中國自動化集團有限公司
China Automation Group Limited
(HK stock code 0569)
(Incorporated in the Cayman Islands with limited liability)

MONTHLY UPDATE ANNOUNCEMENT
PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE

This announcement is made by China Automation Group Limited (the "**Company**") pursuant to Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**").

Reference is made to the announcement of the Company dated 3 May 2019 (the "**Announcement**") in relation to the possible proposal for the privatization of the Company by Brightex and Ascendent by way of a scheme of arrangement under Section 86 of the Companies Law (2018 Revision) of the Cayman Islands. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless otherwise specified.

The Company wishes to update its shareholders and potential investors that Brightex and Ascendent Automation (Cayman) Limited (a wholly-owned subsidiary of Ascendent) ("**AACL**", and together with Brightex, the "**Potential Joint Offerors**") are still in the process of finalizing the terms of the possible proposal for the privatization of the Company by way of a scheme of arrangement (the "**Scheme**") under Section 86 of the Companies Law (2018 Revision) of the Cayman Islands (the "**Possible Proposal**") and the discussions between the Potential Joint Offerors and the Company on the terms of the Scheme are ongoing.

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Possible Proposal will be made by the Company until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with the Possible Proposal is made (as the case may be). Further announcement(s) in relation to the Possible Proposal will be made by the Company as and when appropriate in accordance with the requirements of the Listing Rules and/or the Takeovers Code (as the case may be).

Shareholders and potential investors of the Company should be aware that there is no assurance that the discussions mentioned in this announcement will proceed or materialise or eventually be consummated and the Company and the Potential Joint Offerors are not obliged to effect the Scheme under the Possible Proposal. The Possible Proposal, if materialised, could

lead to the delisting of the Company from the Stock Exchange. Shareholders of the Company and potential investors are therefore advised to exercise caution when dealing in the Shares and/or other securities of the Company, and if they are in any doubt about their positions, they should consult their professional adviser(s).

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By Order of the Board
China Automation Group Limited
Xuan Rui Guo
Chairman

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Hong Kong, 3 June 2019

As at the date of this announcement, the Board comprises Mr. Xuan Rui Guo and Mr. Wang Chuensheng as executive Directors; and Mr. Wang Tai Wen, Mr. Zhang Xin Zhi and Mr. Ng Wing Fai as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.