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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult a 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 Automated Systems Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

**PROPOSALS FOR
(1) GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE SHARES;
(2) RE-ELECTION OF DIRECTORS;
(3) BONUS ISSUE;
(4) INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of Automated Systems Holdings Limited to be held at 15th Floor, Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong on Wednesday, 17th May 2017 at 9:30 a.m. is set out on pages 21 to 25 of this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.

Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

Hong Kong, 12th April 2017

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DEFINITIONS

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

“AGM”	the 2017 annual general meeting of the Company to be held at 15th Floor, Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong on Wednesday, 17th May 2017
“Board”	the board of Directors or a duly authorised committee thereof
“Bonus Issue”	the proposed issue of the Bonus Shares to the Qualifying Shareholders on the basis of one (1) Bonus Share for every ten (10) existing Shares held on the Record Date
“Bonus Share(s)”	the new Share(s) proposed to be issued under the Bonus Issue
“Bye-laws”	the bye-laws of the Company
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Company”	Automated Systems Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 771)
“controlling shareholder(s)”	has the meaning ascribed thereto in the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Increase in Authorised Share Capital”	increase in authorised share capital of the Company to HK\$200,000,000 divided into 2,000,000,000 Shares of par value HK\$0.10 each
“Latest Practicable Date”	Thursday, 6th April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) whom the Board, after making enquiries, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant foreign regulatory body or stock exchange in that place not to extend the Bonus Issue to them
“Notice”	the notice of the AGM set out on pages 21 to 25 of this circular
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company on the Record Date is/are outside Hong Kong
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date (excluding the Non-Qualifying Shareholder(s)), who are entitled to the Bonus Issue
“Record Date”	Monday, 29th May 2017 being the date for determination of entitlement to the Bonus Shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of par value HK\$0.10 each in the share capital of the Company (or such other nominal amount as shall result from a sub-division, consolidation, reclassification, or reconstruction of the share capital of the Company, from time to time)

DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s) in issue
“Share Options”	the share options granted by the Company pursuant to the Share Option Schemes entitling the holders thereof to subscribe for the Shares
“Share Option Schemes”	the share option schemes of the Company adopted by ordinary resolutions of the Shareholders on 8th August 2002 and 13th March 2017, respectively
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended from time to time
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for the implementation of the Bonus Issue is set out below:

Events	2017 (Hong Kong time)
Latest time for lodging transfer of Shares for entitlement to attend and vote at the AGM	4:30 p.m. on Thursday, 11th May
Closure of register of members to ascertain Shareholders's entitlement to attend and vote at the AGM	Friday, 12th May to Wednesday, 17th May (both days inclusive)
Latest time and date for lodging proxy forms for the AGM	9:30 a.m. on Monday, 15th May
Record date for determining entitlement to attend and vote at the AGM	Wednesday, 17th May
AGM	9:30 a.m. on Wednesday, 17th May
Publication of poll results of AGM	Wednesday, 17th May
Last day of dealings in Shares on a cum-entitlement basis	Friday, 19th May
First day of dealings in Shares on an ex-entitlement basis	Monday, 22nd May
Latest time for lodging transfers of Shares for entitlement to Bonus Shares	4:30 p.m. on Tuesday, 23rd May
Closure of register of members for entitlement to Bonus Shares	Wednesday, 24th May to Monday, 29th May (both days inclusive)
Record Date for determining the entitlement to Bonus Shares	Monday, 29th May
Despatch of share certificates of Bonus Shares	Thursday, 8th June
Commencement of dealings in Bonus Shares	9:00 a.m. on Friday, 9th June
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of Shares	9:00 a.m. on Friday, 9th June
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Shares	4:00 p.m. on Thursday, 29th June

Dates or deadlines specified in the above expected timetable and other parts of this circular may be changed by the Company and in the event of any consequential changes, the Company will make a further announcement.

LETTER FROM THE BOARD



AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

Executive Directors:

Mr. Wang Weihang

Mr. Wang Yueou (*Chief Executive Officer*)

Non-Executive Directors:

Mr. Li Wei (*Chairman*)

Mr. Cui Yong

Independent Non-Executive Directors:

Mr. Pan Xinrong

Mr. Deng Jianxin

Ms. Or Siu Ching, Rerina

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

*Head Office and principal place of
business in Hong Kong:*

15th Floor, Topsail Plaza

11 On Sum Street

Shatin

New Territories

Hong Kong

Hong Kong, 12th April 2017

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR
(1) GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE SHARES;
(2) RE-ELECTION OF DIRECTORS;
(3) BONUS ISSUE;
(4) INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM of the Company to be held on Wednesday, 17th May 2017. The proposed resolutions include (i) granting the Directors general mandates to repurchase and issue Shares and extension of general mandates to issue additional Shares; (ii) the re-election of Directors; (iii) the Bonus Issue; and (iv) the Increase in Authorised Share Capital.

