

To be valid, the whole of this PAL must be returned.
本暫定配額通知書必須整份交回，方為有效。

IMPORTANT
重要提示

THIS PROVISIONAL ALLOTMENT LETTER (“THIS PAL”) IS VALUABLE AND TRANSFERABLE AND REQUIRES YOUR IMMEDIATE ATTENTION. THE OFFER CONTAINED IN THIS PAL AND THE ACCOMPANYING EXCESS APPLICATION FORM (THE “EAF”) EXPIRES AT 4:00 P.M. ON FRIDAY, 30 NOVEMBER 2018 (OR SUCH LATER DATE AS MENTIONED IN THE PARAGRAPH HEADED “EFFECT OF BAD WEATHER” BELOW).

本暫定配額通知書(「本暫定配額通知書」)乃有價值及可轉讓，並須閣下即時處理。本暫定配額通知書及隨附的額外申請表格(「額外申請表格」)所載要約將於二零一八年十一月三十日(星期五)下午四時正(或下文「惡劣天氣的影響」一段所述的有關較後日期)截止。

IF YOU ARE IN ANY DOUBT AS TO ANY ASPECT OF THIS PAL, OR AS TO THE ACTION TO BE TAKEN, OR IF YOU HAVE SOLD ALL OR PART OF YOUR H SHARES IN SHANGHAI PRIME MACHINERY COMPANY LIMITED (THE “COMPANY”), YOU SHOULD CONSULT A LICENSED SECURITIES DEALER, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS.

閣下如對本暫定配額通知書的任何方面或應採取的行動有任何疑問，或閣下如已出售上海集優機械股份有限公司(「本公司」)的全部或部分H股股份，應諮詢持牌證券交易商、銀行經理、律師、專業會計師或其他專業顧問。

REFERENCE IS MADE TO THE PROSPECTUS (THE “PROSPECTUS”) ISSUED BY THE COMPANY DATED 16 NOVEMBER 2018 IN RELATION TO THE H SHARE RIGHTS ISSUE. TERMS DEFINED IN THE PROSPECTUS SHALL HAVE THE SAME MEANINGS WHEN USED HEREIN UNLESS THE CONTEXT OTHERWISE REQUIRES.

茲提述本公司就H股供股所刊發日期為二零一八年十一月十六日的供股章程(「供股章程」)。除文義另有所指外，供股章程所界定詞彙應與本通知書所採用者具有相同涵義。

A copy of the Prospectus, together with copies of this PAL, the EAF and other documents specified in the paragraph headed “General Information — XI. Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to the Prospectus, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission, Registrar of Companies in Hong Kong and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) take no responsibility as to the contents of any of the documents referred to above.

供股章程連同本暫定配額通知書、額外申請表格及供股章程附錄三「一般資料 — XI. 送呈香港公司註冊處處長文件」一段內所指明的其他文件，已遵照香港法例第32章《公司(清盤及雜項條文)條例》第342C條的規定送呈香港公司註冊處處長登記。香港證券及期貨事務監察委員會、香港公司註冊處處長及香港聯合交易所有限公司(「聯交所」)對上文所述的任何文件的內容概不負責。

Dealings in the securities and the Nil Paid H Rights and the H Rights Shares may be settled through CCASS operated by HKSCC and you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers for details of those settlement arrangements and how such arrangements may affect your rights and interests. Existing H Shares have been dealt in on an ex-rights basis from 8 November 2018. Dealings in the Nil Paid H Rights will take place from 20 November 2018 to 27 November 2018 (both days inclusive).

本公司證券、未繳股款H股供股權及H股供股股份之買賣可透過香港結算營運的中央結算系統進行交收，有關該等交收安排的詳情以及該等安排對閣下的權利及權益可能造成的影響，敬請諮詢持牌證券交易商、銀行經理、律師、專業會計師或其他專業顧問。自二零一八年十一月八日起，現有H股股份已按除權基準進行交易，未繳股款H股供股權將於二零一八年十一月二十日至二零一八年十一月二十七日(首尾兩天包括在內)期間買賣。

If you wish to exercise your right to subscribe for all the H Rights Shares specified in this PAL, you should lodge this PAL in accordance with the instructions printed herein, together with a remittance for the full amount payable on acceptance, with the Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong by no later than 4:00 p.m. on Friday, 30 November 2018. All remittances must be made by cheque or banker’s cashier order in Hong Kong Dollars. Cheques must be drawn on an account with, and banker’s cashier orders must be issued by, a licensed bank in Hong Kong and made payable to “**Shanghai Prime Machinery Company Limited 上海集優機械股份有限公司-供股**” and crossed “**Account Payee Only**”.

倘閣下有意行使閣下的權利認購本暫定配額通知書指定的所有H股供股股份，閣下應不遲於二零一八年十一月三十日(星期五)下午四時正按照本通知書印列的指示將本暫定配額通知書連同須於接納時繳付之全部股款送交過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。所有股款均須以港元支票或銀行本票繳付。有關支票須以香港持牌銀行的戶口開出，而銀行本票須由香港持牌銀行發出，並註明抬頭人為「Shanghai Prime Machinery Company Limited 上海集優機械股份有限公司-供股」及以「只准入抬頭人賬戶」劃線方式開出。



SHANGHAI PRIME MACHINERY COMPANY LIMITED
上海集優機械股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(於中華人民共和國註冊成立之股份有限公司)

(Stock Code: 02345)
(股份代號: 02345)

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

股份過戶登記處:
卓佳證券登記有限公司
香港
皇后大道東183號
合和中心
22樓

**PROPOSED H SHARE RIGHTS ISSUE OF
SHANGHAI PRIME MACHINERY COMPANY LIMITED
OF 151,942,000 H RIGHTS SHARES ON THE BASIS OF
ONE H RIGHTS SHARE FOR EVERY FIVE EXISTING H SHARES
AT HK\$1.30 PER H RIGHTS SHARE**

建議H股供股
上海集優機械股份有限公司
按每持有五股現有H股股份
獲發一股H股供股股份的基準
以每股H股供股股份1.30港元的價格
發行151,942,000股H股供股股份

**PAYABLE IN FULL ON ACCEPTANCE NOT LATER THAN
4:00 P.M. ON FRIDAY, 30 NOVEMBER 2018**
股款須不遲於二零一八年十一月三十日(星期五)下午四時正
於接納時全數繳足

PROVISIONAL ALLOTMENT LETTER
暫定配額通知書

Registered office:
Room 1501,
Jidian Edifice
600 Heng Feng Road,
Shanghai
The People's Republic
of China

註冊辦事處:
中華人民共和國
上海市恒豐路600號
機電大廈1501室

Principal Place of Business
in Hong Kong:
Room 901-903,
Tower Two,
Lippo Centre
89 Queensway, Hong Kong

香港主要營業地址:
香港金鐘道89號力寶中心
第二座901-903室

16 November 2018

二零一八年
十一月十六日

Name(s) and address of the Qualified H Shareholder(s)
合資格H股股東姓名及地址

Number of H Share(s) registered in your name(s) on Thursday,
15 November 2018
於二零一八年十一月十五日(星期四)登記於閣下名下的H股
股份數目

Box A
甲欄

Number of H Rights Shares provisionally allotted to you subject
to payment in full on acceptance not later than 4:00 p.m. on
Friday, 30 November 2018

暫定配發予閣下的H股供股股份數目，股款須不遲於二零
一八年十一月三十日(星期五)下午四時正於接納時全數繳足

Box B
乙欄

Total subscription monies payable
應繳認購股款總額

BOX C
丙欄

HK\$
港元

Provisional Allotment Letter No.
暫定配額通知書編號

Name of bank on which cheque/cashier's order is drawn:
支票/銀行本票的付款銀行名稱: _____

Cheque/cashier's order number:
支票/銀行本票號碼: _____

Please insert your contact telephone no.:
請填上閣下的聯絡電話號碼: _____

IN THE EVENT OF TRANSFER OF RIGHT(S) TO SUBSCRIBE FOR H RIGHTS SHARE(S) PRESENTED BY THIS DOCUMENT, AD VALOREM STAMP DUTY IS PAYABLE ON EACH SALE AND EACH PURCHASE. A GIFT OR A TRANSFER OF BENEFICIAL INTEREST OTHER THAN BY WAY OF SALE IS ALSO LIABLE TO AD VALOREM STAMP DUTY. EVIDENCE OF PAYMENT OF AD VALOREM STAMP DUTY WILL BE REQUIRED BEFORE REGISTRATION OF ANY TRANSFER OF THE H RIGHTS SHARE(S) REPRESENTED BY THIS DOCUMENT.

