
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your 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 Impro Precision Industries Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

**Impro Precision Industries Limited****鷹普精密工業有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock code: 01286)****DECLARATION OF FINAL DIVIDEND,
PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
REPURCHASE MANDATE AND GENERAL MANDATE
AND NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an Annual General Meeting of Impro Precision Industries Limited to be held at Unit 1008, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Tuesday, 12 May 2020 at 10 a.m. or any adjournment thereof is set forth in Appendix III to this circular.

A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.improprecision.com).

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of Impro Precision Industries Limited in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than Sunday, 10 May 2020 at 10 a.m. (Hong Kong time)) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting should you so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see page 1 of this document for measures being taken to try to prevent and control the spread of the novel coronavirus at the Annual General Meeting, including:

- compulsory temperature checks
- compulsory health declarations
- compulsory wearing of surgical face masks

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. The Company reminds Shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

3 April 2020

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing novel coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the Annual General Meeting to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the AGM venue or be required to leave the AGM venue;
- (ii) All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration from confirming their names and contact details, and confirming that they have not travelled to, or to their best of knowledge had physical contact with any person who has recently travelled to any countries or areas outside of Hong Kong (as per guidelines issued by the Hong Kong government at www.chp.gov.hk) at any time in the preceding 14 days. Any person who does not comply with this requirement may be denied entry into the AGM venue or be required to leave the AGM venue; and
- (iii) Attendees must wear surgical face masks inside the AGM venue at all times, and maintain a safe distance between seats. Any person who does not comply with this requirement may be denied entry into the AGM venue or be required to leave the AGM venue.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all stakeholders health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the Annual General Meeting is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instruction inserted, Shareholders may appoint the Chairman of the Annual General Meeting as they proxy to vote on the relevant resolution at the AGM instead of attending the AGM in person.

The proxy form is attached to the AGM Circular. Alternatively, the proxy form can be downloaded from websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) or the Company (www.improprecision.com). If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

If Shareholders choosing not to attend the AGM in person have any questions about the relevant resolutions, or about the Company or any matters for communication with the Board, they are welcome to contact the Company via our investor relations department as follows:

Investor Relations Department

Unit 1008, Shui On Centre
6-8 Harbour Road
Wanchai, Hong Kong
Tel: (852) 2572 8628
Fax: (852) 2572 8638
Email: ir@impro.com.hk
www.improrecision.com/investors

If Shareholders have any questions relating to the AGM, please contact Computershare Hong Kong Investor Services Limited, the Company's Share Registrar as follows:

Computershare Hong Kong Investor Services Limited
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
E-mail: hkinfo@computershare.com.hk
Tel: 852 2862 8555
Fax: 852 2865 0990

DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Unit 1008, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Tuesday, 12 May 2020 at 10 a.m. or any adjournment thereof;
“Articles”	the articles of association of the Company;
“Board”	the board of Directors;
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Company”	Impro Precision Industries Limited (鷹普精密工業有限公司), a company incorporated in the Cayman Islands with limited liability, and the securities of which are listed on the main board of the Stock Exchange;
“Directors”	the directors of the Company for the time being and from time to time;
“General Mandate”	the general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and otherwise deal with new Shares or to grant any offers, agreements or options which would or might require Shares to be issued, allotted or disposed of not exceeding 15% of the total number of the Shares in issue as of the date of passing the resolution approving the said mandate;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	30 March 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;

DEFINITIONS

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Notice”	the notice dated 3 April 2020 convening the Annual General Meeting as set forth in Appendix III to this circular;
“PRC”	The People’s Republic of China for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“Register of Members”	the register of members of the Company;
“Registrar”	the branch share registrar in Hong Kong of the Company, Computershare Hong Kong Investor Services Limited of Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong;
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors to exercise the powers of the Company to purchase Shares up to a maximum of 10% of the total number of the Shares in issue as of the date of passing of the resolution approving the said mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	the registered holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Codes”	The Codes on Takeovers and Mergers and Share Buy-backs.

EXPECTED TIMETABLE

Dispatch of this circular and the Notice Friday, 3 April 2020

Latest time for lodging transfer forms of Shares
to qualify for entitlements to attend and vote
at the Annual General Meeting 4:30 p.m. on Wednesday, 6 May 2020

Closure of Register of Members for purpose of
Annual General Meeting (both dates inclusive) from Thursday, 7 May 2020 to
Tuesday, 12 May 2020

Latest time for lodging forms of proxy for
the Annual General Meeting (in any event not
less than 48 hours before the time appointed
for holding the Annual General Meeting or
any adjournment thereof) before 10:00 a.m. on
Sunday, 10 May 2020

Date and time of
the Annual General Meeting 10 a.m. on Tuesday, 12 May 2020

Last day for purchasing shares cum entitlements
to the final dividend Wednesday, 13 May 2020

Last time for lodging transfer forms of Shares
to qualify for entitlements
to the final dividend 4:30 p.m on Friday, 15 May 2020

Closure of Register of Members for purpose of
final dividend (both days inclusive). from Monday, 18 May 2020 to
Wednesday, 20 May 2020

Record date for determination of entitlement
to the final dividend Wednesday, 20 May 2020

Dispatch of cheques for the final dividend on or around
Friday, 29 May 2020

Notes:

1. All dates and time set out in this circular refer to Hong Kong dates and time.
2. Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholder as and when appropriate and in accordance with the Listing Rules.

