
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 (the “**Company**”), 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: 2488)

**PROPOSED AMENDMENT OF
THE ARTICLES OF THE COMPANY,
THE ISSUE MANDATE
AND
NOTICE OF SGM**

A notice 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 Wednesday, 2 March 2016 at 11:00 a.m., is set out on pages 7 to 11 of this circular.

Whether or not you intend to attend the SGM, 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 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 principal place of business 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 respective 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.

* *for identification purpose only*

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DEFINITIONS

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

“Articles”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors of the Company
“Closing Time”	24 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be)
“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
“Director(s)”	the director(s) of the Company
“Domestic Shares”	domestic share(s) of RMB1.00 each in the share capital of the Company which are subscribed for in RMB
“Domestic Shareholders”	Holders of the Domestic Shares
“Form of Proxy”	the form of proxy accompanying this Circular
“H Shares”	the overseas listed foreign invested share(s) of RMB1.00 each in the share capital of the Company which are listed on the Main Board of Stock Exchange and subscribed for and traded in HK\$
“H Shareholders”	Holders of the H Shares
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Board by the Shareholders at the SGM to issue not more than 20% of the Domestic Shares in issue as at the date of passing the resolution, at any time during the period specified in the relevant resolution set out in the Supplemental Notice of SGM
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of SGM”	the notice convening the SGM, as set out in the Circular

DEFINITIONS

“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
“SGM”	the special general meeting of the Company to be convened and held on Wednesday, 2 March 2016 at 11:00 a.m.
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

In this circular, the English names of the PRC entities are translations of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

* *for identification purpose only*

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: 2488)

Executive Directors

Mr. Liu Xin (*Chairman*)

Mr. Liu Jun

Ms. Huang Zhao Huan

Mr. Jiang Shiwen

Registered office

2-8 Floors, Xin Yan Building,

Bagua Number Four Road,

Futian District,

Shenzhen, the PRC

Non-executive Director

Ms. Liu Yong

Principal place of business

Launch Industrial Park,

North of Wuhe Road,

Banxuegang Longgang District,

Shenzhen, the PRC

Independent non-executive Directors

Ms. Zhang Yan

Mr. Liu Yuan

Mr. Ning Bo

Principal place of business in Hong Kong

Unit 1104, Crawford House,

70 Queen's Road Central,

Hong Kong

14 January 2016

To the Shareholders,

Dear Sir or Madam,

**PROPOSED AMENDMENT OF
THE ARTICLES OF THE COMPANY,
THE ISSUE MANDATE
AND
NOTICE OF SGM**

1. INTRODUCTION

The purpose of this circular is to provide you with the information of the resolution to be proposed at the SGM and to provide Shareholders with the Notice of SGM and the Form of Proxy.

* for identification purpose only

LETTER FROM THE BOARD

2. PROPOSED AMENDMENT TO THE ARTICLES

The Domestic Shareholders of the Company have completed the following transfer of shareholding, and 20,000,000 domestic shares were sold to our new shareholder, 西藏瑞東財富投資有限責任公司, by 北京瑞東財富資本投資管理中心(有限合夥).

In connection with the above changes, the Board considered and approved the corresponding amendment made to Article 18 of the Articles to reflect the shareholding structure of the Company after completion of shareholding transfer by Domestic Shareholder of the Company. The amendment is as follows: The existing Article 18 shall be deleted in its entirety and to be replaced by the Article 18 below:

Article 18 Having been approved by the China Securities Monitoring and Merging Committee, the present equity structure of the Company representing 329,160,000 ordinary shares (the par value of each share is RMB1.00) is as follows:

- (1) Shareholders of domestic capital shares together hold 145,380,500 shares representing 44.17% of the Company's issued share capital. Liu Xin holds 66,000,000 shares representing 20.05% of the Company's issued share capital. Shenzhen Langgu Technology Development Company Limited holds 49,432,000 shares, representing 15.02% of the Company's issued share capital. 西藏瑞東財富資本投資管理中心(有限合夥) holds 20,000,000 shares representing 6.08% of the Company's issued share capital. Shenzhen De Shi Yu Investment Company Limited holds 5,130,500 shares representing 1.56% of the Company's issued share capital, Wang Xue Zhi holds 4,818,000 shares, representing 1.46% of the Company's issued share capital.
- (2) Shareholders of foreign capital shares not listed on stock exchange together hold 19,619,500 shares representing 5.96% of the Company's issued share capital, of which: SPX Flow Technology Hong Kong Limited holds 8,233,500 shares representing 2.50% of the Company's issued share capital China Special Situations Holdings (1)(BVI) Limited holds 1,386,000 shares representing 0.42% of the Company's issued share capital China Special Situations Holdings (2)(BVI) Limited holds 10,000,000 shares representing 3.04% of the Company's issued share capital.
- (3) Shareholders of foreign capital shares listed outside China together hold 164,160,000 shares representing 49.87% of the Company's issued share capital.

Amendment of the Articles is conditional upon (i) approval by the shareholders of the Company at the SGM in the form of special resolution; (ii) approval of the amendment by the competent business department at the locality of the Company; and (iii) completion of the filing and registration formalities by the relevant company registration authority of the amended articles of association of the Company.

