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上海集優機械股份有限公司

**Shanghai Prime Machinery Company Limited**

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

**(Stock Code: 02345)**

## **NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (the “**EGM**”) of Shanghai Prime Machinery Company Limited (the “**Company**”) will be held at Meeting Center, North 6th Floor, 2747 Songhuajiang Road, Hongkou District, Shanghai, PRC on Friday, 8 December 2017 at 1:00 p.m. to consider and, if thought fit, to pass the following resolutions:

### **ORDINARY RESOLUTIONS**

- (1) To consider, approve and confirm the Amended Framework Sales Agreement dated 26 September 2017 (a copy of which will be produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) entered into between the Company and SEG, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified (and accordingly the SEC Framework Sales Agreement will be terminated upon the Amended Framework Sales Agreement becoming effective); and any one director of the Company is hereby authorized to sign or execute such other documents or supplemental agreements or deeds on behalf of the Company and to do all such things and take all such actions as he may consider necessary or desirable for the purpose of giving effect to the Amended Framework Sales Agreement with such changes as he may consider necessary, desirable or expedient;
- (2) To consider, approve and confirm the Amended Framework Purchase Agreement dated 26 September 2017 (a copy of which will be produced to the meeting marked “B” and signed by the chairman of the meeting for the purpose of identification) entered into between the Company and SEG, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and any one director of the Company is hereby authorized to sign or execute such other documents or supplemental agreements or deeds on behalf of the Company and to do all such things and take all such actions as he may consider necessary or desirable for the purpose of giving effect to the Amended Framework Purchase Agreement with such changes as he may consider necessary, desirable or expedient; and

- (3) To consider, approve and confirm the deposit services under the Framework Financial Services Agreement dated 26 September 2017 (a copy of which will be produced to the meeting marked “C” and signed by the chairman of the meeting for the purpose of identification) entered into between the Company and SEG, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and any one director of the Company is hereby authorized to sign or execute such other documents or supplemental agreements or deeds on behalf of the Company and to do all such things and take all such actions as he may consider necessary or desirable for the purpose of giving effect to the deposit services under the Framework Financial Services Agreement with such changes as he may consider necessary, desirable or expedient.

By order of the Board of  
**Shanghai Prime Machinery Company Limited**  
**Zhou Zhiyan**  
*Chairman*

Shanghai, the PRC

23 October 2017

*As at the date of this notice, the Board consists of Executive Directors, namely Mr. Zhou Zhiyan, Mr. Mao Yizhong, Mr. Xiao Yuman, Mr. Zhang Jie and Mr. Chen Hui, Non-executive Director, namely Mr. Dong Yeshun, and Independent Non-executive Directors, namely Mr. Ling Hong, Mr. Chan Oi Fat and Mr. Sun Zechang.*

*Notes:*

1. Holders of the Company’s H shares (“**H Shares**”) and domestic shares (“**Domestic Shares**”) whose names appear on the register of members of the Company on Friday, 8 December 2017 are entitled to attend and vote at the EGM. The register of members of the Company will be closed from Wednesday, 8 November 2017 to Friday, 8 December 2017 (both days inclusive), during which time no transfer of H Shares will be effected. In order to be eligible to attend and vote at the EGM, any holders of H Shares whose transfers have not been registered must deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Tricor Investor Services Limited, not later than 4:30 p.m. on Tuesday, 7 November 2017.
2. Shareholders who intend to attend the EGM in person or by proxy should complete and sign the reply slip accompanying the notice of the EGM and return it to the Company’s H Share registrar, applicable for the holders of H Shares, or to the address of the company secretary of the Company (the “**Company Secretary**”), applicable for holders of Domestic Shares on or before Saturday, 18 November 2017 by hand, by post or by fax. Completion and return of the reply slip do not affect the right of a Shareholder to attend the EGM. However, the failure to return the reply slip may result in adjournment of the EGM, if the number of shares carrying right to vote represented by the Shareholders proposing to attend the EGM by reply slip does not reach more than half of total number of shares of the Company carrying right to vote at the EGM.
3. Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote at the meeting on his behalf. A proxy needs not be a shareholder of the Company. Each shareholder who wishes to appoint proxy should first review the circular of the Company dated 23 October 2017, which were despatched to shareholders on 23 October 2017.

4. A proxy shall be appointed by an instrument in writing (including the proxy form). Such instrument shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited at the Company's H Share registrar for holders of H Shares or at the address of the company secretary for holders of Domestic Shares not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy at the Company's H Share registrar or the address of the company secretary (as may be applicable).

5. Shareholders or their proxies are required to produce their identification documents when attending the EGM.

6. Miscellaneous

i. It is expected that the EGM will last for half a day. All attending shareholders shall arrange for their transportation and accommodation and shall bear all their own expenses in connection with their attendance.

ii. The address of the company secretary:

Company Secretary  
Shanghai Prime Machinery Company Limited  
2747 Songhua Jiang Road, Hongkou District  
Shanghai, The People's Republic of China  
Postal code: 200437

Tel: (8621) 64729900  
Fax: (8621) 64729889  
Contact Person: NG Kwong, Alexander

iii. The address of the Company's H Share registrar:

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

Tel: (852) 2980 1333  
Fax: (852) 2810 8185