LETTER FROM THE BOARD



Impro Precision Industries Limited

鷹普精密工業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01286)

Executive Directors:

Mr. LU Ruibo (*Chairman and Chief Executive Officer*)

Ms. WANG Hui, Ina

Mr. YU Yuepeng

Ms. ZHU Liwei

Mr. WANG Dong

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent non-executive Directors:

Mr. YU Kwok Kuen Harry

Dr. YEN Gordon

Mr. LEE Siu Ming

*Headquarters and principal place
of business in Hong Kong:*

Unit 1008, Shui On Centre,

6-8 Harbour Road,

Wanchai, Hong Kong

*Principal place of business
in China:*

No. 18, Furong Road 5,

Xishan Economy

Development Zone,

Wuxi City,

Jiangsu Province, PRC

3 April 2020

To the Shareholders

Dear Sir or Madam

**DECLARATION OF FINAL DIVIDEND,
PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
REPURCHASE MANDATE AND GENERAL MANDATE
AND NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you information on the following resolutions proposed to be tabled at the AGM, so as to enable you to make an informed decision on the resolutions at the AGM to be held on 12 May 2020.

LETTER FROM THE BOARD

The resolutions include, among others, (i) the declaration of final dividend, (ii) the re-election of the retiring Directors, (iii) the grant of the Repurchase Mandate, (iv) the grant of the General Mandate, and (v) the extension of the General Mandate.

DECLARATION OF FINAL DIVIDEND

The Directors proposed the declaration of the final dividend of Hong Kong 3.2 cents for the year ended 31 December 2019, payable to the Shareholders whose names appear on the Register of Members on Wednesday, 20 May 2020.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 83 and 84 of the Articles, Mr. LU Ruibo, Ms. WANG Hui, Ina, Mr. YU Yuepeng, Ms. ZHU Liwei, Mr. WANG Dong, Mr. YU Kwok Kuen Harry, Dr. YEN Gordon and Mr. LEE Siu Ming will retire by rotation at the AGM and, being eligible, have offered themselves for re-election. Details of such retiring Directors are set forth in Appendix I to this circular.

Mr. YU Kwok Kuen Harry and Dr. YEN Gordon are holding other listed company directorships as set out in his biographical information set out in Appendix I to this circular, has confirmed his independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Nomination Committee has reviewed the composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skill and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's board diversity policy and the Company's corporate strategy, and the independence of Mr. YU Kwok Kuen Harry, Dr. YEN Gordon and Mr. LEE Siu Ming. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors including the aforesaid independent non-executive Director who is due to retire at the AGM. The Board accepted the recommendations made by the Nomination Committee and considers that Mr. YU Kwok Kuen Harry, Dr. YEN Gordon and Mr. LEE Siu Ming are independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Board, therefore, considers him to be independent and believes that he should be re-elected.

REPURCHASE MANDATE

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase Shares subject to the criteria set forth in this circular. In particular, you should note that the maximum number of Shares that may be repurchased pursuant to the Repurchase Mandate will be such number which represents 10% of the total number of the Shares in issue as of the date of passing of the resolution, subject to the requirements of the Listing Rules. The Repurchase Mandate will be expired on the earliest of the conclusion of the next annual general meeting of the Company, the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or the Articles and the date upon which such authority is revoked or varied by ordinary resolution of the Shareholders in general meeting.

LETTER FROM THE BOARD

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement, which is set forth in Appendix II to this circular.

GENERAL MANDATE

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to allot, issue and deal with further Shares or to grant any offers, agreements or options which would or might require Shares to be issued, allotted or disposed of, representing up to 15% of the total number of the Shares in issue as of the date of passing of the resolution. As of the Latest Practicable Date, the issued share capital of the Company comprised 1,883,295,000 fully paid up Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date to the date of passing the aforesaid resolution, the maximum number of Shares which may be issued pursuant to the aforesaid general and unconditional mandate on the date of passing the aforesaid resolution will be 282,494,250 Shares.

Subject to the passing of the aforesaid ordinary resolutions of the Repurchase Mandate and the General Mandate, a separate ordinary resolution will also be proposed for the Shareholders to consider and, if thought fit, approve the extension of the General Mandate by adding to it the number of Shares repurchased under the Repurchase Mandate, if granted.

ANNUAL GENERAL MEETING

A notice of the AGM is set forth in Appendix III to this circular. At the AGM, resolutions will be proposed to approve, inter alia, the declaration of the final dividend out of retained earnings account of the Company, the re-election of the retiring Directors, the grant of the Repurchase Mandate, the grant of the General Mandate and the extension of the General Mandate. The AGM will be held at Unit 1008, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong, on Tuesday, 12 May 2020, at 10 a.m.

PROXY ARRANGEMENT

A form of proxy for the AGM is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, at the Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the AGM (i.e. not later than Sunday, 10 May 2020 at 10 a.m. (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The Register of Members for the purpose of AGM will be closed from Thursday, 7 May 2020 to Tuesday, 12 May 2020, both days inclusive, during which period no transfer of Shares will be registered in order to determine the entitlement to attend and vote at the AGM. All share transfers documents accompanied by the relevant share certificates, must be lodged with the Registrar at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 6 May 2020 for such purpose.

The Register of Members for the purpose of final dividend will be closed from Monday, 18 May 2020 to Wednesday, 20 May 2020, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Register at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 15 May 2020.

VOTING BY WAY OF A POLL

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, poll voting for all proposed resolutions of the Company will be proceeded with at the AGM.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorized representative, shall have one vote for every fully paid Share of which he/she is the holder. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same way.

There is no Shareholder who has any material interest in the proposed resolutions regarding the General Mandate and Repurchase Mandate, therefore none of the Shareholders is required to abstain from voting on such resolutions.