如轉讓認購本文件所指之H股供股股份的權利，每項買賣均須繳付從價印花稅。除以出售形式外，饋贈或轉讓實益權益亦須繳付從價印花稅。在登記任何轉讓認購本文件代表之H股供股股份之前，須出示已繳付從價印花稅的證明。

Form B
表格乙

FORM OF TRANSFER AND NOMINATION
轉讓及提名表格

(To be completed and signed only by the Qualified H Shareholder(s) who wish(es) to transfer all of his/her/their right(s) to subscribe for the H Rights Share(s) comprised herein)

(僅供有意悉數轉讓其全部認購本表格所列H股供股股份權利之合資格H股股東填寫及簽署)

To: The Directors

Shanghai Prime Machinery Company Limited

致：上海集優機械股份有限公司
列位董事 台照

Dear Sirs,

I/We, as the Qualified H Shareholders, hereby transfer all of my/our rights to subscribe for the H Rights Shares comprised in this PAL to the person(s) accepting the same and signing the registration application form (Form C) below.

敬啟者：

本人／吾等，作為合資格H股股東謹將認購本暫定配額通知書所列本人／吾等的H股供股股份的權利悉數轉讓予接受此權利並簽署下列登記申請表格(表格丙)的人士。

1. _____ 2. _____ 3. _____ 4. _____

Signature(s) (all joint H Shareholders must sign)
簽署(所有聯名H股股東均須簽署)

Date: _____ 2018 日期：二零一八年 _____ 月 _____ 日

Ad valorem stamp duty is payable by the transferor(s) and the transferee(s) in connection with the transfer of rights to subscribe for the H Rights Shares if this form is completed.

如已填妥本表格，轉讓人及承讓人須就轉讓認購H股供股股份的權利繳付從價印花稅。

Form C
表格丙

REGISTRATION APPLICATION FORM
登記申請表格

(To be completed and signed only by the person(s) to whom the right(s) to subscribe for the H Rights Share(s) have been transferred)

(僅供承讓認購H股供股股份權利的人士填寫及簽署)

To: The Directors
Shanghai Prime Machinery Company Limited (the "Company")

致：上海集優機械股份有限公司(「貴公司」)
列位董事 台照

Dear Sirs,

I/We request you to register the number of H Rights Shares mentioned in Box B of Form A in my/our name(s). I/We agree to accept the same on the terms embodied in this PAL and the Prospectus and subject to the articles of association of the Company.

敬啟者：

本人／吾等謹請閣下將表格甲內乙欄所列的H股供股股份數目，登記於本人／吾等名下。本人／吾等同意按照本暫定配額通知書及供股章程所載條款，以及在貴公司的組織章程細則規限下，接納此等H股供股股份。

Existing H Shareholders(s)
Please mark "X" in this box
現有H股股東請在本欄內填上「X」號

To be completed in BLOCK LETTERS in ENGLISH. Joint transferee should give the address of the first-named transferee only. For Chinese transferee, please provide your name in both English and Chinese. 請用英文大楷填寫。聯名承讓人只須填報首名承讓人之地址。華裔承讓人須填寫中英文姓名。					
Name in English 英文姓名	Family Name or Company Name 姓氏或公司名稱	Other name(s) 名字	Name in Chinese 中文姓名		
Name continuation and/or full name(s) of joint transferee(s) (if applicable) 姓名(續)及／或聯名承讓人全名(如適用)					
Address in English 英文地址 (Joint transferee should give the address of the first-named transferee only) (聯名承讓人只須填報首名承讓人之地址)					
Occupation 職業			Tel. No. 電話號碼		
Dividend Instructions 派息指示					
Name and address of bank 銀行名稱及地址	Bank Account No. 銀行賬戶號碼				
	BANK 銀行		BRANCH 分行		ACCOUNT 賬戶

1. _____ 2. _____ 3. _____ 4. _____

Signature(s) (all joint transferee must sign)

簽署(所有聯名承讓人均須簽署)

Date: _____ 2018 日期：二零一八年 _____ 月 _____ 日

Ad valorem stamp duty is payable by the transferor(s) and the transferee(s) in connection with the transfer of rights to subscribe for the H Rights Shares if this form is completed.

如已填妥本表格，轉讓人及承讓人須就轉讓認購H股供股股份的權利繳付從價印花稅。

Subject to the granting of the listing of, and permission to deal in, the Nil Paid H Rights and H Rights Shares on the Stock Exchange, and subject to compliance with the stock admission requirements of HKSCC, the Nil Paid H Rights and H Rights Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings in the Nil Paid H Rights and H Rights Shares on the Stock Exchange or such other date(s) as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the “General Rules of CCASS” and the “CCASS Operational Procedures” in effect from time to time.

於未繳股款H股供股權及H股供股股份獲聯交所批准上市及買賣並符合香港結算的股份收納規定後，未繳股款H股供股權及H股供股股份將獲香港結算接納為合資格證券，自未繳股款H股供股權及H股供股股份於聯交所各自開始買賣的日期或由香港結算釐定的有關其他日期起在中央結算系統寄存、結算及交收。聯交所參與者之間在任何交易日進行的交易，須於其後第二個交易日在中央結算系統內交收。在中央結算系統內進行之一切活動均須依照不時生效的《中央結算系統一般規則》及《中央結算系統運作程序規則》進行。

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this PAL, 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 PAL.

香港交易及結算所有限公司、聯交所及香港結算對本暫定配額通知書的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不就本暫定配額通知書全部或任何部分內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。

THE PROSPECTUS DOCUMENTS WILL NOT BE REGISTERED OR FILED UNDER ANY APPLICABLE SECURITIES OR EQUIVALENT LEGISLATION OF ANY JURISDICTION OTHER THAN HONG KONG. NO ACTION HAS BEEN TAKEN TO PERMIT A PUBLIC OFFERING OF THE NIL PAID H RIGHTS AND/OR H RIGHTS SHARES, OTHER THAN IN HONG KONG, OR THE DISTRIBUTION OF THIS PAL AND OTHER PROSPECTUS DOCUMENTS IN ANY JURISDICTION OTHER THAN HONG KONG.

除香港外，供股文件將不會根據任何司法權區的任何適用證券法例或同等法例登記或備案。本公司並無辦理任何手續，以獲准在香港以外地區公開發售未繳股款H股供股權及／或H股供股股份，或在香港以外之任何司法權區派發本暫定配額通知書及其他供股文件。

NO PERSON RECEIVING THE PROSPECTUS DOCUMENTS IN ANY TERRITORY OUTSIDE HONG KONG MAY TREAT IT AS AN OFFER OR INVITATION TO APPLY FOR THE H RIGHTS SHARES OR EXCESS H RIGHTS SHARES, UNLESS IN A TERRITORY WHERE SUCH AN OFFER OR INVITATION COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER LEGAL AND REGULATORY REQUIREMENTS THEREOF. IT IS THE RESPONSIBILITY OF ANYONE OUTSIDE HONG KONG WISHING TO ACCEPT THE PROVISIONALLY ALLOTTED H RIGHTS SHARES OR MAKE AN APPLICATION FOR EXCESS H RIGHT SHARES TO SATISFY ITSELF/HIMSELF/HERSELF/THEMSELVES, BEFORE ACQUIRING NIL PAID H RIGHTS OR TO APPLY FOR EXCESS H RIGHTS SHARES, AS TO THE OBSERVANCE OF THE LAWS AND REGULATIONS OF ALL RELEVANT TERRITORIES, INCLUDING OBTAINING OF ANY GOVERNMENTAL OR OTHER CONSENTS, AND TO PAY ANY TAXES AND DUTIES REQUIRED TO BE PAID IN SUCH TERRITORY IN CONNECTION THEREWITH WITHOUT PREJUDICE TO THE FOREGOING. THE COMPANY RESERVES THE RIGHT TO REFUSE TO ACCEPT ANY ACCEPTANCE OF NIL PAID H RIGHTS OR ANY APPLICATION FOR EXCESS H RIGHTS SHARES WHERE IT BELIEVES THAT DOING SO WOULD VIOLATE APPLICABLE SECURITIES LEGISLATIONS OR OTHER LAWS OR REGULATIONS OF ANY JURISDICTION.