(The English version of the Articles and the above proposed amendment is an unofficial translation of its Chinese version prepared for reference only. In case of discrepancy between the two versions, the Chinese version shall prevail.)

LETTER FROM THE BOARD

3. GENERAL MANDATE TO ISSUE ADDITIONAL DOMESTIC SHARES

The details set out in special resolution numbered 2 in the notice of SGM will be proposed at such meeting for the granting of a general mandate to the Directors to allot, issue and/or deal with new Shares of up to a maximum of 20% of the issued Domestic Shares of the Company as at the date of passing the relevant resolution at the SGM.

As at the Latest Practicable Date, there were 165,000,000 Domestic Shares of the Company in issue. Subject to the passing of the proposed resolution approving the grant of the Issue Mandate to the Board and on the basis that no shares will be issued or repurchased by the Company prior to the SGM, a maximum of 33,000,000 Domestic Shares, can be separately or concurrently allotted, issued and/or dealt with by the Board pursuant to the Issue Mandate to be granted by the Shareholders. The Issue Mandate will expire upon the earliest of:

- (a) the expiration of a 12-month period following the passing of this resolution;
- (b) the conclusion of the next annual general meeting of the Company; or
- (c) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the Company in a general meeting.

Special resolution will be proposed at the SGM in relation to the granting of the Issue Mandate to the Directors to issue, allot and/or deal with additional Domestic Shares, details of which are set out in special resolution numbered 2 of the Notice of SGM.

4. NOTICE OF SGM

As set out in the Circular, the SGM will be held at 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the PRC, on Wednesday, 2 March 2016 at 11:00 a.m. The Notice of SGM has been set out on pages 7 to 11 of this Circular, and the Form of Proxy has been prepared and is enclosed with this circular. Both of the Notice of SGM and the Form of Proxy are also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.cnlaunch.com/cn/>) and contain the proposed resolution for the amendment of the Articles.

5. FORM OF PROXY

Whether or not you intend to attend the SGM, you are requested to complete the enclosed Form of Proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company 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 principal place of business 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 practicable and in any event not less than 24 hours before the respective

LETTER FROM THE BOARD

time fixed for holding the SGM or at any adjournment thereof. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting (as the case may be) should you so wish.

6. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at general meetings must be taken by poll. The Chairman of the meeting will therefore demand a poll for every resolution put to vote at the SGM in accordance with the Articles and the Listing Rules. An announcement on the poll result will be made by the Company in accordance with the Listing Rules.

7. RECOMMENDATION

The Board is of the view that the proposed amendment of the Articles and the Issue Mandate are in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolution in respect thereof to be proposed at the SGM.

8. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief:

- (a) the information contained in this Circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this Circular misleading; and
- (c) all opinions expressed in this Circular have been arrived at after due and careful consideration.

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

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: 2488)

NOTICE OF SPECIAL GENERAL MEETING

A special general meeting will be convened by the Company at the conference room, 9th Floor, Office Block, Launch Industrial Park, North of Wuhe Road, Banxuegang, Longgang District, Shenzhen, the PRC on Wednesday, 2 March 2016 at 11:00 a.m.

NOTICE IS HEREBY GIVEN that the following proposed resolution will be considered and, if thought fit, approved (with or without modification) by shareholders of the Company at the SGM:

SPECIAL RESOLUTION

1. To consider and approve the amendment to Article 18 of the articles of association to reflect the new shareholding structure after changes in domestic shareholdings.

Article 18 Having been approved by the China Securities Monitoring and Merging Committee, the present equity structure of the Company representing 329,160,000 ordinary shares (the par value of each share is RMB1.00) is as follows:

- (1) Shareholders of domestic capital shares together hold 145,380,500 shares representing 44.17% of the Company's issued share capital. Liu Xin holds 66,000,000 shares representing 20.05% of the Company's issued share capital. Shenzhen Langgu Technology Development Company Limited holds 49,432,000 shares, representing 15.02% of the Company's issued share capital. 西藏瑞東財富資本投資管理中心(有限合夥) holds 20,000,000 shares representing 6.08% of the Company's issued share capital. Shenzhen De Shi Yu Investment Company Limited holds 5,130,500 shares representing 1.56% of the Company's issued share capital, Wang Xue Zhi holds 4,818,000 shares, representing 1.46% of the Company's issued share capital.
- (2) Shareholders of foreign capital shares not listed on stock exchange together hold 19,619,500 shares representing 5.96% of the Company's issued share capital, of which: SPX Flow Technology Hong Kong Limited holds 8,233,500 shares representing 2.50% of the Company's issued share capital China Special Situations Holdings (1)(BVI) Limited holds 1,386,000 shares

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NOTICE OF SPECIAL GENERAL MEETING

representing 0.42% of the Company's issued share capital China Special Situations Holdings (2)(BVI) Limited holds 10,000,000 shares representing 3.04% of the Company's issued share capital.