RECOMMENDATION

The Board is of the opinion that the declaration of the final dividend, the proposed re-election of the retiring Directors, the grant of the Repurchase Mandate and the General Mandate and the extension of the General Mandate are in the best interest of the Company and the Shareholders as a whole and accordingly recommend all the Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By order of the Board
Impro Precision Industries Limited
LU Ruibo
Chairman

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

**RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL
GENERAL MEETING**

Set forth below is a summary of the biographical information on the retiring Directors proposed to be re-elected at the AGM. Mr. LU Ruibo, Ms. WANG Hui, Ina, Mr. YU Yuepeng, Ms. ZHU Liwei, Mr. WANG Dong, Mr. YU Kwok Kuen Harry, Dr. YEN Gordon and Mr. LEE Siu Ming will retire by rotation in accordance with Article 84 of the Articles.

Executive Directors

Mr. LU Ruibo (陸瑞博), previously known as LU Jianqiu (陸建秋), aged 56, is an executive Director, the Chairman of our Board and our Chief Executive Officer. Mr. LU has over 35 years' experience in mechanical engineering and industrial engineering. Mr. LU is the founder of our Group. With his extensive experience in manufacturing industry, Mr. LU is responsible for formulating our overall business development strategies and overseeing our Group's overall operations. Prior to founding our Group in September 1998, Mr. LU worked at Jiangyin Bearing Factory (江陰市軸承廠), which then specialized in the manufacturing of bearing products, from May 1992 to July 1998, and Jiangyin Micro-Bearing Factory (江陰市微型軸承廠), which then specialized in the manufacturing of micro-bearing products, from September 1988 to May 1992, where he was respectively responsible for overseeing the production process. During the period between August 1984 and September 1988, Mr. LU served as a technician at Wuxi Textile Machinery Special Parts Plant (無錫紡織機械專件廠) (previously known as Wuxi Textile Machinery Research Institute (無錫紡織機械研究所), an entity in China engaged in the production of textile parts, and thereby accumulated practical experience in managing the production process in manufacturing businesses.

The previous working experience equipped Mr. LU with the necessary management skills and industry experience in managing manufacturing businesses in China and overseas.

Mr. LU obtained a bachelor's degree in engineering, majoring in mechanical design, manufacturing processes and equipment, from Northeastern Heavy Machinery Institute (東北重型機械學院) (currently known as Yanshan University 燕山大學), the PRC, in July 1984. Mr. LU was appointed as an executive Director in March 2008. Over the past three years, Mr. LU has not acted as a director in other listed companies in Hong Kong or overseas.

Mr. LU Ruibo is the spouse of Ms. WANG Hui, Ina. As at the Latest Practicable Date, Mr. LU Ruibo, being a controlling shareholder of the Company, together with its associates, was beneficially interested in 1,147,029,787 Shares and had spouse interest of 1,500,000 share options, representing approximately 60.99% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. LU Ruibo has no relationship with any other directors, senior management or other substantial shareholders (as defined in the Listing Rules) of the Company.

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Mr. LU Ruibo has entered into a service agreement with the Company as an executive Director for a term of three years commencing from 15 June 2018, which may be terminated by either the Company or Mr. LU Ruibo by giving three months written notice or otherwise in accordance with the terms of the service agreement. Under the service agreement entered into between the Company and Mr. LU Ruibo, Mr. LU Ruibo is entitled to a guaranteed remuneration of approximately HK\$3,516,000 per year, including the director's fee and other remuneration payable by members of the Group, but excluding discretionary bonus, if any, as determined by the remuneration committee of the Board with reference to the performance of the Group. The remuneration of Mr. LU Ruibo was determined having considered the experience, duties and responsibilities of Mr. LU Ruibo and the prevailing market rate of companies of comparable size and similar operation.

Save as disclosed above, there is no information in relation to the re-election of Mr. LU Ruibo that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Ms. WANG Hui, Ina (王輝), aged 49, is an executive Director and our Group Vice President. Ms. WANG is in-charge of our Group's marketing, contract management and legal affairs. Ms. WANG has been the president of Impro USA since September 2010 and leads the overall operations of Impro USA. Ms. WANG joined Impro USA in March 1999 and set up and managed our Group's sales offices in the United States and Europe. Ms. WANG has been responsible for our business development and sales contracts negotiation and management. Ms. WANG was our Group's Vice President from June 2008. At present, Ms. WANG is the president of Impro Aerospace Mexico and executive director of Impro International. Ms. WANG has over 19 years' experience in international trade, sales and marketing and overseas operational management activities. This previous working experience equipped Ms. WANG with the required practical skills and business connections for facilitating overseas marketing activities.

Ms. WANG obtained a bachelor's degree in Chinese literature and linguistics from East China Normal University (華東師範大學), the PRC, in July 1992. Ms. WANG obtained a master of business administration (MBA) degree from the University of Phoenix, the United States, in April 2017 and master of Science Regulatory Trade Compliance (MSc) degree from Dunlap-Stone University, the United States in December 2019. Ms. WANG is the spouse of Mr. LU. Over the past three years, Ms. WANG has not acted as a director in other listed companies in Hong Kong or overseas.

Ms. WANG Hui, Ina, is the spouse of Mr. LU Ruibo, and neither is she a director of Impro Development Limited nor holds any interest, beneficiary or otherwise, in the issued shares of Impro Development Limited. As at the Latest Practicable Date, Ms. WANG Hui, Ina was beneficially interested in 1,500,000 share options and had spouse interest of 1,147,029,787 Shares, representing approximately 60.99% of the issued share capital of the Company within the meaning of Part XV of the SFO.

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, Ms. WANG Hui, Ina has no relationship with any other directors, senior management or other substantial shareholders (as defined in the Listing Rules) of the Company.