任何人士如在香港以外任何地區接獲供股文件，除非在該地區可合法提呈有關要約或邀請而毋須辦理任何登記手續或符合該地區之其他法例及監管規定，否則不可視作申請H股供股股份或額外H股供股股份之要約或邀請。任何身處香港以外地區之人士如有意接納獲暫定配發之H股供股股份或申請額外H股供股股份，在取得未繳股款H股供股權或申請額外H股供股股份前，必須自行遵守所有有關地區之法例及規例，包括在不影響前述者情況下取得任何政府或其他方面同意及就此繳付該地區規定須繳付之任何稅項及徵費。倘本公司相信接納任何未繳股款H股供股權或額外H股供股股份之申請會違反任何司法權區之適用證券法例或其他法例或規例，則本公司保留拒絕接納有關申請之權利。

TO TAKE UP YOUR RIGHT TO SUBSCRIBE FOR THE H RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU IN FULL, YOU MUST LODGE THIS PAL INTACT WITH THE REGISTRAR, TRICOR INVESTOR SERVICES LIMITED, AT LEVEL 22, HOPEWELL CENTRE, 183 QUEEN'S ROAD EAST, HONG KONG, TOGETHER WITH A REMITTANCE FOR THE FULL AMOUNT PAYABLE ON ACCEPTANCE, SHOWN IN BOX C OF FORM A OF THIS PAL SO AS TO BE RECEIVED BY THE REGISTRAR NOT LATER THAN 4:00 P.M. ON FRIDAY, 30 NOVEMBER 2018 OR SUCH LATER TIME AND/OR DATE AS MAY BE AGREED BETWEEN THE COMPANY AND THE UNDERWRITER. ALL REMITTANCES MUST BE MADE BY CHEQUE OR CASHIER'S ORDER IN HONG KONG DOLLARS. CHEQUES MUST BE DRAWN ON A BANK ACCOUNT WITH, AND CASHIER'S ORDERS MUST BE ISSUED BY, A LICENSED BANK IN HONG KONG, AND MADE PAYABLE TO "Shanghai Prime Machinery Company Limited 上海集優機械股份有限公司-供股" AND CROSSED "ACCOUNT PAYEE ONLY". INSTRUCTIONS ON TRANSFER AND SPLITTING ARE SET OUT IN AN ENCLOSED SEPARATE SHEET. NO RECEIPT WILL BE GIVEN FOR SUCH REMITTANCES.

閣下如欲全數接納認購暫定配發予閣下的H股供股股份之權利，須將本暫定配額通知書整份連同本暫定配額通知書表格甲內丙欄所示須於接納時繳付的全部股款於不遲於二零一八年十一月三十日(星期五)下午四時正或本公司與承銷商可能協定的有關較後時間及／或日期交回過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。所有股款須以港元支票或銀行本票繳付。有關支票須以香港持牌銀行的銀行戶口開出，而銀行本票須由香港持牌銀行發出，並註明抬頭人為「Shanghai Prime Machinery Company Limited 上海集優機械股份有限公司-供股」及以「只准入抬頭人賬戶」劃線方式開出。有關轉讓及分拆的指示載於另一附頁。本公司將不另發股款收據。

The H Share Rights Issue is conditional upon the fulfilment of the conditions set out in the paragraph headed “Conditions of the H Share Rights Issue” under the section headed “Letter from the Board” of the Prospectus. If any of the conditions of the H Share Rights Issue is not fulfilled, the H Share Rights Issue will not proceed.

H股供股須待供股章程中「董事會函件」一節「H股供股的條件」一段所載之條件達成後，方可作實。倘H股供股之條件未能達成，則H股供股將不會進行。

The Underwriter has the right under the Underwriting Agreement to terminate the Underwriting Agreement by notice in writing to the Company at any time prior to the Latest Time for Termination, in certain circumstances set out in the Underwriting Agreement. Details of the circumstances in which the Underwriter has the right to terminate the Underwriting Agreement are set out below in this PAL in the section headed “Termination of the Underwriting Agreement”.

根據承銷協議，承銷商有權在承銷協議所載的若干情況下，於最後終止時限前隨時向本公司發出書面通知終止承銷協議。承銷商有權終止承銷協議的情況詳情載於本暫定配額通知書下文「終止承銷協議」一節。

If prior to the Latest Time for Termination, the Underwriter terminates the Underwriting Agreement, the H Share Rights Issue will not proceed.

倘承銷商於最後終止時限前終止承銷協議，則H股供股將不會進行。

H Shareholders should note that the H Shares have been dealt in on an ex-rights basis on the Stock Exchange from Thursday, 8 November 2018. The Nil Paid H Rights will be dealt in from Tuesday, 20 November 2018 to Tuesday, 27 November 2018 (both dates inclusive).

H股股東務須注意，H股股份已由二零一八年十一月八日(星期四)起於聯交所按除權基準買賣。未繳股款H股供股權將於二零一八年十一月二十日(星期二)至二零一八年十一月二十七日(星期二)(包括首尾兩日)止期間內買賣。

Any dealings in the H Shares from the date of the Prospectus up to the date on which all the conditions of the H Share Rights Issue are fulfilled or waived as applicable), which is currently expected to be 5:00 p.m. on Wednesday, 5 December 2018, and any dealings in the Nil Paid H Rights between Tuesday, 20 November 2018 to Tuesday, 27 November 2018 (both dates inclusive) are accordingly subject to the risk that the H Share Rights Issue may not become unconditional and may not proceed. H Shareholders and potential investors should therefore exercise caution when dealing in the H Shares and/or Nil Paid H Rights Shares, and if they are in any doubt about their position, they are recommended to consult their professional advisers.

於供股章程日期起直至H股供股的所有條件達成或獲豁免(如適用)之日(目前預期為二零一八年十二月五日(星期三)下午五時正)止期間內任何H股股份買賣，及於二零一八年十一月二十日(星期二)至二零一八年十一月二十七日(星期二)(包括首尾兩日)止期間內任何未繳股款H股供股權買賣，須承擔H股供股未必成為無條件及未必進行的相應風險。因此，H股股東及潛在投資者於買賣H股股份及／或未繳股款H股供股股份時，務請審慎行事，倘彼等對其本身的情況有任何疑問，建議諮詢其專業顧問。

NO RECEIPT WILL BE GIVEN

本公司將不另發股款收據



SHANGHAI PRIME MACHINERY COMPANY LIMITED

上海集優機械股份有限公司

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

(Stock Code: 02345)

16 November 2018

Dear Qualified H Shareholder(s),

INTRODUCTION

In accordance with the terms and conditions of this PAL and those set out in the Prospectus and subject to the articles of association of the Company, the Directors have provisionally allotted to you the number of H Rights Shares indicated in Form A of this PAL on the basis of One H Rights Share for every five Existing H Shares registered in your name in the register of members of the Company on Thursday, 15 November 2018. Your holding of Existing H Shares as at that date is set out in Box A of Form A of this PAL and the number of H Rights Shares provisionally allotted to you is set out in Box B of Form A of this PAL. Terms defined in the Prospectus have the same meanings when adopted herein unless the context otherwise requires.

You have the right to acquire the H Rights Shares provisionally allotted to you at a price of HK\$1.30 per H Rights Share payable in full on acceptance, in the manner set out below, by no later than 4:00 p.m. on Friday, 30 November 2018. You may, subject to the section headed "Qualified H Shareholders and Excluded Shareholders" below, accept all or any number of the H Rights Shares provisionally allotted to you hereunder or dispose of your right to all or any of them. If you wish to accept only part of your provisional allotment and to transfer the remainder or to transfer your provisional allotment to more than one person, you should refer to the instructions in the section headed "Splitting" below. If you wish to transfer all of your provisional allotment you should refer to the instructions in the section headed "Transfer" below.

The H Share Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated. If the conditions of the H Share Rights Issue are not fulfilled or waived (as applicable), the H Share Rights Issue will not proceed.

H RIGHTS SHARES

The H Rights Shares, when allotted, issued and fully-paid (including credited as fully-paid as the case may be), will rank pari passu in all respects with the Existing H Shares then in issue such that holders of fully-paid H Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of issue and allotment of the H Rights Shares in their fully-paid form.