LETTER FROM THE BOARD

2. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 18th May 2016, a general and unconditional mandate was given to the Directors to repurchase Shares on the Stock Exchange of up to a maximum of 10% of the number of issued Shares as at that date. No Share has been repurchased pursuant to such repurchase mandate.

Under the terms of the repurchase mandate and the Listing Rules, such repurchase mandate will lapse at (i) the conclusion of the next annual general meeting of the Company; or (ii) the revocation or variation of the authority by ordinary resolution of the Shareholders in general meeting; or (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held, whichever is the earliest (the “Relevant Period”).

The Directors believe that such repurchase mandate is in the interest of the Company and Shareholders. Accordingly, an ordinary resolution will be proposed at the AGM which will give the Directors a general and unconditional mandate to exercise all power of the Company to repurchase Shares at any time until the next annual general meeting of the Company following the passing of such resolution up to a maximum of 10% of the number of issued Shares at the date of passing such resolution (the “Repurchase Mandate”).

The explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution approving the Repurchase Mandate is set out in Appendix I to this circular.

The full text of the ordinary resolution to be proposed at the AGM in relation to the Repurchase Mandate is set out in resolution 4 in the Notice.

3. GENERAL MANDATES TO ISSUE SHARES

At the annual general meeting of the Company held on 18th May 2016, a general and unconditional mandate was also given to the Directors to issue, allot and deal with additional Shares up to a maximum of 20% of the number of issued Shares as at that date. A further general mandate was also given to the Directors to allot and issue Shares repurchased by the Company pursuant to the Repurchase Mandate.

Such general mandates will lapse after the Relevant Period. The Directors believe that such mandates are in the interest of the Company and Shareholders. The purpose of such general mandates is to give the Directors flexibility to issue and allot Shares pursuant to any capital raising need that may arise from time to time where the Directors believe it is in the best interests of Shareholders to do so. Accordingly, general mandates will be sought from Shareholders at the AGM to authorise the Directors to issue, allot and deal with additional Shares up to a maximum of 20% of the number of issued Shares at the date of passing such resolution which will be 105,236,670 Shares on the basis of 526,183,350 Shares in issue as at the Latest Practicable Date subject to no further Shares are issued or purchased prior to the date of AGM (the “Issue Mandate”) and to extend the Issue Mandate to allot and issue Shares repurchased by the Company.

LETTER FROM THE BOARD

The full text of the ordinary resolutions to be proposed at the AGM in relation to the Issue Mandate are set out in resolutions 5 and 6 in the Notice.

4. RE-ELECTION OF DIRECTORS

In relation to resolution 2 in the Notice regarding re-election of Directors, Mr. Wang Yueou, Mr. Li Wei and Mr. Pan Xinrong will retire by rotation at the AGM and being eligible, offer themselves for re-election at the AGM pursuant to the Bye-law 99. In addition, Ms. Or Siu Ching, Rerina, having been appointed as Director of the Company during the year, shall hold office only until the next following general meeting (i.e. the AGM) and being eligible, offer herself for re-election at the AGM pursuant to the Bye-law 102(B).

Each of Mr. Pan Xinrong and Ms. Or Siu Ching, Rerina, being the Independent Non-Executive Directors of the Company eligible for re-election at the AGM, has made an annual confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that both Mr. Pan Xinrong and Ms. Or Siu Ching, Rerina are independent in accordance with the independence guidelines. Also, in view of their extensive knowledge and experience, the Company recommends the above Independent Non-Executive Directors to be re-elected as Directors at the AGM.

Under resolution 2 in the Notice, the re-election of Directors will be individually voted on by Shareholders.

Pursuant to Rule 13.74 of the Listing Rules, the biographical and other details of the Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

5. BONUS ISSUE

As stated in the Company's announcement dated 21st March 2017 relating to the audited consolidated results of the Group for the year ended 31st December 2016, amongst other matters, the Board has resolved to recommend the Bonus Issue on the basis of one (1) Bonus Share for every ten (10) existing Shares held by the Qualifying Shareholders on the Record Date.

