchase and acquire the Transfer Shares by its designated affiliate.

Upon completion of the transfer, Crosby ChinaChips will cease to hold any Non-listed Foreign Investment Shares and SPX Flow Technology Hong Kong Limited, an indirect wholly-owned subsidiary of SPX, will hold a total of 16,467,000 Non-listed Foreign Investment Shares. The Board proposes to amend Article 18 of the Articles of Association in respect of the changes in the shareholding structure of the Company pursuant to the transfer of the Transfer Shares under the Share Transfer Term Sheet.

Please refer to the special resolution no. 2 as set out in the SGM Notice to be proposed at the SGM.

Changes in the composition of the Board

The existing Article 95 of the Articles of Association provides that the Board shall comprise of seven Directors, one shall be the chairman of the Board (the “**Chairman**”) and six shall be Directors, in which three shall be executive Directors (one of which shall be the Chairman), one shall be non-executive Director and three shall be independent non-executive Directors.

In view of the proposed appointment of Ms. Liu Xiaohua as a non-executive Director, the Board proposes to amend Article 95 of the Articles of Association to increase the number of members in the Board from seven to eight, one shall be the Chairman and seven shall be Directors, in which three shall be executive Directors (one of which shall be the Chairman), two shall be non-executive Directors and three shall be independent non-executive Directors.

Please refer to the special resolution no. 3 as set out in the SGM Notice to be proposed at the SGM.

LETTER FROM THE BOARD

Abolishment of the position of vice-chairman of the Board

The existing Article 97 of the Articles of Association provides that the vice-chairman of the Board (the “**Vice-chairman**”) shall be elected by more than half of all the Directors and have a term of 3 years. Articles 82 and 100 further provide circumstances that the Vice-chairman shall perform the duties of the Chairman when the Chairman is unable to perform his/her duties.

As the Company currently does not have a Vice-chairman and the Board has no plans to elect any Director to become the Vice-chairman, the Board proposes to amend Articles 82, 97 and 100 of the Articles of Association to abolish the position of a Vice-chairman; and to provide that the Board may designate or more than half of the Directors may jointly recommend any one Director to perform the duties of the Chairman when the Chairman is unable to perform his/her duties.

Please refer to the special resolutions no. 4, 5 and 6 as set out in the SGM Notice to be proposed at the SGM.

Changes in the PRC Company Law

According to the PRC Company Law currently in force, paragraph 2 of the existing Article 8 of the Articles of Association is no longer applicable to the Company. Therefore, the Board proposes to delete paragraph 2 of the existing Article 8 of the Articles of Association in its entirety.

Please refer to the special resolution no.7 as set out in the SGM Notice to be proposed at the SGM.

4. THE SGM

The notice of SGM is set out on pages 8 to 11 of this circular. A proxy form for use at the SGM to be held at 11:00 a.m. on 30 September 2010 at 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the PRC is enclosed. Whether or not you intend to attend the SGM, you are requested to complete the accompanying proxy form for use at the SGM in accordance with the instructions printed thereon and return the same to the Company’s H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for the holders of the H Shares only) or the Company’s business office at 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the PRC (for the holders of the Domestic Shares only) as soon as possible but in any event not less than 24 hours before the time fixed for holding the SGM or at any adjournment thereof. Completion and delivery of the said proxy form will not prevent you from attending, and voting in person at, the SGM or at any adjourned meeting if you so wish.

Reply slip for the SGM is also enclosed. You are reminded to complete and sign the reply slip and return the signed slip to the Company’s H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183

LETTER FROM THE BOARD

Queen's Road East, Wanchai, Hong Kong (for the holders of the H Shares only) or the Company's business office at 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the PRC (for the holders of the Domestic Shares only) on or before 10 September 2010 in accordance with the instructions printed thereon.