Subject to the granting of the listing of, and permission to deal in, the Nil Paid H Rights and H Rights Shares on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Nil Paid H Rights and H Rights Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the "General Rules of CCASS" and "CCASS Operational Procedures" in effect from time to time.

PROCEDURE FOR ACCEPTANCE

Any person (including, without limitation, any agent, custodian, nominee and trustee) wishing to take up his/her/its rights under the H Share Rights Issue must satisfy himself/herself/itself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The attention of H Shareholders whose registered addresses are in any of the Specified Territories or who are holding H Shares on behalf of persons with such addresses is drawn to the section headed "Notice" in the Prospectus and the sections below headed "Qualified H Shareholders and Excluded Shareholders".

Qualified H Shareholders who wish to take up their provisional allotment of H Rights Shares in full, must lodge the whole of this PAL intact with the Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, together with a remittance for the full amount payable on acceptance, as shown in Box C of Form A of this PAL, so as to be received by no later than 4:00 p.m. on Friday, 30 November 2018 or such later time and/or date as may be agreed between the Company and the Underwriter. All remittances must be made in Hong Kong dollars and cheques must be drawn on a bank account with, or cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "**Shanghai Prime Machinery Company Limited 上海集優機械股份有限公司-供股**" and crossed "**Account Payee Only**". Such payment will constitute acceptance of the provisional allotment on the terms of this PAL and the Prospectus and subject to the articles of association of the Company. No receipt will be given for such remittances.

It should be noted that, unless a PAL, duly completed, together with the appropriate remittance shown in Box C of Form A of this PAL, has been lodged with the Registrar by 4:00 p.m. on Friday, 30 November 2018, whether from the original allottee or any person in whose favour the rights have been validly transferred, your provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled and such H Rights Shares will be available for application under the EAFs by Qualified H Shareholders. The Company may (at its sole discretion) treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

SPLITTING

If you wish to accept only part of your provisional allotment or transfer all or part of provisionally allotment to more than one person, the original PAL must be surrendered and lodged for cancellation with a covering letter stating clearly the number of split PALs required and the number of Nil Paid H Rights to be comprised in each split PAL (which, in aggregate, should be equal to the number of H Rights Shares provisionally allotted to you as set out in Box B of Form A of this PAL), by no later than 4:30 p.m. on Thursday, 22 November 2018 with the Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection at the Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

It should be noted that Hong Kong stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant H Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights. The Company may (at its sole discretion) treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

TRANSFER

If you wish to transfer all of your Nil Paid H Rights to another person you should complete and sign the “Form of Transfer and Nomination” (Form B) in this PAL and hand the original completed and signed PAL to the person(s) to or through whom you are transferring your Nil Paid H Rights. The transferee must then complete and sign the “Registration Application Form” (Form C) in this PAL and lodge this PAL intact together with a remittance for the full amount payable on acceptance with the Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, to effect the transfer by no later than 4:00 p.m. on Friday, 30 November 2018.

It should be noted that Hong Kong stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant H Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights. The Company may (at its sole discretion) treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believe such transfer may violate applicable legal or regulatory requirements.

EFFECT OF BAD WEATHER

The latest time for acceptance of, and payment for, the H Rights Shares will not take place at 4:00 p.m. on Friday, 30 November 2018 if there is a typhoon signal No. 8 or above, or a “black” rainstorm warning: (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Friday, 30 November 2018. Instead, the latest time for acceptance of, and payment for, the H Rights Shares will be extended to 5:00 p.m. on the same Business Day; or (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Friday, 30 November 2018. Instead, the latest time for acceptance of, and payment for, the H Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. If the latest time for acceptance of, and payment for, the H Rights Shares does not take place on Friday, 30 November 2018, the dates mentioned in this PAL may be affected. The Company will notify the H Shareholders by way of an announcement of any change to the expected timetable as soon as practicable.

TERMINATION OF THE UNDERWRITING AGREEMENT

It should be noted that the Underwriting Agreement grants the Underwriter the right to terminate the Underwriting Agreement by notice in writing to the Company at any time prior to the Latest Time for Termination in certain circumstances set out in the Underwriting Agreement. Details of the circumstances in which the Underwriter has the right to terminate the Underwriting Agreement are set out in the section headed “Termination of the Underwriting Agreement” in the Prospectus.

If the Underwriter exercises such right and a notice to terminate the Underwriting Agreement is given by the Underwriter prior to the Latest Time for Termination, save in respect of certain rights or obligations under the Underwriting Agreement, the Company shall not be under any obligation or liability under the Underwriting Agreement and the Underwriter shall be under no obligation or liability to the Company and the H Share Rights Issue will not proceed.

CHEQUES AND CASHIER’S ORDERS

All cheques and cashier’s orders will be presented for payment upon receipt and all interest earned on such monies will be retained for the benefit of the Company. Any PAL and/or EAF in respect of which the accompanying cheque or cashier’s order is dishonoured on first presentation is liable to be rejected. Completion and return of a PAL and/or EAF with a cheque and/or cashier’s order, whether by you or by any nominated transferee will constitute a warranty by the applicant that the cheque or cashier’s order will be honoured on first presentation. Without prejudice to other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque or cashier’s order is dishonoured on first presentation, and, in such event, the relevant provisional allotment and all rights and entitlements given pursuant to it will be deemed to have been declined and will be cancelled. You must pay the exact amount payable upon application for the H Rights Shares, any underpaid applications will be rejected. In the event of an overpaid application, a refund cheque will be made out to you only if the overpaid amount is HK\$100 or above. Subject to the fulfilment of the conditions of the H Share Rights Issue, refund cheques in respect of wholly or partially unsuccessful applications for excess H Rights Shares (if any) are expected to be posted by ordinary post at your own risk to your registered addresses, or other persons entitled thereto, on or about 10 December 2018.

H SHARE CERTIFICATES FOR H RIGHTS SHARES AND REFUND CHEQUES FOR THE H SHARE RIGHTS ISSUE

Subject to the fulfilment of the conditions of the H Share Rights Issue as set out in the section headed “LETTER FROM THE BOARD — Underwriting Arrangements — Conditions of the H Share Rights Issue” in the Prospectus, share certificates for all fully-paid (including credited as fully paid as the case may be) H Rights Shares are expected to be posted on, Monday, 10 December 2018 to those Qualified H Shareholders who have accepted and (where applicable) applied for, and paid for, the H Rights Shares by ordinary post at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for excess H Rights Shares (if any) are expected to be posted on Monday, 10 December 2018 to the applicants by ordinary post at their own risk.

EXCESS H RIGHTS SHARES

The Qualified H Shareholders may apply, by way of excess application, for any H Rights Shares provisionally allotted but not validly accepted by Qualified H Shareholders or otherwise subscribed for by renounees or transferees of Nil Paid H Rights, any H Rights Shares representing any unsold entitlements of the Excluded Shareholders, and any unsold H Rights Shares created by aggregating fractions of Nil Paid H Rights.

Application for excess H Rights Shares should be made only by Qualified H Shareholders. If a Qualified H Shareholder wishes to apply for excess H Rights Shares in addition to his/her/its provisional allotment, he/she/it must complete and sign an EAF (in accordance with the instructions printed thereon) and lodge it with the Registrar, together with a separate cheque or banker’s cashier order, for the amount payable on application in respect of the excess H Rights Shares applied for by no later than 4:00 p.m. on Friday, 30 November 2018, or such later time and/or date as may be agreed between the Company and the Underwriter. All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, and cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to “**Shanghai Prime Machinery Company Limited** 上海集優機械股份有限公司-超額認購” and crossed “**Account Payee Only**”. The Company may at its discretion treat an EAF as valid and binding on the person(s) by himself/herself/itself/themselves or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

The Directors will allocate the excess H Rights Shares (if any) at their sole discretion on a fair and equitable basis, and as far as practicable on the following principles: (1) no preference will be given to applications for topping up odd-lot holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Nil Paid H Rights Shares and thereby receiving more H Rights Shares than they would receive if such preference is not given, which is an unintended and undesirable result; and (2) subject to the availability of sufficient excess H Rights Shares, any excess H Rights Shares will be allocated to Qualified H Shareholders who apply for them on a pro-rata basis by reference to the number of excess H Rights Shares applied for under each application. Reference will only be made to the number of excess H Rights Shares being applied for, and no reference will be made to H Rights Shares comprised in applications under any PAL or the existing number of H Shares held by Qualified H Shareholders. If the aggregate number of H Rights Shares not taken up by the Qualified H Shareholders under PALs is greater than the aggregate number of excess H Rights Shares applied for under EAFs, the Directors will allocate to each Qualified H Shareholder who applies for excess H Rights Shares in full application.

