

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

DEFINITIONS

In this document, unless the context otherwise requires, the following expressions shall have the following meanings. Certain other terms are explained in the section headed “Glossary of Technical Terms”.

“Articles of Association” or “Articles”	the articles of association of the Company [conditionally] adopted on [●] 2009 and as amended from time to time
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday or a Sunday) on which banks in Hong Kong are generally open for normal banking business
“CAGR”	acronym for compound annual growth rate
“Capitalisation Issue”	the issue of Shares to be made upon capitalisation of certain sums standing to the credit of the share premium account of the Company as referred to under the paragraph “Further information about the Company — Written resolutions of all Shareholders passed on [●] 2009” in Appendix VI to this document
“Class A Shares”	ordinary share(s) in the share capital of the Company, with a nominal value of HK\$0.10 each
“Class B Shares”	ordinary share(s) in the share capital of the Company, with a nominal value of HK\$0.001 each
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong as amended, supplemented or otherwise modified from time to time
“Company”	China High Precision Automation Group Limited (中國高精密自動化集團有限公司), a limited liability company incorporated in the Cayman Islands on 29 November 2007
“Controlling Shareholder”	has the meaning set out in the Listing Rules and for the purposes of this document, means Mr. Wong, who is entitled to control, directly or indirectly the exercise of more than 30% of the voting rights of the issued share capital of the Company immediately after completion of the Capitalisation Issue and the [●]
“Connected Person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company

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“Existing Shareholders”	Mr. Wong, Mr. Wong Sun Hoi, Mr. Ng Hiu King, Investidea Investments Limited, Sunny Zone Limited and Sea Princess International Investments Limited
“Fortune Plus”	[Fortune Plus Holdings Limited, a company incorporated in the British Virgin Islands on 11 June 2009 and owned as to [66.6]% by Mr. Wong, [10.99]% by Mr. Wong Sun Hoi, [7.55]% by Mr. Ng Hiu King, [7.73]% by Investidea Investments Limited and [7.13]% by Sea Princess International Investments Limited]
“Fujian Electronic”	Fujian Wide Plus Electronic Co., Ltd. (previously known as Fujian New Tower Electronic Co., Ltd.), a sino-foreign equity joint venture enterprise established in the PRC on 25 October 1991 ceased to be part of the Group since August 2007
“Fujian Wide Plus”	Fujian Wide Plus Precision Instruments Co., Ltd., a wholly foreign-owned enterprise with limited liability established in the PRC on 13 January 2003, which is an indirect wholly-owned principal operating subsidiary of the Company
“Fuzhou Shanglun”	Fuzhou Shanglun Precision Instrument Co., Ltd., a wholly foreign-owned enterprise with limited liability established in the PRC on 2 July 1991 ceased to be part of the Group since August 2007
“GDP”	gross domestic product
“Group”	the Company and its subsidiaries and, in respect of the period before the Company became the holding company of its present subsidiaries, the Company’s present subsidiaries or entities which carried on the business at the relevant time or (as the case may be) their predecessors
“HKFRSs”	the Hong Kong Financial Reporting Standards (HKFRSs), which include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA)
“HKSCC Nominees”	HKSCC Nominees Limited
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK dollars” or “HK\$” and “cents”	Hong Kong dollars and cents respectively, the lawful currency for the time being of Hong Kong
“Independent Third Party(ies)”	persons who, so far as the Directors are aware after having made all reasonable enquiries, are not connected persons of the Company within the meaning of the Listing Rules

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“LIBOR”	the British Bankers’ Association Interest Settlement Rate for the relevant currency and period displayed on the LIBOR01 page of the Reuters Screen
“Lucky Strong”	Lucky Strong Technologies Limited (祥達科技有限公司), a company incorporated in Hong Kong on 9 March 1993 and owned by an Independent Third Party
“Mr. Wong”	Mr. Wong Fun Chung (黃訓松), the Chairman and chief executive officer of the Company and an executive Director
“Newtower Development”	Newtower Development Limited, a company incorporated in Hong Kong on 17 February 1987, of which Mr. Wong’s brother was one of the shareholders with other Independent Third Parties, formerly a co-founder of Fujian Electronic
“PBOC Rate”	the exchange rate for foreign exchange transactions set daily by the People’s Bank of China based on the China inter-bank foreign exchange market rate of the previous day and with reference to current exchange rates on the world financial markets
“PRC” or “China” or “Chinese”	The People’s Republic of China, but for the purposes of this document and for geographical reference only (unless otherwise indicated) excluding Taiwan, Macau Special Administrative Region of the PRC and Hong Kong
“PRC government”	the government of the PRC, including central government and all governmental subdivisions (including provincial, municipal and other regional or local government entities)
“Pre-IPO Share Options”	the options granted by the Company to certain employees and/or consultants of the Group prior to the Listing Date, as described in the section headed “Share Option Scheme — Pre-IPO Share Option Scheme” in Appendix VI to this document
[“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme adopted by a board resolution passed on [17 April] 2008
“R&D”	research and development
“Reorganisation”	the reorganisation arrangements undergone by the Group in preparation for the [●] as described in the section headed “History and Development — Reorganisation” in this document
“RMB” and “Renminbi”	the lawful currency for the time being of the PRC
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time

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“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of HK\$0.10 each excluding Class B Share(s)
“Shareholder(s)”	the holder(s) of Shares
“Share Option Scheme”	the share option scheme conditionally approved and adopted by the Company on [●] 2009, the principal terms of which are summarised in the paragraph headed “Share Option Scheme” in Appendix VI to this document
“State Council”	The State Council of the PRC (中華人民共和國國務院), the chief administrative authority of the PRC
“subsidiary”	has the meaning set out in section 2 of the Companies Ordinance
“Substantial Shareholder”	has the meaning ascribed thereto under the Listing Rules
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers, as amended from time to time
“Track Record Period”	the three financial years ended 30 June 2009
“U.S.” or “United States”	the United States of America
“US dollars” or “US\$”	United States dollars, the lawful currency for the time being of the United States
“Wide Plus”	Wide Plus Precision Instruments Company Limited (上潤精密儀器有限公司), a company incorporated in Hong Kong on 20 August 1991 and a wholly-owned subsidiary of Wide Sincere Enterprises Limited, formerly held the entire equity interest of Fujian Wide Plus
“Wide Plus High Precision”	Wide Plus High Precision Automation Limited (上潤高精密自動化有限公司), a company incorporated in Hong Kong on 11 December 2007 as an investment holding company and a direct wholly-owned subsidiary of the Company
“Wide Plus Investments”	Wide Plus Investments Limited, a company incorporated in Hong Kong on 14 September 1990, which was established by Mr. Wong with an Independent Third Party, formerly a co-founder of Fujian Electronic and founder of Fuzhou Shanglun

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“WTO” World Trade Organization

“%” per cent

In this document if there is any inconsistency between the Chinese names of the PRC entities and their English translation, the Chinese version shall prevail.

Unless otherwise specified, translations of HK\$ into US\$, RMB into HK\$ and HK\$ into RMB in this document are based on the rates set out below (for the purpose of illustration only):

US\$1.00 : HK\$7.80
RMB1.00 : HK\$[1.1344]
HK\$1.00 : RMB[0.8815]

No representation is made that any amounts in RMB, HK\$ and US\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

Certain amounts and percentage figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.