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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)*

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE SHARE INCENTIVE SCHEME APPLIED TO THE EMPLOYEES BY THE CONTROLLING SHAREHOLDER AND THE ULTIMATE CONTROLLING SHAREHOLDER OF THE COMPANY WITH PART OF DOMESTIC SHARES OF THE COMPANY HELD BY HIM

The board of Directors (the “Board”) of Launch Tech Company Limited (the “Company”) has recently received a notice from the ultimate controlling shareholder of the Company, Mr. Liu Xin, of which, in order to further improve the incentive of the management and core employees and further enhance the cohesion of the Company, Mr. Liu Xin intends to apply the incentive scheme to the eligible management and core employees of the Company with part of domestic shares of the Company held by him. The Company hereby announces the basic information related to the share incentive scheme on a voluntary basis as follows:

I. Information of the share incentive scheme

Mr. Liu Xin has currently held 66,000,000 domestic shares of the Company, representing 20.05% of the total issued share capitals of the Company. Having considered the long-term development of the Company, Mr. Liu Xin intends to apply the share incentive scheme to the eligible management and core employees of the Company with 10,000,000 domestic shares of the Company held by him (representing 3.04% of the total issued share capitals of the Company), so as to encourage the management and core employees to continuously make certain contributions to the Company.

II. Ways of incentive scheme

Mr. Liu Xin undertakes that, upon having comprehensive consideration on the development environment of the Company, he will apply the incentive scheme to the eligible management and core employees of the Company pursuant to laws and under applicable ways, with 10,000,000 domestic shares of the Company held by him (representing 3.04% of the total issued share capitals of the Company), and the implementation of the policy will be completed within five years. The eligibility criteria include the terms of office and performance of the management and core employees. For the change of equity interests and amendments to the articles of association of the Company involved in the implementation of the relevant incentive scheme, the Company will make further announcement(s) in accordance with the requirements under the Listing Rules as and when appropriate.

By order of the Board
Launch Tech Company Limited*
Liu Xin
Chairman

Shenzhen, the PRC, 26 July 2016

As at the date of this announcement, the board of directors of the Company comprises Mr. Liu Xin (Chairman), Mr. Liu Jun, Ms. Huang Zhaohuan and Mr. Jiang Shiwen as executive Directors, Ms. Liu Yong as non-executive Director, and Mr. Liu Yuan, Ms. Zhang Yan and Mr. Ning Bo as independent non-executive Directors.

* *for identification purpose only*