Beneficial H Shareholders whose H Shares are held by a registered H Shareholders, or which are held in CCASS, should note that the registered H Shareholders (including HKSCC Nominees Limited) is regarded as a single H Shareholder according to the register of members of the Company. Accordingly, the Beneficial H Shareholders should note that the aforesaid arrangement for the allocation of the excess H Rights Shares will not be extended to the Beneficial H Shareholders individually (including those Beneficial H Shareholders holding the H Shares through HKSCC Nominees Limited).

FRACTIONAL ENTITLEMENTS

The entitlements of Qualified H Shareholders will be rounded down to the nearest whole number and fractional entitlements to H Rights Shares will not be provisionally allotted to the H Shareholders. The Nil Paid H Rights representing the aggregate of all the fractions of H Rights Shares (rounded down to the nearest whole number) will be provisionally allotted to a nominee or nominees appointed by the Company and, if a premium (net of expenses) can be obtained, will be sold by the nominee or nominees on the Company's behalf in the market as soon as practicable after the commencement of dealing in the Nil Paid H Rights and the net proceeds of such sale will be retained by the Company for its own benefit. Any H Rights Shares in respect of the unsold fractional entitlements will be made available for excess application by the Qualified H Shareholders.

DISTRIBUTION OF THIS PAL AND THE OTHER PROSPECTUS DOCUMENTS

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. No action has been taken to permit a public offering of the Nil Paid H Rights and/or H Rights Shares, other than in Hong Kong, or the distribution of the Prospectus Documents in any jurisdiction other than Hong Kong. No person receiving the Prospectus Documents in any territory outside Hong Kong may treat it as an offer or invitation to apply for the H Rights Shares or excess H Rights Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone outside Hong Kong wishing to take up its Nil Paid H Rights or make an application for excess H Right Shares to satisfy itself/himself/herself/themselves, before acquiring any Nil Paid H Rights or to apply for excess H Rights Shares, as to the observance of the laws and regulations of all relevant territories, including obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such territory in connection therewith without prejudice to the foregoing. The Company reserves the right to refuse to permit any H Shareholder to take up its Nil Paid H Rights or apply for excess H Rights Shares where it believes that doing so would violate applicable securities legislations or other laws or regulations of any jurisdiction.

The Prospectus Documents will not be registered or filed under any applicable securities or equivalent legislation of any jurisdiction other than Hong Kong.

QUALIFIED H SHAREHOLDERS AND EXCLUDED SHAREHOLDERS

To qualify for the H Share Rights Issue and to accept the H Rights Shares provisionally allotted under this PAL, a Shareholder must have been registered as a member of the Company on at the close of business on Thursday, 15 November 2018 and not be a Excluded Shareholder. The Excluded H Shareholders are Shareholders whose name(s) appeared in the register of members of the Company at the close of business on Thursday, 15 November, 2018 and whose address(es) as shown on such register is/are in any of the Specified Territories or any Beneficial H Shareholders, as the case may be, except for those H Shareholders or Beneficial H Shareholders, as the case may be, who fulfil, to the satisfaction of the Company, the relevant requirements specified in the section headed "Limited categories of persons in the Specified Territories who may be able to take up their Nil Paid H Rights and subscribe for the H Rights Shares under the H Share Rights Issue" below.

Beneficial H Shareholders may or may not be eligible to take part in the H Share Rights Issue.

Notwithstanding any other provision in the Prospectus Documents, the Company reserves the right to permit any H Shareholder or Beneficial H Shareholders (including a H Shareholder or Beneficial H Shareholders in any of the Specified Territories) to participate in the H Share Rights Issue and take up his/her/its entitlement to the H Rights Shares if the Company, in its absolute discretion, is satisfied that the offer under the H Share Rights Issue is exempt from or not subject to or can otherwise be lawfully made without contravention of any relevant legal or regulatory requirements.

The Company also reserves the right to refuse to accept any application for H Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction.

Receipt of this PAL and/or any other Prospectus Documents or the crediting of H Share Rights Shares in Nil Paid form to a stock account in CCASS does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this PAL and/or the other Prospectus Documents must be treated as sent for information purposes only and should not be copied or redistributed. Persons (including, without limitation, any agent, custodian, nominee and trustee) who receive a copy of this PAL and/or any other Prospectus Documents should not, in connection with the H Share Rights Issue, distribute or send the same in, into or from, or transfer Nil Paid H Rights to any person in, any of the Specified Territories or any territory in which it would be unlawful to extend the H share Rights Issue. If a PAL and/or any other Prospectus Documents are received by, or any H Rights Shares in Nil Paid form are credited to the stock account in CCASS of any person in any such territory or his/her agent, custodian, nominee or trustee, he/she must not seek to take up such Nil Paid H Rights or transfer this PAL (or apply for any excess H Rights Shares under the EAF) or transfer such Nil Paid H Rights in CCASS (if applicable) unless such person is able to demonstrate to the satisfaction of the Company, or the Company determines, in its absolute discretion, that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, any agent, custodian, nominee and trustee) who does forward this PAL or any other Prospectus Documents in, into or from any of the Specified Territories (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

LIMITED CATEGORIES OF PERSONS IN THE SPECIFIED TERRITORIES WHO MAY BE ABLE TO TAKE UP THEIR NIL-PAID H RIGHTS AND SUBSCRIBE FOR THE H RIGHTS SHARES UNDER THE H SHARE RIGHTS ISSUE

Notwithstanding what is said in the section headed "Qualified H Shareholders and Excluded Shareholders" above, the following limited categories of persons in the Specified Territories may be able to take up their rights under the H Share Rights Issue:

- (1) H Shareholders or Beneficial H Shareholders in the United States are generally Excluded Shareholders. However, a limited number of H Shareholders and Beneficial H Shareholders in the United States who the Company reasonably believes are QIBs may be able to take up their Nil Paid H Rights to subscribe for H Rights Shares being offered in the H Share Rights Issue in transactions exempt from registration requirements under the U.S. Securities Act, provided that they fulfil relevant requirements to the satisfaction of the Company; and
- (2) H Shareholders or Beneficial H Shareholders in the PRC are generally Excluded Shareholders. However, QDIIs and persons who are entitled to hold H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authority may be able to take up their Nil Paid H Rights to subscribe for H Rights Shares being offered under the H Share Rights Issue, provided that they fulfil the requirements under the relevant PRC laws and regulations to the satisfaction of the Company.

In each case, the Company reserves the right, in its absolute discretion, to determine whether to allow such participation, as well as the identity of the persons who may be allowed to do so.

REPRESENTATIONS AND WARRANTIES

By completing, signing and submitting this PAL, each subscriber of H Rights Shares being offered and sold outside the United States hereby represents and warrants to the Company and the Underwriters and to any person acting on their behalf, unless in their sole discretion, the Company and the Underwriters waive such requirement expressly in writing that:

- (i) He/she/it was an H Shareholder as at the H Share Record Date, or he/she/it lawfully acquired or may lawfully acquire the Nil Paid H Rights, directly or indirectly, from such a person;
- (ii) He/she/it is not located in any other jurisdiction in which it is unlawful to purchase or take up the Nil Paid H Rights or subscribe for or accept H Rights Shares;
- (iii) Subject to certain exceptions, he/she/it is not resident or located in, or a citizen of, the United States;
- (iv) Subject to certain exceptions, he/she/it is not accepting an offer to purchase or take up the Nil Paid H Rights or subscribe for or accept H Rights Shares on a non-discretionary basis for a person who is resident or located in, or a citizen of, the United States at the time the instruction to accept was given;
- (v) He/she/it is not doing so for the account of any person who is located in the United States, unless:
 - (a) the instruction to purchase or take up the Nil Paid H Rights or to subscribe for or accept H Rights Shares was received from a person outside the United States; and
 - (b) the person giving such instruction has confirmed that he/she/it (x) has the authority to give such instruction, and (y) either (A) has investment discretion over such account or (B) is an investment manager or investment company that is acquiring the H Rights Shares in an “offshore transaction” within the meaning of Regulation S under the U.S. Securities Act;
- (vi) He/she/it is acquiring the Nil Paid H Rights and/or the H Rights Shares in an “offshore transaction” as defined in Regulation S under the U.S. Securities Act;
- (vii) He/she/it has not been offered the H Rights Shares by means of any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act;
- (viii) He/she/it is not purchasing or taking up the Nil Paid H Rights or subscribing for or accepting H Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer or delivery, directly or indirectly, of any such Nil Paid H Rights or H Rights Shares into the United States or any other jurisdiction referred to in paragraph (ii) above; and
- (ix) He/she/it understands that neither the Nil Paid H Rights nor the H Rights Shares have been or will be registered under the U.S. Securities Act or with any securities regulatory authority of any state, territory, or possession of the United States and the Nil Paid H Rights or H Rights Shares are being distributed and offered outside the United States in reliance on Regulation S under the U.S. Securities Act. Consequently he/she/it understands the Nil Paid H Rights or H Rights Shares may not be offered, sold, pledged or otherwise transferred in or into the United States, except in reliance on an exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties above.