5. CLOSURE OF REGISTER OF MEMBERS

The register of members in Hong Kong will be closed from 1 September 2010 to 30 September 2010, both days inclusive, during which period no transfer of the H Shares of the Company will be effected. In order to be eligible to attend the SGM and to vote as the H Share Shareholders, all transfers of the H Shares together with the relevant share certificates must be delivered at the Company's H Share registrar's transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 31 August 2010. All transfers of the Domestic Shares together with the relevant share certificates must be delivered at the Company's business office at 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the PRC no later than 4:30 p.m. on 31 August 2010.

6. RECOMMENDATION

The Board is of the view that all the proposed resolutions as set out in the SGM Notice are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolutions to be proposed at the SGM.

Yours faithfully,
for and on behalf of
Launch Tech Company Limited
Liu Xin
Chairman

The following are the particulars of the Director proposed to be appointed at the SGM:

Ms. Liu Xiaohua, aged 56, obtained an Executive MBA from the Thunderbird School of Global Management in 1999. Ms. Liu has more than 20 years of management experience with large multinational companies in the Asia Pacific region and is currently the managing director of SPX Corporation (China) Co., Ltd., a wholly-owned subsidiary of SPX.

It is proposed that Ms. Liu will be appointed as a non-executive Director at the SGM. Her proposed term of appointment is from the date of the SGM to the date of expiry of the terms of appointment of other members of the Board, being 17 March 2013, unless otherwise terminated prematurely in accordance with the terms of her letter of appointment. She will be entitled to a fee of RMB10,000 per annum and, subject to shareholders' approval at a general meeting, will be entitled to not more than 10% increment per year at the first and second anniversaries of her appointment.

Save as aforesaid, (i) Ms. Liu does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders; (ii) she did not have any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date; (iii) she did not hold any directorships or been a supervisor in other listed public companies in the last three years; and (iv) there are no other matters relating to her appointment that need to be brought to the attention of the Shareholders and there is no other information that need to be disclosed pursuant to paragraph 17.50(2) of the GEM Listing Rules.

NOTICE OF SPECIAL GENERAL MEETING

LAUNCH

深圳市元征科技股份有限公司

LAUNCH TECH COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8196)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of Launch Tech Company Limited (the “Company”) will be convened and held at 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the People’s Republic of China on 30 September 2010 at 11:00 a.m., for the purpose of considering and, if thought fit, approving the following resolutions:

ORDINARY RESOLUTION

1. **THAT** subject to and conditional upon the passing of Special Resolution No. 3, to approve the appointment of Ms. Liu Xiaohua as a non-executive director of the Company.

SPECIAL RESOLUTIONS

2. To consider and, if thought fit, pass (with or without amendments) the following resolution as special resolution:

“THAT

approval be and is hereby granted, with effect from the date of completion of the transfer of 16,467,000 non-listed foreign investment shares in the share capital of the Company from Crosby ChinaChips Holdings (1) (BVI) Limited to SPX Flow Technology Hong Kong Limited, for the amendment of Article 18 of the articles of association of the Company (the “**Articles of Association**”) by deleting ‘Crosby ChinaChips Holdings (1) (BVI) Limited’ in paragraph (2) of Article 18 of the existing Articles of Association and replacing by ‘SPX Flow Technology Hong Kong Limited’”.

NOTICE OF SPECIAL GENERAL MEETING

3. To consider and, if thought fit, pass (with or without amendments) the following resolution as special resolution:

“THAT

approval be and is hereby granted for the amendment of Article 95 of the Articles of Association by deleting Article 95 of the existing Articles of Association in its entirety and replacing by the following:

‘The Company shall have a board of directors which shall comprise of eight directors, one shall be the chairman of the board of directors and seven shall be directors, in which three shall be executive directors (one of which shall be the chairman of the board of directors), two shall be non-executive directors and three shall be independent non-executive directors.’”