The Bonus Shares will be allotted and issued, credited as fully paid-up, by way of capitalisation of an amount equal to the aggregate nominal amount of the Bonus Shares amounting to HK\$5,261,834 (based on the total number of issued Shares as at the Latest Practicable Date) standing to the credit of the retained earnings account of the Company.

The Bonus Shares, when issued, will rank *pari passu* in all respects with the then existing Shares in issue, including the entitlement to receiving all future dividends and distributions which are declared on or after the date of allotment and issue of Bonus Shares. The Bonus Issue is non-renounceable. Fractional entitlements to the Bonus Shares will not be allotted to the Shareholders. The Bonus Shares representing fractional entitlements will be aggregated and sold and the sale proceeds, after deduction of the related expenses, will be retained by and for the benefit of the Company. For administration's sake and in view of the expected small cash amounts involved, the Company would not consider distributing cash in lieu of fractional entitlements to the Bonus Shares to any individual Shareholders.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were a total of 526,183,350 Shares in issue. Assuming that there will be no change in the number of Shares in issue from the Latest Practicable Date up to and including the Record Date, a maximum of 52,618,335 Bonus Shares will be issued under the Bonus Issue.

a. Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the AGM for approving the Bonus Issue;
- (ii) the Listing Committee granting the listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Bermuda and the Bye-laws to effect the Bonus Issue.

b. Reasons and Benefits for the Bonus Issue

The Board believes that the Bonus Issue will enhance the liquidity on capital level. The Bonus Issue will increase the number of Shares to be held by the Shareholders without incurring any significant cost, which will give them flexibility in managing their investment portfolios by way of disposing a portion of their Shares to realise cash return to meet their financial needs under favourable market conditions. Based on the closing price of HK\$1.27 per Share as at the Latest Practicable Date, the theoretical price per Share is expected to be HK\$1.155 after the Bonus Issue has taken place, and the board lot of 2,000 Shares is expected to decrease from HK\$2,540 as at the Latest Practicable Date to HK\$2,310 after the Bonus Issue has taken place.

As illustrated above, the Bonus Issue will increase the number of Shares to be held by the Shareholders, reduce the share price and reduce the trading price of each board lot. Accordingly, the Board expects that the Bonus Issue would enhance the liquidity of the Shares in the market and help to attract more investors to broaden the shareholder base of the Company.

The Board considers that issuing Bonus Shares by way of capitalisation is more efficient in terms of cost and procedures in achieving the purpose of enhancing the liquidity of the Shares in the market and maintains the practice of requiring a minimum board lot size of HK\$2,000 as compared with other alternative actions (such as (i) change in board lot size which will not increase the number of Shares and (ii) sub-division of Shares which will involve alteration in the share capital of the Company). Seeing that odd lots will arise as a result of the Bonus Issue, the Company will provide matching services for the odd lots of the Shares in order to alleviate the difficulties arising from it, which is not only due to the Bonus Issue but also the completion of the rights issue of the Company on 27th February 2017.

As such, the Board considers the Bonus Issue could potentially improve the trading liquidity of the Shares which will be beneficial to the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

c. Record dates and closure of Register of Members of the Company

To determine the Shareholders' entitlement to the Bonus Shares, the register of members of the Company will be closed from Wednesday, 24th May 2017 to Monday, 29th May 2017, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for the Bonus Shares, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 23rd May 2017.

d. Listing, dealings and share certificates for the Bonus Shares

Application has been made to the Listing Committee for the listing of, and the permission to deal in, the Bonus Shares. The Shares are not listed nor dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for the listing of, or the permission to deal in, the Bonus Shares on any stock exchange other than the Stock Exchange.

Subject to the fulfilment of the conditions as set out in the paragraph headed "Conditions of the Bonus Issue" above, which include the granting of the listing of, and the permission to deal in, the Bonus Shares on the Stock Exchange, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS. Shareholders should seek the advice of their licensed securities dealers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests. All necessary arrangements will be made for the Bonus Shares to be admitted to the CCASS. All activities under the CCASS are subject to the general rules and the operational procedures of the CCASS in effect from time to time.

It is expected that share certificates for the Bonus Shares will be posted by ordinary post on or before Thursday, 8th June 2017 after all the conditions of the Bonus Issue have been fulfilled at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date. In the case of a joint holding, the share certificates for the Bonus Shares will be posted to the address of the person whose name stands first on the register of members of the Company on the Record Date. Dealings in the Bonus Shares on the Stock Exchange are expected to commence on Friday, 9th June 2017.