GENERAL

Lodgement of this PAL with, where relevant, the form of transfer and nomination purporting to have been signed by the person(s) in whose favour this PAL has been issued, shall be conclusive evidence of the title of the party or parties lodging it to deal with the same and to receive a split PAL and/or the share certificates for the H Rights Shares. Further copies of the Prospectus are available at the Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

All documents, including cheques for refund, will be sent by ordinary post at the risk of the relevant applicants or other persons entitled thereto.

This PAL and all acceptances of the offer contained in it shall be governed by and construed in accordance with the laws of Hong Kong. Nil Paid H Rights are expected to be traded in board lots of 2,000 shares (as the existing H Shares are currently traded on the Hong Kong Stock Exchange in board lots of 2,000). References in this PAL to time are to Hong Kong time unless otherwise stated.

By completing, signing and submitting this PAL, you agree to disclose to the Company and/or its H Share Registrar and their respective advisers and agents personal data and any information which they require about you or the person(s) for whose benefit you have made the acceptance of the provisional allotment of H Rights Shares. The Personal Data (Privacy) Ordinance provides the holders of securities with rights to ascertain whether the Company or its H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. In accordance with the Personal Data (Privacy) Ordinance, the Company and its H share Registrar have the right to charge a reasonable fee for the processing of any data access request. All requests for access to data or correction of data or for information regarding policies and practices and the kinds of data held should be addressed to the Company, at its principal place of business in Hong Kong at Room 901-903, Tower Two, Lippo Centre, 89 Queensway, Hong Kong or as notified from time to time in accordance with applicable law, for the attention of the Company Secretary or (as the case may be) the H share Registrar.

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



SHANGHAI PRIME MACHINERY COMPANY LIMITED

上海集優機械股份有限公司

(於中華人民共和國註冊成立之股份有限公司)

(股份代號：02345)

列位合資格H股股東：

緒言

根據本暫定配額通知書及供股章程所載的條款及條件，並在本公司組織章程細則的規限下，董事已暫定配發本暫定配額通知書表格甲所載數目的H股供股股份予閣下，基準為於二零一八年十一月十五日(星期四)以閣下名義在本公司股東登記冊上登記每五股現有H股股份可獲配發一股H股供股股份。閣下於該日持有的現有H股股份列於本暫定配額通知書表格甲內甲欄，而暫定配發予閣下的H股供股股份數目則列於本暫定配額通知書表格甲內乙欄。除文義另有所指外，於供股章程中已界定的詞彙與本通知書所採用者具相同涵義。

閣下有權在不遲於二零一八年十一月三十日(星期五)下午四時正根據下文所載之方式按每股H股供股股份1.30港元的價格(須於接納時全數繳足)購買暫定配發予閣下的H股供股股份。在下文「合資格H股股東及除外股東」一節的規限下，閣下可接納據此暫定配發予閣下的全部或任何數目的H股供股股份，或出售閣下的全部或任何有關股份的權利。倘閣下有意僅接納閣下的部分暫定配額並將餘額轉讓，或將閣下的暫定配額轉讓予超過一名人士，則閣下應參閱下文「分拆」一節內之指示。閣下如欲轉讓閣下的全部暫定配額，則閣下應參閱下文「轉讓」一節內之指示。

H股供股須待承銷協議成為無條件且並未被終止後，方可作實。倘H股供股條件未獲達成或獲豁免(如適用)，則H股供股將不會進行。

H股供股股份

H股供股股份一經配發、發行及繳足股款後(包括入賬列作繳足者，視乎情況而定)，將在各方面與當時已發行的現有H股股份享有同等地位，致使繳足股款H股供股股份持有人將有權收取於發行及配發繳足股款H股供股股份日期後所宣派、作出或派付的所有日後股息及分派。

待未繳股款H股供股權及H股供股股份獲准於聯交所上市及買賣後，及在符合香港結算的股份收納規定的前提下，未繳股款H股供股權及H股供股股份將獲香港結算接納為合資格證券，可自其各自於聯交所開始買賣的日期或由香港結算釐定的有關其他日期起，於中央結算系統寄存、結算及交收。聯交所參與者之間在任何交易日進行的交易，須於該日後第二個交易日在中央結算系統進行交收。所有中央結算系統活動均須遵守不時有效的《中央結算系統一般規則》及《中央結算系統運作程序規則》。

接納手續

任何人士(包括但不限於任何代理、託管人、代名人及受託人)如欲承購其H股供股項下的權利，必須使其信納其已全面遵守任何相關地區的適用法律，包括取得任何所需的政府或其他同意、符合任何其他所需的正式手續，以及於有關地區繳納任何發行、轉讓或其他應繳稅項。其登記地址位於任何指定地區或代表位於有關地址的人士持有H股股份的H股股東，務請注意供股章程「注意事項」一節及下文「合資格H股股東及除外股東」一節。

合資格H股股東如欲全數承購其H股供股股份暫定配額，必須在不遲於二零一八年十一月三十日(星期五)下午四時正或本公司與承銷商可能協定的有關較後時間及/或日期，將整份本暫定配額通知書連同本暫定配額通知書表格甲內丙欄所示須於接納時繳付的全數股款送交過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。所有股款必須以港元繳付。有關支票須以香港持牌銀行的銀行賬戶開出，而銀行本票則須由香港持牌銀行開出，並註明抬頭人為「Shanghai Prime Machinery Company Limited 上海集優機械股份有限公司-供股」及以「只准入抬頭人賬戶」劃線方式開出。有關付款將構成按照本暫定配額通知書及供股章程的條款以及在本公司組織章程細則的規限下接納暫定配額。本公司將不另發有關股款收據。

務請注意，除非原承配人或已獲有效轉讓H股供股權的任何人士已在二零一八年十一月三十日(星期五)下午四時正前將填妥的暫定配額通知書連同本暫定配額通知書表格甲內丙欄所示的適當股款送交過戶登記處，否則閣下的暫定配額及其項下的一切權利將被視作已遭拒絕及將被取消，而有關H股供股股份將可供合資格H股股東以額外申請表格申請認購。本公司可(全權酌情)將並未按相關指示填妥的暫定配額通知書視作有效，並對自行或由代表送交該通知書的人士具有約束力。

分拆

倘閣下有意僅接納閣下的部分暫定配額或轉讓閣下全部或部分暫定配額予超過一名人士，則原有暫定配額通知書必須在不遲於二零一八年十一月二十二日(星期四)下午四時三十分，連同清楚註明所需分拆暫定配額通知書數目及每份分拆暫定配額通知書包含的未繳股款H股供股權數目(兩者合計應相等於本暫定配額通知書表格甲內乙欄所載暫定配發予閣下的H股供股股份數目)的信件交回及送交過戶登記處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)，以供註銷，過

戶登記處繼續而將註銷原有暫定配額通知書，並按所要求的數額發出新暫定配額通知書，該通知書將於交回原有暫定配額通知書後第二個營業日上午九時正後在過戶登記處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)可供領取。

務請注意，閣下於轉讓可認購相關H股供股股份的權利予承讓人及承讓人於接納有關權利時均須繳付香港印花稅。本公司可(全權酌情)將並未按相關指示填妥的暫定配額通知書視作有效，並對自行或由代表送交該通知書的人士具有約束力。