Ms. WANG Hui, Ina has entered into a service agreement with the Company as an executive Director for a term of three years commencing from 15 June 2018, which may be terminated by either the Company or Ms. WANG Hui, Ina by giving three months written notice or otherwise in accordance with the terms of the service agreement. Under the service agreement entered into between the Company and Ms. WANG Hui, Ina, Ms. WANG Hui, Ina is entitled to a guaranteed remuneration of approximately HK\$2,336,000 per year, including the director's fee and other remuneration payable by members of the Group, but excluding discretionary bonus, if any, as determined by the remuneration committee of the Board with reference to the performance of the Group. The remuneration of Ms. WANG Hui, Ina was determined having considered the experience, duties and responsibilities of Ms. WANG Hui, Ina and the prevailing market rate of companies of comparable size and similar operation.

Save as disclosed above, there is no information in relation to the re-election of Ms. WANG Hui, Ina that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. YU Yuepeng (余躍鵬), aged 49, is an executive Director and our Group Vice President leading the operations and sales support of Plant 1, Plant 5, Plant 6 (Investment Casting) and Plant 9. Mr. YU is also in charge of related financial approvals and cost control of our regional headquarters in China and China region purchasing department, and act as director of Impro Industries Mexico, in-charge of the operations and sales support of the investment casting components plant in Mexico. Mr. YU joined us in September 1998 and has worked as the director and chief manager of Impro Aerospace Wuxi, the deputy chief manager of Impro China, the assistant manager and the assistant to chief manager of Impro-Bees Bearing. Mr. YU is currently president of Impro China, president of Impro Impeller and vice president of Impro Industries Mexico.

Mr. YU obtained a bachelor's degree in agricultural mechanics from Nanjing Agricultural University (南京農業大學), the PRC, in July 1994.

Save as disclosed above, Mr. YU Yuepeng has no relationship with any directors, senior management or substantial shareholders (as defined in the Listing Rules) or Controlling Shareholders of the Company.

Save as disclosed above, Mr. YU Yuepeng has not held any directorship in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

As at the Latest Practicable Date, Mr. YU Yuepeng was beneficially interested in 1,500,000 share options, representing approximately 0.08% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Mr. YU Yuepeng has entered into a service agreement with the Company as an executive Director for a term of three years commencing from 15 June 2018, which may be terminated by either the Company or Mr. YU Yuepeng by giving three months written notice or otherwise in accordance with the terms of the service agreement. Under the service agreement entered into between the Company and Mr. YU Yuepeng, Mr. YU Yuepeng is entitled to a guaranteed remuneration of approximately HK\$1,713,000 per year, including the director's fee and other remuneration payable by members of the Group, but excluding discretionary bonus, if any, as determined by the remuneration committee of the Board with reference to the performance of the Group. The remuneration of Mr. YU Yuepeng was determined having considered the experience, duties and responsibilities of Mr. YU Yuepeng and the prevailing market rate of companies of comparable size and similar operation.

Save as disclosed above, there is no information in relation to the re-election of Mr. YU Yuepeng that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Ms. ZHU Liwei (朱力微), aged 51, is an executive Director and Group Vice President leading the operations of Plant 3, Plant 4 and Plant 8 in the China region. Ms. ZHU has more than 20 years' experience in the industrial engineering industry. Ms. ZHU joined Wuxi Viking, the predecessor of Impro China, in July 1995 and from September 1998 to September 2006, Ms. ZHU was its general manager responsible for its daily operations. Ms. ZHU was our Vice President from September 2006 to December 2017, responsible for the purchasing department of the China region and the operations of our Plant 2, Plant 3 and Plant 4. Ms. ZHU has been in charge of the aerospace and medical business of our Group since January 2014. Ms. ZHU is currently the president of Impro Aerospace Wuxi.

Ms. ZHU obtained a bachelor's degree in engineering economics and a master's degree in industrial engineering from Shanghai Jiao Tong University (上海交通大學), the PRC, in July 1991 and March 2005, respectively. In November 2006, Ms. ZHU was awarded the title of "Senior Economist" (高級經濟師) by the Jiangsu Province Personnel Affairs Bureau (江蘇省人事廳), a provincial government authority responsible for employment and personnel matters, recognizing her expertise and experience in management, economy employment and personnel matters.

Save as disclosed above, Ms. ZHU Liwei has no relationship with any directors, senior management or substantial shareholders (as defined in the Listing Rules) or Controlling Shareholders of the Company.

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, Ms. ZHU Liwei has not held any directorship in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Ms. ZHU Liwei was beneficially interested in 1,500,000 options, representing approximately 0.08% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Ms. ZHU Liwei has entered into a service agreement with the Company as an executive Director for a term of three years commencing from 15 June 2018, which may be terminated by either the Company or Ms. ZHU Liwei by giving three months written notice or otherwise in accordance with the terms of the service agreement. Under the service agreement entered into between the Company and Ms. ZHU Liwei, Ms. ZHU Liwei is entitled to a guaranteed remuneration of approximately HK\$1,713,000 per year, payable, including the director's fee and other remuneration payable by members of the Group, but excluding discretionary bonus, if any, as determined by the remuneration committee of the Board with reference to the performance of the Group. The remuneration of Ms. ZHU Liwei was determined having considered the experience, duties and responsibilities of Ms. ZHU Liwei and the prevailing market rate of companies of comparable size and similar operation.