Stamp duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

LETTER FROM THE BOARD

e. Overseas Shareholders

The Company will make enquiry regarding the legal restrictions under the laws of the relevant regulatory body or stock exchange pursuant to Rule 13.36(2)(a) of the Listing Rules and, if necessary, seek legal advice(s) from overseas counsel(s) on the applicable procedural requirements for extending the Bonus Issue to the Overseas Shareholders. Upon such enquiry, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Bonus Shares will not be issued to those Overseas Shareholders, i.e. the Non-Qualifying Shareholders and the Company will issue an announcement regarding such decision as soon as practicable after the Record Date. In such circumstances, arrangements will be made for the Bonus Shares, which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of sale, after deduction of the related expenses, will be distributed in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro-rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

As at the Latest Practicable Date, there was one Overseas Shareholder whose registered address as shown on the register of members of the Company is located at the United Kingdom. The Company has made enquiries with legal advisers of such relevant jurisdiction as to whether it is lawful or practicable to offer the Bonus Shares to such Shareholder in such place. According to the preliminary views of the overseas legal advisers, there is no restriction that prevents the issuance of Bonus Shares to such Shareholder.

Notwithstanding the enquiries made by the Company with its legal advisers, any Shareholder with a registered address outside Hong Kong or otherwise residing outside Hong Kong should consult their professional advisers as to whether they are permitted to receive the Bonus Shares under the Bonus Issue and the taxation consequences of their decision. It is the responsibility of the Shareholders who wish to receive the Bonus Shares under the Bonus Issue to comply with the laws of the relevant jurisdiction(s).

f. Adjustments to outstanding Share Options

As at the Latest Practicable Date, there are 19,691,014 Share Options outstanding. The Bonus Issue may lead to adjustments to the exercise price and the number of Shares which may fall to be issued upon exercise of the outstanding Share Options. Other than the outstanding Share Options, the Company does not have any warrants, options, or other securities exchangeable or convertible into Shares as at the Latest Practicable Date. The Company will make further announcement upon the aforesaid adjustments to the Share Options, if any adjustment is required to be made.

LETTER FROM THE BOARD

6. ODD LOT ARRANGEMENT

In order to alleviate the difficulties arising from the existence of odd lots of Shares due to the Bonus Issue, the Company has appointed One China Securities Limited as the designated broker to stand in the market to provide matching services for the odd lots of the Shares on a best effort basis during the period from 9:00 a.m. on Friday, 9th June 2017 to 4:00 p.m. on Thursday, 29th June 2017 (both days inclusive). Holders of odd lots of the Shares who wish to take advantage of these services either to dispose of their odd lots of the Shares or to top up to a board lot of 2,000 Shares may contact Mr. Frankie Mak of One China Securities Limited at telephone number (852)3188-2676 during the aforesaid period.

Shareholders should note that the above matching services are on a best effort basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Shareholders who are in doubt about such matching service are recommended to consult their own professional advisers.

7. INCREASE IN AUTHORISED SHARE CAPITAL

The existing authorised share capital of the Company is HK\$100,000,000 divided into 1,000,000,000 Shares, of which 526,183,350 Shares are in issue. In order to provide the Company with greater flexibility for future development, the Board proposes to increase the authorised share capital of the Company to HK\$200,000,000 divided into 2,000,000,000 Shares by the creation of an additional 1,000,000,000 Shares. Such new Shares, upon issue, shall rank *pari passu* in all respects with the existing Shares.

The Increase in Authorised Share Capital is subject to the approval of the Shareholders by way of passing an ordinary resolution at the AGM.

8. VOTING BY WAY OF POLL

Pursuant to Bye-law 70, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand of a poll) demanded:

- (a) by the chairman of the meeting; or
- (b) by at least three Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

LETTER FROM THE BOARD

Pursuant 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.

The chairman of the AGM will demand a poll on all resolutions proposed at the AGM.

The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

9. AGM

The Notice is set out on pages 21 to 25 of this circular.

There is enclosed a proxy form for use at the AGM. A Shareholder entitled to attend and vote at the AGM may appoint another person as his/her proxy to attend and vote instead of him/her, and on a poll, votes may be given either personally or, in the case of a Shareholder being a corporation by its authorised representative or by proxy in accordance with the Bye-laws. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to attend the AGM. A proxy need not be a Shareholder. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which each such proxy is so appointed. Whether or not Shareholders intend to be present at the AGM, Shareholders are requested to complete the proxy form and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.

Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof should the Shareholders so wish.