4. To consider and, if thought fit, pass (with or without amendments) the following resolution as special resolution:

“THAT

approval be and is hereby granted for the amendment of Article 82 of the Articles of Association by deleting Article 82 of the existing Articles of Association in its entirety and replacing by the following:

‘The shareholders’ general meeting shall be convened and chaired by the chairman of the board of directors. If the chairman of the board of directors is unable to attend the meeting for any reason, the board of directors may designate a director to convene and chair the meeting. If no chairman of the meeting has been so designated, shareholders present may choose one person to act as the chairman of the meeting. If for any reason, the shareholders fail to elect a chairman, then the shareholder (including a proxy) holding the largest number of shares carrying the right to vote thereat shall be the chairman of the meeting.’”

5. To consider and, if thought fit, pass (with or without amendments) the following resolution as special resolution:

“THAT

approval be and is hereby granted for the amendment of Article 97 of the Articles of Association by deleting paragraph 4 of Article 97 of the existing Articles of Association in its entirety and replacing by the following:

‘The chairman of the board of directors shall be elected and removed by a majority vote of the board of directors. The chairman of the board of directors shall serve a term of three years and is qualified for re-election.’”

NOTICE OF SPECIAL GENERAL MEETING

6. To consider and, if thought fit, pass (with or without amendments) the following resolution as special resolution:

“THAT

approval be and is hereby granted for the amendment of Article 100 of the Articles of Association by deleting the last sentence of Article 100 of the existing Articles of Association in its entirety and replacing by the following:

‘If the chairman of the board of directors is unable to perform such duties, the director who is jointly recommended by more than half of the directors shall perform such duties.’”

7. To consider and, if thought fit, pass (with or without amendments) the following resolution as special resolution:

“THAT

approval be and is hereby granted for the amendment of Article 8 of the Articles of Association by deleting paragraph 2 of Article 8 of the existing Articles of Association in its entirety.”

By Order of the Board
Launch Tech Company Limited
Liu Xin
Chairman

16 August 2010
Shenzhen, the PRC

Notes:

- (A) Shareholders of the Company shall note that pursuant to Article 46 of the Articles of Association of the Company, the share register of the Company will be closed during the period from 1 September 2010 to 30 September 2010, both days inclusive, during which period no transfer of shares will be registered. Shareholders of the Company whose names appear on the register of shareholders of the Company upon the closing of trading on 31 August 2010 shall be entitled to attend the SGM of the Company and to vote thereat.
- (B) Any shareholders of the Company entitled to attend and to vote at the SGM shall be entitled to appoint a proxy who need not be a shareholder of the Company, to attend and to vote on his behalf. A member who is the holder of two or more shares may appoint more than one proxy.
- (C) Where a shareholder of the Company appoints more than one proxy, his proxy may only vote in a poll.
- (D) To be valid, the proxy form for the use of shareholders of the Company and, if such proxy is signed by a person on behalf of the appointer pursuant to a power of attorney or other authority, a notarially certified copy of such power of attorney or other authority must be delivered to the Company not less than 24 hours before the time scheduled for holding the special meeting or its adjourned meeting of the Company.
- (E) Shareholders of the Company who intend to attend the SGM are required to return the reply slip to the Company on or before 10 September 2010. Please refer to the reply slip and instruction for details.

NOTICE OF SPECIAL GENERAL MEETING

- (F) Completion and return of the proxy form and the reply slip will not affect the right of the shareholders of the Company to attend and to vote at the SGM. In such event, the form of proxy will be deemed to have been revoked.
- (G) Holders of domestic shares shall deliver the proxy form and, if such proxy is signed by a person on behalf of his appointer pursuant to a power of attorney or other authority, a notarially certified copy of the power of attorney or other authority and the reply slip to the Company's business office in the PRC.
- (H) Holders of H shares shall deliver the proxy form and, if such proxy is signed by a person on behalf of his appointer pursuant to a power of attorney or other authority, a notarially certified copy of the power of attorney or other authority and the reply slip to the Company's H Share registrar and transfer office in Hong Kong.
- (I) The SGM is expected to last for half an hour. Shareholders of the Company and their proxies attending the SGM shall be responsible for the transportation and accommodation expenses on their own.