轉讓

倘閣下有意轉讓閣下全部未繳股款H股供股權予另一名人士，則閣下應填妥及簽署本暫定配額通知書內的「轉讓及提名表格」(表格乙)，並將原先填妥及簽署的原有暫定配額通知書轉交閣下的未繳股款H股供股權的承讓人或經手轉讓的人士。承讓人其後必須填妥及簽署本暫定配額通知書內的「登記申請表格」(表格丙)，並在不遲於二零一八年十一月三十日(星期五)下午四時正將整份本暫定配額通知書連同須於接納時繳付的全數股款送交過戶登記處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)，以進行轉讓。

務請注意，閣下於轉讓可認購相關H股供股股份的權利予承讓人及承讓人於接納有關權利時均須繳付香港印花稅。本公司可(全權酌情)將並未按相關指示填妥的暫定配額通知書視作有效，並對自行或由代表送交該通知書的人士具有約束力。

本公司保留權利拒絕以任何人士為受益人登記任何轉讓，如本公司就此認為有關轉讓可能違反適用法律或監管規定。

惡劣天氣的影響

倘在下列時間懸掛8號或以上颱風信號，或發出「黑色」暴雨警告，則接納H股供股股份及支付股款的最後時間將不會於二零一八年十一月三十日(星期五)下午四時正發生：(i)在二零一八年十一月三十日(星期五)中午十二時正之前任何本地時間在香港懸掛或發出上述警告信號，但在中午十二時正之後取消。接納H股供股股份及支付股款的最後時間將順延至同一個營業日下午五時正；或(ii)在二零一八年十一月三十日(星期五)中午十二時正至下午四時正期間任何本地時間，在香港懸掛或發出上述警告信號。接納H股供股股份及支付股款的最後時間將改為下一個營業日(在該日上午九時正至下午四時正期間任何時間並無懸掛或發出任何該等警告信號)下午四時正。倘接納H股供股股份及支付股款的最後時間並未於二零一八年十一月三十日(星期五)發生，則本暫定配額通知書所述的日期可能受到影響。本公司將在切實可行的情況下盡快就預期時間表的任何變動以公告形式知會H股股東。

終止承銷協議

敬請注意，承銷協議給予承銷商權利在承銷協議所載的若干情況下，於最後終止時限前任何時間向本公司發出書面通知終止承銷協議。承銷商有權終止承銷協議的情況詳情載於供股章程「終止承銷協議」一節。

倘承銷商於最後終止時限前行使有關權利並發出終止承銷協議的通知，除承銷協議項下的若干權利或義務外，本公司於承銷協議項下再無任何義務或責任，承銷商對本公司亦再無任何義務或責任，而H股供股將不會進行。

支票及銀行本票

全部支票及銀行本票將於收取後過戶，而有關款項產生之利息則將全部撥歸本公司所有。倘隨附暫定配額通知書及／或額外申請表格之支票或銀行本票於首次過戶時未能兌現，則任何有關之暫定配額通知書及／或額外申請表格將遭拒絕受理。填妥暫定配額通知書及／或額外H股供股申請表並連同支票及／或銀行本票一併交回(不論由閣下或任何獲提名受讓人交回)，即表示申請人作出保證，有關支票或銀行本票將於首次過戶時兌現。倘隨附之支票或銀行本票於首次過戶時未能兌現，在不影響本公司其他權利的情況下則本公司保留拒絕受理任何該等暫定配額通知書之權利。在此情況下，有關暫定配額及據此賦予之一切有關權利及配額將被視作已被放棄而將予註銷。閣下須於申請認購H股供股股份時支付應付金額，支付金額不足的申請將會遭拒絕受理。在多繳申請金額的情況下，只有多繳申請金額等於100港元或以上才會獲得退款支票。待H股供股之條件達成後，全部或部份不成功申請額外H股供股股份之人士之退款支票(如有)預期將於二零一八年十二月十日或前後以平郵方式按閣下之登記地址寄予閣下或寄予其他有權收取之人士，郵誤風險由閣下自行承擔。

H股供股股份的股票及H股供股的退款支票

待達成供股章程內「董事會函件－承銷安排－H股供股條件」一節所載的H股供股條件後，預期所有繳足股款H股供股股份(包括入賬列作繳足者，視乎情況而定)的股票將於二零一八年十二月十日(星期一)以平郵方式寄發予已接納及(如適用)已申請H股供股股份並已繳付股款的該等合資格H股股東，郵誤風險概由彼等自行承擔。有關全部或部分不被接納的額外H股供股股份申請的退款支票(如有)，預期將於二零一八年十二月十日(星期一)以平郵方式寄發予申請人，郵誤風險概由彼等自行承擔。

額外H股供股股份

合資格H股股東可透過額外申請的方式申請任何已暫定配發但未獲合資格H股股東有效接納或未獲未繳股款H股供股權可予放棄人士或承讓人另行認購的H股供股股份、任何屬除外股東任何未出售配額的H股供股股份及彙集零碎未繳股款H股供股權產生之任何未售出H股供股股份。

額外H股供股股份僅應由合資格H股股東作出申請。倘合資格H股股東有意申請其暫定配額以外的額外H股供股股份，其必須根據額外申請表格上印列的指示填妥及簽署額外申請表格，並在不遲於二零一八年十一月三十日(星期五)下午四時正或本公司與承銷商可能協定的有關較後時間及／或日期前將額外申請表格連同有關所申請的額外H股供股股份於申請時應付款項的獨立支票或銀行本票送交過戶登記處。所有股款必須以港元繳付。支票必須以香港持牌銀行的賬戶開出，而銀行本票必須由香港持牌銀行發出，並註明抬頭人為「Shanghai Prime Machinery Company Limited 上海集優機械股份有限公司-超額認購」及以「只准入抬頭人賬戶」劃線方式開出。本公司可酌情將並未按相關指示填妥的額外申請表格視作有效，並對自行或由代表送交該表格的人士具有約束力。

董事將根據以下原則，於切實可行的情況下按公平公正基準有權全權酌情分配額外H股供股股份(如有)：(1)概不會優先處理用以補足所持碎股至完整買賣單位之申請，因若干投資者可能濫用有關優先機制，透過分拆彼等的未繳股款H股供股股份，從而收取較倘不予優先處理所收者為多的H股供股股份，而此並非本公司的意願及希望見到的結果；及(2)視乎是否有足夠的額外H股供股股份可供認購而定，任何額外H股供股股份將參考各申請項下所申請的額外H股供股股份數目按比例分配予申請額外H股供股股份的合資格H股股東。僅將參考所申請的額外H股供股股份數目，而將不會參考透過任何暫定配額通知書所作出申請包含的H股供股股份或合資格H股股東所持的現有H股股份數目。倘未獲合資格H股股東透過暫定配額通知書承購的H股供股股份總數多於透過額外申請表格申請的額外H股供股股份總數，則董事將向每名申請額外H股供股股份的合資格H股股東分配所申請的全部股份數目。

由登記H股股東或透過中央結算系統持有H股的實益H股股東務請注意，登記H股股東(包括香港中央結算(代理人)有限公司)將按照本公司的股東名冊被視為單一H股股東。因此，實益H股股東務須注意，上述分配額外H股供股股份的安排將不會個別適用於實益H股股東(包括透過香港中央結算(代理人)有限公司持有H股的實益H股股東)。

零碎配額

合資格H股股東之配額將向下調整至最接近之整數。H股供股股份之零碎配額將不會暫定配發予H股股東。代表所有零碎H股供股股份總數之未繳股款H股供股權(向下調整至最接近之整數)將暫定配發予本公司委任之代名人，倘於扣除開支後可獲得收益，則於未繳股款H股供股權開始買賣後，由代名人於切實可行情況下盡快代表本公司在市場上出售，而該等出售之所得款項淨額將撥歸本公司所有。任何未售出之H股供股股份零碎配額將可供合資格H股股東額外申請。