10. RECOMMENDATION

The Directors believe that the proposals mentioned above, including the proposals for the grant of the Repurchase Mandate, the Issue Mandate, the re-election of Directors, the Bonus Issue and the Increase in Authorised Share Capital, are in the best interests of the Company and the Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of all of these resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

11. 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 Group. 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.

Yours faithfully,
By order of the Board
Automated Systems Holdings Limited
Wang Yueou
Executive Director and Chief Executive Officer

This appendix serves as an explanatory statement, as required under the Listing Rules, to provide information to the Shareholders to enable them to make an informed decision as to whether to vote for or against the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 526,183,350 Shares.

Subject to the passing of the relevant ordinary resolutions and on the basis that no further Share is issued or repurchased prior to the AGM, the issued share capital of the Company will comprise 526,183,350 Shares and the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 52,618,335 Shares during the course of the period prior to the next annual general meeting of the Company.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases are beneficial to the Company and the Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purchase in accordance with its Bye-laws, the applicable laws of Bermuda and the Listing Rules. Under Bermuda law, the amount of capital to be repaid in connection with a share repurchase may only be paid out of the capital paid up on the relevant Shares or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on a repurchase may only be paid out of the funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company.

The Directors at present have not decided which proposed source of funding is to be used when the Repurchase Mandate is exercised.

There might be a material adverse effect on the working capital or gearing position of the Company in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

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

	Highest Price HK\$	Shares	Lowest Price HK\$
2016			
April	1.356		1.151
May	1.262		0.798
June	0.985		0.844
July	1.088		0.844
August	1.107		0.995
September	1.285		1.032
October	1.239		1.126
November	1.295		1.041
December	1.482		1.173
2017			
January	1.830		1.160
February	1.530		1.230
March	1.420		1.220
April (Up to the Latest Practicable Date)	1.310		1.240

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same is applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if the Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If as a result of a share repurchase exercised 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 of voting rights for the purposes of Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Teamsun Technology (HK) Limited ("Hong Kong Teamsun") held 344,900,694 Shares representing approximately 65.55% of the issued share capital of the Company. On the other hand, Hong Kong Teamsun is a wholly-owned subsidiary of Beijing Teamsun Technology Co., Ltd. ("Teamsun") and Teamsun has its shares listed on the Shanghai Stock Exchange (Stock Code: 600410.SH) of the People's Republic of China (the "PRC"). Hence, Teamsun held indirectly 344,900,694 Shares representing approximately 65.55% of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercise the Repurchase Mandate in full, then (if the present shareholdings otherwise remained the same) the shareholdings of Teamsun and Hong Kong Teamsun would be increased to approximately 72.83% of the issued share capital of the Company.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate and have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Mandate to such an extent as to result in the number of Shares held by the public falling below 25%.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The following are the details of Mr. Wang Yueou, Mr. Li Wei, Mr. Pan Xinrong and Ms. Or Sui Ching, Rerina, all of whom will retire at the AGM in accordance with the Bye-laws and being eligible, offer themselves for re-election:

1. Mr. Wang Yueou

Mr. Wang Yueou, aged 42, has been the Chief Executive Officer and an Executive Director of the Company since September 2016 and September 2015 respectively. Mr. Wang joined the Group in 2011 and was the Financial Controller, the Chief Financial Officer and the Joint Company Secretary of the Group. He is currently a director of certain subsidiaries and associates of the Company (i.e. the directorship of i-Sprint Holdings Limited and i-Sprint Innovations Pte Ltd) and the chief financial officer and a director of Carnation Software Ltd., a subsidiary of Teamsun. Mr. Wang was the chief financial officer and a board secretary of Guangzhou Headway Technology Co., Ltd. and the regional finance manager (China) of Wistron Information Technology & Services Corporation. Mr. Wang holds a Bachelor's Degree in International Accounting from Jinan University in the PRC, a Master's Degree in Business Administration from University of Wales in the United Kingdom and an Executive Master's Degree in Business Administration from Research Institute of Tsinghua University in the PRC.

Mr. Wang has entered into a new service contract with the Company for a term of three years commencing from 1st September 2016, in replacement of his original service contract dated 17th September 2015 with the Company. His directorship is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws, at which time the contract will be renewed for a term of three years upon each election or re-election. In accordance with the abovementioned service contract, Mr. Wang is entitled to an annual basic salary and allowances of HK\$1,539,000 and performance-related incentive payment calculated based on measurable performance contribution of the Group and other benefits in kind. Mr. Wang's remuneration was determined with reference to his duties and responsibilities, experience, performance and market conditions.