Save as disclosed above, there is no information in relation to the re-election of Ms. ZHU Liwei that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. WANG Dong (王東), aged 44, is our executive Director and is responsible for the operations and sales support of Plant 2, Plant 6, Plant 7 and Mexico sand casting components plant. Mr. WANG also currently serves as director of Impro Industries Mexico. Mr. WANG has more than 20 years' experience in manufacturing of high-precision machining components and parts. Mr. WANG joined us in October 2001 and worked as the manager for production and logistics of Impro-Bees Machinery; the deputy general manager of Impro China; the deputy general manager of Impro Aerospace Wuxi; the executive deputy general manager of Impro Yixing; the director of Impro Impeller and the executive director and general manager of Impro Taizhou. Before joining us, Mr. WANG served as a technician and an engineer at Wuxi Weifu Group Co., Ltd. (無錫威孚集團公司), a company engaged in the development, manufacturing and supply of components and parts for trucks, passenger cars, and construction machines, from July 1998 to July 2000, where he was responsible for product development.

Mr. WANG obtained a bachelor's degree in mechanical and electronic engineering from Xi'an University of Technology (西安理工大學), the PRC, in July 1998.

Save as disclosed above, Mr. WANG Dong has no relationship with any directors, senior management or substantial shareholders (as defined in the Listing Rules) or Controlling Shareholders of the Company.

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, Mr. WANG Dong has not held any directorship in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. WANG Dong was beneficially interested in 1,500,000 share options, representing approximately 0.08% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Mr. WANG Dong has entered into a service agreement with the Company as an executive Director for a term of three years commencing from 15 June 2018, which may be terminated by either the Company or Mr. WANG Dong by giving three months written notice or otherwise in accordance with the terms of the service agreement. Under the service agreement entered into between the Company and Mr. WANG Dong, Mr. WANG Dong is entitled to a guaranteed remuneration of approximately HK\$1,713,000 per year, including the director's fee and other remuneration payable by members of the Group, but excluding discretionary bonus, if any, as determined by the remuneration committee of the Board with reference to the performance of the Group. The remuneration of Mr. WANG Dong was determined having considered the experience, duties and responsibilities of Mr. WANG Dong and the prevailing market rate of companies of comparable size and similar operation.

Save as disclosed above, there is no information in relation to the re-election of Mr. WANG Dong that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Independent Non-executive Directors

Mr. YU Kwok Kuen Harry (余國權), aged 50, was appointed as our independent non-executive director on 1 April 2019. Mr. YU also serves as the chairman of the Audit Committee and a member of the Remuneration Committee. Mr. YU is experienced in the finance and accounting field. Mr. YU worked at KPMG China, an international accounting firm, from October 1991 to June 2011, during which he became a partner in July 2002. Mr. YU is an independent non-executive director of China Risun Group Limited (a company listed on the Hong Kong Stock Exchange, stock code: 1907) since September 2018.

Mr. YU obtained a diploma in accountancy from the Morrison Hill Technical Institute, Hong Kong and a master's degree in Business Administration through long distance learning awarded by Manchester Business School. Mr. YU is a fellow of the Institute of Chartered Accountants in England and Wales, a fellow of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. Mr. YU is also a registered auditor in the Macau Special Administrative Region.

Save as disclosed above, Mr. YU Kwok Kuen Harry has no relationship with any directors, senior management or substantial shareholders (as defined in the Listing Rules) or Controlling Shareholders of the Company.

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, Mr. YU Kwok Kuen Harry has not held any directorship in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. YU Kwok Kuen Harry has entered into a letter of appointment with the Company as an independent non-executive Director for a term of three years commencing from 1 April 2019, which may be terminated by either the Company or Mr. YU Kwok Kuen Harry by giving three months written notice or otherwise in accordance with the terms of the letter of appointment. Under the letter of appointment entered into between the Company and Mr. YU Kwok Kuen Harry, Mr. YU Kwok Kuen Harry is entitled to a remuneration of HK\$300,000 per year, payable on a quarterly basis. The remuneration of Mr. YU Kwok Kuen Harry was determined having considered the experience, duties and responsibilities of Mr. YU Kwok Kuen Harry and the prevailing market rate of companies of comparable size and similar operation.

Save as disclosed above, there is no information in relation to the re-election of Mr. YU Kwok Kuen Harry that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Dr. YEN Gordon (嚴震銘), aged 50, was appointed as our independent non-executive director on 1 April 2019. Dr. YEN also serves as a member of the Audit Committee and the Nomination Committee. Dr. YEN is currently the founding managing partner of Radiant Tech Ventures Limited, an innovation and technology venture capital firm, and is registered as a responsible officer under the SFO for Type 9 (asset management) regulated activities. Dr. YEN has over 20 years of management and operational experience in private and listed companies in investment, global supply chain, manufacturing and infrastructure industries. Dr. YEN was an independent non-executive director of Hopewell Holdings Limited (a company listed on the Hong Kong Stock Exchange, stock code: 54) from May 2012 to May 2019. Dr. YEN has also been the vice chairman since 28 August 2018 and a non-executive director since May 2013 of Fountain Set (Holdings) Limited (a company listed on the Hong Kong Stock Exchange, stock code: 420).

Dr. YEN obtained a bachelor of science degree in manufacturing engineering from Boston University, the United States, in May 1990; a Master of Business Administration degree from McGill University, Canada, in June 1992, and a Doctor of Business Administration from The Hong Kong Polytechnic University in December 2005.

Save as disclosed above, Dr. YEN Gordon has no relationship with any directors, senior management or substantial shareholders (as defined in the Listing Rules) or Controlling Shareholders of the Company.