- (3) Shareholders of foreign capital shares listed outside China together hold 164,160,000 shares representing 49.87% of the Company's issued share capital.
2. To consider and approve the grant of general mandate to the Board of Directors for the issue of new shares of the Company:

As special business, to authorize the Board of Directors of the Company to determine if the Company shall allot, issue and deal with domestic shares, according to the market conditions and the needs of the Company, provided that the number of shares shall not exceed 20% of the domestic shares of the Company in issue on the date of the passing of this special resolution.

The special resolutions are as follows:

- (1) Subject to the conditions set out in paragraphs (3) and (4) below and pursuant to the Company Law of the People's Republic of China and the relevant regulatory requirements (as amended from time to time) of the places where the shares of the Company are listed, the Board of Directors be granted a general and unconditional mandate to exercise all the powers of the Company to allot, issue and deal with new shares during the "Relevant Period" and to determine the terms and conditions for the allotment and issue of new shares which include, without limitation, the following terms:
- a. class and number of new shares to be issued;
 - b. price determination method of new shares and/or issue price (including price range);
 - c. the starting and closing dates for the issue;
 - d. class and number of the new shares to be issued to existing shareholders; and
 - e. the making or granting of offers, agreements and options which might require the exercise of such powers.
- (2) The approval in paragraph (1) above shall authorize the Board of Directors during the "Relevant Period" to make or grant proposals, agreements and options which would or might require the exercise of such powers after the end of the "Relevant Period".

NOTICE OF SPECIAL GENERAL MEETING

- (3) The aggregate nominal amount of each the new domestic shares allotted, issued and dealt with conditionally or unconditionally (whether pursuant to an option or otherwise) by the Board of Directors pursuant to the approval in paragraph (1), other than the shares issued pursuant to the Rights Issue (as hereinafter defined) or the rights to purchase the shares of the Company under any option scheme or similar arrangement, shall not exceed 20% of the domestic shares of the Company in issue respectively as at the date of passing this resolution.
- (4) In exercising the powers granted in paragraph (1), the Board of Directors must (a) comply with the PRC Company Law and the relevant regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed; and (b) obtain approval from China Securities Regulatory Commission and other relevant PRC government departments.
- (5) For the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing this resolution until the earlier of:

- a. the expiration of the 12-month period following the passing of this resolution;
- b. the conclusion of the next annual general meeting of the Company; or
- c. the revocation or variation of the mandate granted under this resolution by a special resolution of the Company’s shareholders in a general meeting.

“**Rights Issue**” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such proposed share allotment or issue is not permitted under the law of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro-rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities.

- (6) The Board of Directors, subject to the approval of the relevant authorities of the PRC and in accordance with the Company Law, be authorized to increase the registered capital of the Company to the required amount upon the exercise of the powers pursuant to paragraph (1) above.
- (7) The Board of Directors be authorized to sign the necessary documents, complete the necessary formalities and take other necessary steps to complete the allotment, issue and listing of new shares, provided that the

NOTICE OF SPECIAL GENERAL MEETING

same do not violate the relevant laws, administrative regulations, the relevant regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed and the Articles of Association.

- (8) Subject to the approval of the relevant PRC authorities, the Board of Directors be authorized to make amendments to the Articles of Association as appropriate and necessary after the completion of the allotment and issue of new shares according to the method, type and number of the allotment and issue of new shares by the Company and the actual shareholding structure of the Company at the time of completion of the allotment and issue of new shares in order to reflect the changes of the share capital structure and registered capital of the Company pursuant to the exercise of this mandate.

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

14 January 2016, Shenzhen, the PRC

Notes:

- (A) Shareholders of the Company shall note that pursuant to Article 46 of the Articles, the share register of the Company will be closed during the period from Saturday, 30 January 2016 to Wednesday, 2 March 2016, both days inclusive, during which period no transfer of shares will be registered. In order to qualify to attend and vote at the SGM, all transfer documents, together with the relevant share certificates, should be lodged to the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares), or to the Company's principal place of business in the PRC (for holders of Domestic shares), no later than 4:30 p.m. on Friday, 29 January 2016. Shareholders whose names appear on the register of shareholders of the Company on the Record Date shall be entitled to attend the SGM to vote thereat.
- (B) Any Shareholders entitled to attend and to vote at the SGM shall be entitled to appoint a proxy who need not be a Shareholder, 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) To be valid, the proxy forms for the use of Shareholders and, if such proxy is signed by a person on behalf of the appointer pursuant to a power of attorney or other authority, a notarised copy of that power of attorney or other authority must be delivered to the Company not less than 24 hours before the time scheduled for holding the SGM or its adjourned meetings of the Company.
- (D) Shareholders who intend to attend the SGM are required to return the reply slip to the Company on or before 11 February 2016. Please refer to the reply slip and the instruction thereon for details.
- (E) 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 person. In such event, the form of proxy will be deemed to have been revoked.
- (F) 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 principal place of business in the PRC.

NOTICE OF SPECIAL GENERAL MEETING

- (G) 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 share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

- (H) The SGM is expected to last for half an hour. Shareholders and their proxies attending the SGM shall be responsible for the transportation and accommodation expenses on their own.