As at the Latest Practicable Date, according to the register maintained by the Company pursuant to section 352 of the SFO, Mr. Wang was interested in 3,500,000 underlying Shares of the Company in respect of share options to acquire Shares of the Company. Details of his interests are provided in the announcement of the Company dated 31st March 2017.

Save as disclosed above, Mr. Wang does not hold any positions with the Company and other members of the Group immediately before the Latest Practicable Date and has held no directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. He is not related to any Directors, senior management or substantial or controlling shareholders of the Company, nor does he have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

2. Mr. Li Wei

Mr. Li Wei, aged 52, has been appointed as the Chairman of the Board and a Non-Executive Director of the Company since September 2015. He has been appointed as a director and the acting chief financial officer of Teamsun since March 2014 and April 2016 respectively. Mr. Li is currently a director of certain subsidiaries of Teamsun. He was an instructor of Jinling Institute of Technology, the manager of Jiangsu East Securities Brokerage Company, a wholly-owned subsidiary of Huatai Securities Co., Ltd. (formerly known as Jiangsu Securities Co., Ltd.), a company listed on the Shanghai Stock Exchange (Stock Code: 601688.SH), the general manager of Nanjing Weizhong Technology Industrial Co., Ltd., the general manager of Nanning Yinhe South Software Co., Ltd., a wholly-owned subsidiary of Beihai Yinhe Industry Investment Co., Ltd., a company listed on the Shenzhen Stock Exchange (Stock Code: 000806.SZ), a director of the East China Representative Office of China Venture Capital Research Institute and the general manager of Shanghai Business Department of the International Division of China Potevio Co., Ltd., in the PRC. Mr. Li holds a Bachelor's Degree from East China Normal University in the PRC, a Master's Degree from Nanjing Normal University in the PRC and an Executive Master's Degree in Business Administration from Cheung Kong Graduate School of Business in the PRC.

As at the Latest Practicable Date, according to the register maintained by the Company pursuant to section 352 of the SFO, Mr. Li was interested in 1,000,000 underlying Shares of the Company in respect of share option to acquire of Shares and was interested in 196,000 restricted shares and 240,520 shares of Teamsun. Details of his interests are provided in the announcement of the Company dated 31 March 2017 and the "Directors' and Chief Executives' Interests in Shares and Underlying Shares" section in the 2016 Annual Report of the Company.

Mr. Li has entered into a letter of appointment with the Company for a fixed term of service for three years commencing from 17th September 2015. His directorship is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws, at which time the term of service will be renewed for three years upon each election or re-election. Mr. Li has further entered into a secondment agreement with the Company for a term of one year with effect from 1st July 2016. The annual director's fee payable to Mr. Li is HK\$55,000 for serving on the Board, HK\$22,000 for serving as the Chairman of the Board and HK\$480,000 for secondment of monitoring the Group's operation temporarily, which is determined with reference to Mr. Li's duties and responsibilities.

Save as disclosed above, Mr. Li does not hold any positions with the Company and other members of the Group immediately before the Latest Practicable Date and has held no directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. He is not related to any Directors, senior management or substantial or controlling shareholders of the Company, nor does he have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

3. Mr. Pan Xinrong

Mr. Pan Xinrong, aged 63, has been an Independent Non-Executive Director of the Company since September 2015. He was an executive director and the deputy chairman of Sinopec Kantons Holdings Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 934) from 2004 to 2007 and was the chief executive officer of Petro-Cyberworks Information Technology Co., Ltd. from 2006 to 2014. Mr. Pan also held financial positions in various companies, including China Petroleum & Chemical Corporation (“SINOPEC”), China Petrochemical Corporation, China Eastern United Petrochemical (Group) Company Limited and SINOPEC Anqing Company (formerly known as China Petrochemical Anqing Petrochemical Plate). Mr. Pan graduated from China Huazhong University of Science and Technology with a profession in Quantitative Economics. Mr. Pan was awarded the “Outstanding Management Award” by China Petroleum and Chemical Industries Integration of Informatization and Industrialization in 2011 and the First Prize of SINOPEC Technology Advancement in 2014.

Mr. Pan has entered into a letter of appointment with the Company for a fixed term of service for three years commencing from 30th September 2015. His directorship is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws, at which time the term of service will be renewed for three years upon each election or re-election. The annual director’s fee payable to Mr. Pan is HK\$55,000 for serving on the Board and HK\$6,600 attendance fee for each Board or committee meeting, which is determined with reference to Mr. Pan’s duties and responsibilities.