Save as disclosed above, Dr. YEN Gordon has not held any directorship in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Dr. YEN Gordon has entered into a letter of appointment with the Company as an independent non-executive Director for a term of three years commencing from 1 April 2019, which may be terminated by either the Company or Dr. YEN Gordon by giving three months written notice or otherwise in accordance with the terms of the letter of appointment. Under the letter of appointment entered into between the Company and Dr. YEN Gordon, Dr. YEN Gordon is entitled to a remuneration of HK\$300,000 per year, payable on a quarterly basis. The remuneration of Dr. YEN Gordon was determined having considered the experience, duties and responsibilities of Dr. YEN Gordon and the prevailing market rate of companies of comparable size and similar operation.

Save as disclosed above, there is no information in relation to the re-election of Dr. YEN Gordon that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. LEE Siu Ming (李小明), aged 44, was appointed as our independent non-executive director on 1 April 2019. Mr. LEE also serves as the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. Mr. LEE has been the chief strategy officer and head of capital markets/corporate finance of VPower Group International Holdings Limited (a company listed on the Hong Kong Stock Exchange, stock code: 1608) since April 2017. Mr. LEE has over 17 years of experience in investment banking and asset management, and worked at a number of investment banking institutions in Hong Kong such as BOCI Asia Limited, Morgan Stanley Asia Limited, Deutsche Bank AG, Hong Kong Branch, and BNP Paribas Peregrine Capital Limited from 1999 to 2016, where he participated in leading corporate finance and capital markets transactions. Mr. LEE's last position in investment banking was managing director of Global Coverage Centre at BOCI Asia Limited.

Mr. LEE obtained a Master of Business Administration degree and a Bachelor of Business Administration degree from University of Wisconsin – Madison, the United States, in December 1997 and May 1997, respectively. In addition, Mr. LEE has obtained the Chartered Financial Analyst certification from the CFA Institute since May 2001.

Save as disclosed above, Mr. LEE Siu Ming has no relationship with any directors, senior management or substantial shareholders (as defined in the Listing Rules) or Controlling Shareholders of the Company.

Save as disclosed above, Mr. LEE Siu Ming has not held any directorship in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. LEE Siu Ming has entered into a letter of appointment with the Company as an independent non-executive Director for a term of three years commencing from 1 April 2019, which may be terminated by either the Company or Mr. LEE Siu Ming by giving three months written notice or otherwise in accordance with the terms of the letter of appointment. Under the letter of appointment entered into between the Company and Mr. LEE Siu Ming, Mr. LEE Siu

**APPENDIX I INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Ming is entitled to a remuneration of HK\$300,000 per year, payable on a quarterly basis. The remuneration of Mr. LEE Siu Ming was determined having considered the experience, duties and responsibilities of Mr. LEE Siu Ming and the prevailing market rate of companies of comparable size and similar operation.

Save as disclosed above, there is no information in relation to the re-election of Mr. LEE Siu Ming that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

POLICY ON DIRECTORS' EMOLUMENTS

The emoluments for the Directors are determined with reference to salaries paid by comparable companies, the Directors' experience and responsibilities as well as performance of the Group. In addition to the fees, salaries, housing allowances, other allowances, benefits in kind or bonuses, the Company has conditionally adopted a share option scheme pursuant to which the participants, including the Directors, may be granted options to subscribe for the Shares.

OTHER INFORMATION

Save as disclosed above, there are no other matters concerning the retiring Directors that need to be brought to the attention of the Shareholders in relation to their re-election and there is no other information which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

This appendix contains particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM in relation to the Repurchase Mandate.

PROPOSED SHARE REPURCHASE MANDATE

It is proposed that the Directors be granted the Repurchase Mandate such that they may exercise the powers of the Company to repurchase up to 10% of the total number of the Shares in issue as of the date of passing of the relevant resolution. As of the Latest Practicable Date, the total number of Shares in issue was 1,883,295,000 Shares and they were all fully paid up. Accordingly, the exercise of the Repurchase Mandate in full (being the repurchase of 10% of the total number of the Shares in issue as of the date of the passing of the resolution to approve the Repurchase Mandate) would enable the Company to repurchase a maximum of 188,329,500 Shares (assuming no Share is issued or repurchased after the Latest Practicable Date and up to the date of the AGM).

REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, the Directors believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such repurchase may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value for each Share and/or earnings for each Share. The Directors would only make such purchases in circumstances where they consider them to be in the best interests of the Company.

FUNDING OF REPURCHASE

In making repurchase, the Company proposes to apply funds legally available for such purpose in accordance with its memorandum of association of the Company, the Articles, the Listing Rules and the Companies Law. Under the Companies Law, Shares repurchased by the Company may only be paid out of profits or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by its memorandum of association, the Articles and subject to the Companies Law, out of capital. Any premium payable on share repurchase may only be paid out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles and subject to the Companies Law, out of capital.

IMPACT OF REPURCHASE

On the basis of the consolidated financial position of the Company as of 31 December 2019 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital position and the gearing position of the Company in the event that the Repurchase Mandate was to be exercised in full. No repurchase would be made by the Company in circumstances that would have a material adverse impact on the working capital position or gearing position of the Company (as compared with the position disclosed in the latest published audited financial statements).

SHARE PRICE

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous ten months since the date of Listing up to the Latest Practicable Date were as follows:

Month	Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
June	3.01	3.01
July	4.42	3.25
August	4.22	3.48
September	3.80	3.29
October	3.60	3.15
November	3.30	2.88
December	3.20	2.66
2020		
January	3.51	2.81
February	3.58	2.93
Up to 30 March	3.55	2.60

UNDERTAKING

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company or its subsidiaries in the event that the Repurchase Mandate is approved by the Shareholders.

As of the Latest Practicable Date, none of the core connected persons (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell his/her/its Shares to the Company, nor has he/she/it undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the memorandum of association of the Company, the Articles and the Companies Law.