Save as disclosed above, Mr. Pan does not hold any positions with the Company and other members of the Group immediately before the Latest Practicable Date and has held no directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. He is not related to any Directors, senior management or substantial or controlling shareholders of the Company, nor does he have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

4. Ms. Or Siu Ching, Rerina

Ms. Or Siu Ching, Rerina, aged 47, has been an Independent Non-Executive Director of the Company since April 2017. She has been a director and president of Schneider Electric (Hong Kong) Limited, a wholly-owned subsidiary of Schneider Electric SE (collectively with its subsidiaries “Schneider Electric”), a company listed on the Euronext Paris Stock Exchange (Stock Code: SU) since 2015 and is currently a director of certain subsidiaries of Schneider Electric. She joined Schneider Electric in 1994 and held various positions with Schneider Electric, including the vice president of global purchasing of Schneider Electric between 2012 and 2014 and the president of Schneider Electric Taiwan Co., Ltd. between 2008 and 2011. Ms Or has also been appointed as a member of Energy Advisory Committee of Environment Bureau of The Government of Hong Kong Special Administrative Region since 2016. She has more than 20 years’ management experience in energy management and automation industry. Ms. Or holds an Executive Master’s Degree in Business Administrative from the Kellogg School of Management at Northwestern University in the United States of America and the Hong Kong University of Science and Technology, and a Master’s degree of Science in Management from ESSEC Graduate School of Management in France.

Ms. Or has entered into a letter of appointment with the Company for a fixed term of service for three years commencing from 1st April 2017. Her directorship is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws, at which time the term of service will be renewed for three years upon each election or re-election. The annual director’s fee payable to Ms. Or is HK\$55,000 for serving on the Board and HK\$6,600 attendance fee for each Board or committee meeting, which is determined with reference to Ms. Or’s duties and responsibilities.

Save as disclosed above, Ms. Or does not hold any positions with the Company and other members of the Group immediately before the Latest Practicable Date and has held no directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. She is not related to any Directors, senior management or substantial or controlling shareholders of the Company, nor does she have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF AGM



AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Automated Systems Holdings Limited (the “Company”) will be held at 15th Floor, Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong on Wednesday, 17th May 2017 at 9:30 a.m. (the “AGM”) for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and the auditor of the Company for the year ended 31st December 2016;
2. To re-elect the following directors of the Company (the “Director”) and to authorise the board of Directors (the “Board”) to fix the Directors’ fees:
 - (a) To re-elect Mr. Wang Yueou as a Director;
 - (b) To re-elect Mr. Li Wei as a Director;
 - (c) To re-elect Mr. Pan Xinrong as a Director;
 - (d) To re-elect Ms. Or Siu Ching, Rerina as a Director; and
 - (e) To authorise the Board to fix the Directors’ fees;
3. To re-appoint Grant Thornton Hong Kong Limited as auditor of the Company and to authorise the Board to fix its remuneration;
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase shares of the Company (the “Shares”), subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of Shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the number of issued Shares on the date of this resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the Shares into larger or smaller number of Shares after the passing of this resolution), and the said approval shall be limited accordingly; and

NOTICE OF AGM

- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company (the “Shareholder(s)”)in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Company’s bye-laws (“Bye-laws”) or any applicable laws to be held.”;
- 5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and deal with additional Shares and to make or grant offers, agreements and options which would or might require Shares to be allotted, issued or dealt with during or after the end of the Relevant Period, be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to a rights issue where Shares are offered to Shareholders on a fixed record date in proportion to their then holdings of Shares (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, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong) or any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares, or any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-laws, the total number of Shares issued, allotted, dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with shall not in total exceed 20% of the number of issued Shares on the date of this resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the Shares into larger or smaller number of Shares after the passing of this resolution) and the said approval shall be limited accordingly; and