TAKEOVERS CODES

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Code.

As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Code.

As at the Latest Practicable Date, so far as is known to the Directors, the following person was the Substantial Shareholder (as defined under the Listing Rules) of the Company:

Substantial Shareholder	Number of Shares held	Approximate percentage of shareholding in the Company
Impro Development Limited ("Impro Development")	1,137,790,787	60.41%
Mr. LU Ruibo	1,147,029,787	60.91%
Ms. WANG Hui, Ina ⁽¹⁾	1,147,029,787	60.91%
Baring Private Equity Asia V Holding Limited ("Baring") ⁽²⁾	237,153,654	12.59%
Casting Holdings Limited ⁽²⁾⁽³⁾	237,153,654	12.59%
The Baring Asia Private Equity Fund V, L.P. ⁽³⁾	237,153,654	12.59%
Baring Private Equity Asia GP V, L.P. ⁽³⁾	237,153,654	12.59%
Baring Private Equity Asia GP V Limited ⁽³⁾	237,153,654	12.59%
Jean Eric Salata Rothleder ⁽³⁾	237,153,654	12.59%
GT Cedar Capital (Hong Kong) Limited ("GT Cedar") ⁽⁴⁾	95,267,123	5.06%
Genertec Investment Management Co. Ltd. ⁽⁵⁾	95,267,123	5.06%
China General Technology (Group) Holding Company Limited ⁽⁵⁾	95,267,123	5.06%

Notes:

- (1) Ms. WANG Hui, Ina is the spouse of Mr. LU Ruibo, and neither is she a director of Impro Development nor holds any interest, beneficial or otherwise, in the issued shares of Impro Development. The disclosure of Ms. WANG's interest in Impro Development is in compliance with the disclosure requirement of spouse interest under Divisions 7 and 8 of Part XV and section 352 of the SFO.

- (2) Baring is wholly-owned by Casting Holdings Limited. Casting Holdings Limited is owned as to 99.35% by The Baring Asia Private Equity Fund V, L.P. and 0.65% by The Baring Asia Private Equity Fund V Co-Investment L.P.
- (3) Each of Casting Holdings Limited, The Baring Asia Private Equity Fund V, L.P. (as the controlling shareholder of Casting Holdings Limited), Baring Private Equity Asia GP V, L.P. (as the general partner of The Baring Asia Private Equity Fund V, L.P.), Baring Private Equity Asia GP V Limited (as the general partner of Baring Private Equity Asia GP V, L.P.), and Mr. Jean Eric Salata Rothleder (as the sole shareholder of Baring Private Equity Asia GP V Limited) are deemed to be interested in the Shares. Mr. Jean Eric Salata Rothleder disclaims beneficial ownership of the Shares, except to the extent of his economic interest in such entities.
- (4) GT Cedar is owned as to 80% by Genertec Investment Management Co. Ltd. and 20% by Genertec Hong Kong International Capital Limited.
- (5) Genertec Investment Management Co. Ltd. is owned as to 99.7% by China General Technology (Group) Holding Company Limited and 0.3% by China National Technical Import & Export Corporation, a wholly-owned subsidiary of China General Technology (Group) Holding Company Limited. Under the SFO, Genertec Investment Management Co. Ltd. and China General Technology (Group) Holding Company Limited are deemed to be interested in our Shares.

Assuming that the Substantial Shareholder does not dispose or purchase or exercise any rights to subscribe for any shares, in the event that the Directors exercise in full the power to repurchase shares in accordance with the Repurchase Mandate, the approximate percentage shareholdings of the Substantial Shareholder before and after such repurchase would be as follows:

Substantial Shareholder	Before repurchase	After repurchase
Impro Development Limited	60.41%	67.13%
Mr. LU Ruibo	60.91%	67.67%
Ms. WANG Hui, Ina	60.91%	67.67%
Baring Private Equity Asia V Holding Limited	12.59%	13.99%
Casting Holdings Limited	12.59%	13.99%
The Baring Asia Private Equity Fund V, L.P.	12.59%	13.99%
Baring Private Equity Asia GP V, L.P.	12.59%	13.99%
Baring Private Equity Asia GP V Limited	12.59%	13.99%
Jean Eric Salata Rothleder	12.59%	13.99%
GT Cedar Capital (Hong Kong) Limited	5.06%	5.62%
Genertec Investment Management Co. Ltd.	5.06%	5.62%
China General Technology (Group) Holding Company Limited	5.06%	5.62%

As of the Latest Practicable Date, Mr. LU Ruibo, being a controlling shareholder (as defined in the Listing Rules) of the Company, together with its associates, was beneficially interested in 1,147,029,787 Shares, representing approximately 60.91% of the issued share capital of the Company. On the basis that no further Shares will be issued or repurchased after the Latest Practicable Date, in the event that the Directors exercise the Repurchase Mandate in full, the interests of Mr. LU Ruibo, together with its associates, in the Company would be increased to approximately 67.67% of the issued share capital. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Codes

As of the Latest Practicable Date, the number of Shares being held by the public shareholders is 499,111,559, or being 26.50% of the total number of issued Shares of the Company. The Directors have no intention to exercise the Repurchase Mandate to the extent that the purchase would result in the number of Shares being held by the public shareholders to fall below 25% of the number of issued Shares of the Company nor to the extent that would result in an obligation to make a mandatory offer under Rule 26 of the Takeovers Codes.

The Directors are not aware of any consequences which may arise under the Code as a result of any repurchase made under the Repurchase Mandate.

SHARE REPURCHASE MADE BY THE COMPANY

During the six months immediately preceding the Latest Practicable Date, there was no repurchase of its Shares made by the Company (whether on the Stock Exchange or otherwise).