NOTICE OF AGM

- (b) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of the Shareholders in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held.”;
6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:
- “**THAT** the general mandate granted to the Directors pursuant to resolution 5 above and for the time being in force to exercise the powers of the Company to allot Shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by the total nominal amount of Shares in the capital of the Company repurchased by the Company since the granting of such general mandate referred to in the above resolution 4 pursuant to the exercise by the Directors of the powers of the Company to purchase such Shares, provided that such amount shall not exceed 10% of the number of issued Shares on the date of this resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the Shares into larger or smaller number of Shares after the passing of this resolution).”;
7. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:
- “**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the Bonus Shares (as defined in paragraph (a) of this resolution below) to be issued pursuant to this resolution:
- (a) upon the recommendation of the Directors, an amount standing to the credit of the retained earnings account of the Company as would be required to be applied in paying up in full at par new Shares, such Shares, credited as fully paid, to be allotted and issued (subject as referred to in paragraph (b) below) among Shareholders whose names appear on the register of members of the Company (the “Register of Members”) on Monday, 29th May 2017 (the “Record Date”), except those Shareholders whose addresses as shown on the Register of Members at the close of business on the Record Date are in a jurisdiction outside Hong Kong and in respect of whom the Board considers the exclusion from the Bonus Issue (as defined below) to be necessary or expedient after making enquiry as required under the Rules Governing the Listing of Securities on the Stock Exchange (the “Non-Qualifying Shareholders”), in the proportion of one (1) new Share (the “Bonus Share”) for every ten (10) existing Shares then held, be capitalised and applied in such manner and the Directors be and are hereby authorised to allot and issue such Bonus Shares (the “Bonus Issue”);

NOTICE OF AGM

- (b) no fractional Bonus Shares shall be allotted and issued to members of the Company and fractional entitlements (if any) will be aggregated and sold and the benefit accrued for the Company;
 - (c) the Bonus Shares to be issued pursuant to paragraph (a) above shall be subject to the Bye-laws and shall rank *pari passu* in all respects with the existing issued and unissued Shares as at the date of issue of such Bonus Shares except that they will not be entitled to rank for the Bonus Issue;
 - (d) the Directors be and are hereby authorised to arrange for the Bonus Shares which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences, and distribute the net proceeds of sale, after deduction of the related expenses, in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro-rata to their respective shareholdings and to post to them the remittances therefor at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case the Board be and is hereby authorised to retain such amount for the benefit of the Company; and
 - (e) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus Shares referred to in paragraph (a) of this resolution, including but not limited to determining the amount to be capitalised out of the retained earnings account and the number of Bonus Shares to be allotted and distributed in the manner referred to in paragraph (a) of this resolution.”; and
8. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the authorised share capital of the Company be increased from HK\$100,000,000 divided into 1,000,000,000 ordinary shares of par value HK\$0.10 each to HK\$200,000,000 divided into 2,000,000,000 Shares by the creation of an additional 1,000,000,000 Shares (the “Increase in Authorised Share Capital”) with effect upon passing this resolution; and
- (b) any one or more of the Directors be and is/are hereby authorised to do all such acts and things and execute for and on behalf of the Company, including under seal where applicable, all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Increase in Authorised Share Capital.”

By Order of the Board
Automated Systems Holdings Limited
Ngan Wai Hing
Company Secretary

Hong Kong, 12th April 2017

NOTICE OF AGM

Notes:

- (a) For determining the entitlement to attend and vote at the AGM, the Register of Members will be closed from Friday, 12th May 2017 to Wednesday, 17th May 2017, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to determine the entitlement to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 11th May 2017.

For determining the entitlement of the Bonus Shares, the Register of Members will be closed from Wednesday, 24th May 2017 to Monday, 29th May 2017 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the Bonus Shares, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 23rd May 2017.

- (b) Voting on the resolutions will be taken by way of poll. On voting by poll, every member of the Company present in person or by a duly authorised corporate representative or by proxy shall have one vote for every fully paid share of the Company of which such member is the holder.
- (c) A Shareholder entitled to attend and vote at the AGM shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her, and on a poll, votes may be given either personally or, in the case of a Shareholder being a corporation, by its duly authorised representative or by proxy in accordance with the Bye-laws. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to attend the AGM. A proxy need not be a Shareholder. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
- (d) Where there are joint registered holders of any Share, any one of such persons may vote at the AGM, either personally 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 be present at the AGM personally 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.
- (e) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time fixed for holding the AGM.
- (f) A proxy form for use at the AGM is enclosed with the circular to the Shareholders.
- (g) Completion and return of the proxy form will not preclude a Shareholder from attending and voting in person at the AGM if he/she so wishes.
- (h) A circular containing further details regarding resolutions 2 and 4 to 8 above and the Annual Report of the Company for the year ended 31st December 2016 will be sent to the Shareholders.

As at the date of this notice, the Board comprises Mr. Wang Weihang and Mr. Wang Yueou being Executive Directors; Mr. Li Wei and Mr. Cui Yong being Non-Executive Directors; and Mr. Pan Xinrong, Mr. Deng Jianxin and Ms. Or Siu Ching, Rerina being Independent Non-Executive Directors.