**Impro Precision Industries Limited****鷹普精密工業有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock code: 01286)****NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the AGM of Impro Precision Industries Limited (the “**Company**”) will be held at Unit 1008, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Tuesday, 12 May 2020 at 10 a.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the directors (the “**Director(s)**”) of the Company and the auditors (the “**Auditors**”) of the Company for the year ended 31 December 2019.
2. To declare a final dividend of HK3.2 cents per share for the year ended 31 December 2019.
3. (A) (i) To re-elect Mr. LU Ruibo as an executive Director.

(ii) To re-elect Ms. WANG Hui, Ina as an executive Director.

(iii) To re-elect Mr. YU Yuepeng as an executive Director.

(iv) To re-elect Ms. ZHU Liwei as an executive Director.

(v) To re-elect Mr. WANG Dong as an executive Director.

(vi) To re-elect Mr. YU Kwok Kuen Harry as an independent non-executive Director.

(vii) To re-elect Dr. YEN Gordon as an independent non-executive Director.

(viii) To re-elect Mr. LEE Siu Ming as an independent non-executive Director.
- (B) To authorise the board (the “**Board**”) of Directors to determine the remuneration of the Directors.
4. To re-appoint the Auditors and authorise the Board to fix their remuneration.

5. To consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions of the Company:–

5A. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company to repurchase issued shares of the Company of HK\$0.10 each (the **“Shares”**) on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, the memorandum and articles of association of the Company (the **“Articles”**) and requirements of The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisations given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (c) the number of Shares to be repurchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of the Shares in issue as of the date of passing of this resolution, and the said approval shall be limited accordingly;
- (d) subject to the passing of each of paragraph (a), (b) and (c) of this resolution, any prior approvals of this kind referred to in paragraphs (a), (b) and (c) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this resolution:–

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles to be held; or

- (iii) the date upon which the authority set forth in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in general meeting.”

5B. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company to allot, issue and otherwise deal with additional Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for Shares or such convertible securities and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above, shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants, debentures and other securities convertible into Shares) and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of the Shares allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a rights issue (as defined in paragraph (e) below), or (ii) the exercise of any options granted under the share option schemes or similar arrangement for the time being adopted or to be adopted for the grant or issue to officers and/or employees of the Company and/or its subsidiaries, of options to subscribe for, or rights to acquire Shares of the Company approved by the Stock Exchange, or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with the Articles, shall not exceed 15% of the total number of the Shares in issue as of the date of passing of this resolution, and the said approval shall be limited accordingly;

- (d) subject to the passing of each of paragraph (a), (b) and (c) of this resolution, any prior approvals of this kind referred to in paragraphs (a), (b) and (c) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this resolution:

“Relevant Period” shall have the same meaning as ascribed to it under the resolution set forth in paragraph 5A(e) above; and

“Rights issue” means the allotment, issue or grant of Shares pursuant to an offer open for a period fixed by the Directors to holders of the Shares or any class of shares thereof on the register of members on a fixed record date in proportion to their then holdings of such Shares or of such class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5C. **“THAT:**

conditional upon the passing of resolutions Nos. 5A and 5B as set out in the notice of this meeting, the general mandate granted to the Directors pursuant to resolution 5B be and is hereby extended by the addition of the aggregate number of Shares repurchased by the Company under the authority granted pursuant to the resolution No. 5A above, **PROVIDED THAT** such additional number of Shares shall not exceed 10 per cent. of the total number of the Shares in issue as of the date of passing of this resolution.”

By Order of the Board
Impro Precision Industries Limited
LU Ruibo
Chairman

Hong Kong, 3 April 2020

Notes:

- (1) A form of proxy for the AGM of the Company to be held on Tuesday, 12 May 2020 is enclosed.
- (2) Any member entitled to attend and vote at the AGM of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more Shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the AGM of the Company. A proxy need not be a member of the Company.
- (3) In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy of that power or authority) must be deposited to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM of the Company (i.e. not later than Sunday, 10 May 2020 at 10 a.m. (Hong Kong time)) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM of the Company or any adjournment thereof should you so wish.
- (4) In case of joint holders of any Share, any one of such joint holders may vote at the AGM of the Company, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting in person or by proxy, then one of the said persons so present whose name stands first on the register of members in respect of such Share shall alone be entitled to vote in respect thereof.
- (5) The register of members of the Company will be closed from Thursday, 7 May 2020 to Tuesday, 12 May 2020, both days inclusive, during which period no transfer of Shares will be registered in order to determine the entitlement to attend and vote at the AGM of the Company. All share transfers documents accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 6 May 2020 for such purpose.
- (6) The register of members of the Company will be closed from Monday, 18 May 2020 to Wednesday, 20 May 2020, both days inclusive, during such period no transfer of the Shares will be registered in order to determine the entitlement to receive the proposed final dividend. All share transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration, no later than 4:30 p.m. on Friday, 15 May 2020 for such purpose.
- (7) A circular containing, inter alia, details of the proposed general mandates to issue and repurchase Shares of the Company, information of the retiring Directors of the Company who are proposed to be re-elected at the AGM, will be despatched to the shareholders of the Company on 3 April 2020.
- (8) As of the date of this notice, the executive Directors are Mr. LU Ruibo (Chairman and Chief Executive Officer), Ms. WANG Hui, Ina, Mr. YU Yuepeng, Ms. ZHU Liwei and Mr. WANG Dong; and the independent non-executive Directors are Mr. YU Kwok Kuen Harry, Dr. YEN Gordon and Mr. LEE Siu Ming.