派發本暫定配額通知書及其他供股文件

供股文件將不會根據香港以外任何司法權區之適用證券法例登記。本公司並無辦理任何手續，以獲准在香港以外地區公開發售未繳股款H股供股權及/或H股供股股份，或在香港以外之任何司法權區派發本供股文件。任何人士如在香港以外任何地區接獲供股文件，除非在該地區可合法提呈有關提呈要約或邀請而毋須辦理任何登記手續或符合該地區之其他法例及監管規定，否則不可視作申請H股供股股份或額外H股供股股份之提呈要約或邀請。任何身處香港以外地區之人士如有意接納未繳股款H股供股權或申請認購額外H股供股股份，在取得任何未繳股款H股供股權或申請認購額外H股供股股份前，必須自行遵守所有有關地區之法例及規例，包括在不影響前述者下取得任何政府或其他方面同意及就此繳付該地區規定須繳付之任何稅項及徵費。倘本公司相信准許任何H股股東接納其未繳股款H股供股權或申請認購額外H股供股股份會違反任何司法權區之適用證券法例或其他法例或規例，則本公司保留拒絕接納有關申請之權利。

除香港外，供股文件將不會根據任何司法權區的任何適用證券法例或同等法例登記或備案。

合資格H股股東及除外股東

為符合資格參與H股供股及接納根據本暫定配額通知書所暫定配發的H股供股股份，股東於二零一八年十一月十五日(星期四)營業時間結束時須已登記為本公司的股東，而非除外股東。除外股東為於二零一八年十一月十五日(星期四)營業時間結束時名列本公司股東名冊且其於該名冊內所示地址位於任何指定地區之H股股東或任何實益H股股東(視乎情況而定)(惟本公司信納符合下文「指定地區內或可根據H股供股承購其未繳股款H股供股權及認購H股供股股份的有限類別人士」一節訂明的有關規定的H股股東或實益H股股東(視乎情況而定)除外)。

實益H股股東未必符合資格參與H股供股。

儘管供股文件有任何其他規定，倘本公司全權酌情信納根據H股供股提出的要約獲豁免或毋須或可另行合法作出且並無抵觸任何相關法定或監管規定，則本公司保留允許任何H股股東或實益H股股東(包括任何指定地區的H股股東或實益H股股東)參與H股供股及承購其H股供股股份配額的權利。

倘本公司相信接納任何H股供股股份申請會違反任何司法權區的適用證券或其他法律或法規，則其亦保留拒絕接納有關申請的權利。

收取本暫定配額通知書及/或任何其他供股文件或將未繳股款H股供股股份計入中央結算系統的證券賬戶並不會亦將不會構成在提呈要約即屬違法的該等司法權區提呈要約，而在該等情況下，本暫定配額通知書及/或其他供股文件必須被視為僅供參考而發出，且不應複印或轉發。收取本暫定配額通知書及/或任何其他供股文件副本的人士(包括但不限於任何代理、託管人、代名人及受託人)，不應就H股供股在、向或自任何指定地區或進行H股供股即屬違法的任何地區分發或寄發有關文件，或在有關地區向任何人士轉讓未繳股款H股供股權。倘於任何有關地區的任何人士或其代理、託管人、代名人或受託人收取暫定配額通知書及/或任何供股文件，或將任何未繳股款H股供股股份計入其在中央結算系統的證券賬戶，則其不應尋求承購有關未繳股款H股供股權或轉讓本暫定配額通知書(或根據額外申請表格申請認購任何額外H股供股股份)或轉讓該等於中央結算系統的未繳股款H股供股權(如適用)，除非該名人士能以本公司信納的方式展示或本公司全權酌情釐定有關行動將不會違反適用法律或監管規定。在、向或自任何指定地區轉發本暫定配額通知書或任何其他供股文件的任何人士(包括但不限於任何代理、託管人、代名人及受託人)，不論基於訂約或法定責任或其他理由，均應提醒收件人留意本節內容。

指定地區內或可根據H股供股承購其未繳股款H股供股權及認購H股供股股份的有限類別人士

不管上文「合資格H股股東及除外股東」一節如何規定，以下指定地區內之有限類別人士可承購其於H股供股中之權利：

- (1) 美國的H股股東或實益H股股東一般屬除外股東。然而，如身處美國且本公司合理相信身為合資格機構買家之有限數目H股股東及實益H股股東可以接納彼等之未繳股款H股供股權以認購H股供股提呈之H股供股股份，所涉及交易可豁免遵守美國證券法之登記規定，惟須本公司信納彼等符合相關規定；及
- (2) 中國的H股股東或實益H股股東一般屬除外股東。然而，合格境內機構投資者及其他依據中國之有關法律及法規規定或有權部門批准持有H股股份的人士可接納其於H股供股中獲提呈的未繳股款H股供股權以認購H股供股股份，惟須符合中國相關法律法規的規定及須本公司信納彼等符合相關規定。

在以上各情況下，本公司在釐定是否准許該等人士參與以及獲准參與人士的身份方面均保留絕對酌情權。

聲明及保證

填妥、簽署及交回本暫定配額通知書，即表示在美國以外提呈及出售之H股供股股份之每名認購人據此向本公司及承銷商及代表彼等行事之任何人士作出以下聲明及保證，除非本公司及承銷商全權酌情以書面方式明確決定豁免有關規定：

- (i) 彼於H股股權登記日為H股股東，或彼已合法或可合法直接或間接從有關人士取得未繳股款H股供股權；
- (ii) 彼並非位於購買或承購未繳股款H股供股權或認購或接納H股供股股份即屬違法之任何其他司法權區內；
- (iii) 除若干例外情況之外，彼並非居於或位於美國，或為美國之公民；
- (iv) 除若干例外情況之外，彼並非按非全權委託形式代給予接納指示時居於或位於美國，或為美國公民之人士接納購買或承購未繳股款H股供股權或認購或接納H股供股股份之建議；
- (v) 彼並非代位於美國之任何人士行事，除非：
 - (a) 接到美國以外地區人士之購買或承購未繳股款H股供股權或認購或接納H股供股股份之指示；及
 - (b) 發出該項指示之人士確認(x)彼有權發出該項指示，及(y)(A)對該賬戶擁有投資決定權；或(B)彼為以美國證券法S規例所界定之「離岸交易」方式收購H股供股股份之投資經理或投資公司；
- (vi) 彼根據美國證券法S規例所界定之「離岸交易」收購未繳股款H股供股權及／或H股供股股份；
- (vii) 彼並非以美國證券法S規例所界定之任何「定向銷售行動」方式獲提呈H股供股股份；
- (viii) 彼購買或承購未繳股款H股供股權或認購或接納H股供股股份之目的並非為直接或間接向美國或上文第(ii)段所述之任何其他司法權區提呈、出售、配發、承購、行使、轉售、放棄、抵押、轉讓或交付未繳股款H股供股權或H股供股股份；及
- (ix) 彼明白，未繳股款H股供股權和H股供股股份均無(亦將不會)根據美國證券法或在美國任何州、地區或領地之任何證券監管當局登記，而未繳股款H股供股權或H股供股股份乃依據美國證券法S規例在美國以外派發及提呈。因此，彼明白，未繳股款H股供股權或H股供股股份不可在或向美國發售、出售、質押或以其他方式轉讓，惟依據美國證券法登記規定之豁免或在無須遵守美國證券法登記規定之交易除外。

為免存疑，香港結算及香港中央結算(代理人)有限公司概不受上述任何聲明及保證所限。

一般事項

本暫定配額通知書連同(如相關)由獲發本暫定配額通知書的人士所簽署的轉讓及提名表格一經交回，即為交回的一名或多名人士有權處理暫定配額通知書及收取分拆的暫定配額通知書及／或H股供股股份股票的最終憑證。如需額外的供股章程副本，可於過戶登記處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)索取。

所有文件(包括退款支票)將以平郵方式寄予相關申請人或其他應得的人士，郵誤風險概由彼等自行承擔。

本暫定配額通知書及接納其中所載的所有要約均須受香港法例管轄及按香港法例詮釋。預期末繳股款H股供股權將以2,000股的每手買賣單位進行買賣(現有H股股份目前以2,000股之每手買賣單位在香港聯交所進行買賣)。除另有說明者外，本暫定配額通知書內所提及的時間均為香港時間。

填妥、簽署及交回本暫定配額通知書，即表示閣下同意向本公司及／或其H股股份過戶登記處及彼等各自的顧問及代理披露個人資料及彼等所需而有關閣下或閣下為其利益而接納暫定配發的H股供股股份的人士的任何資料。《個人資料(私隱)條例》給予證券持有人權利可確定本公司或其H股股份過戶登記處是否持有其個人資料、索取有關資料的副本，以及更正任何不準確的資料。根據《個人資料(私隱)條例》，本公司及其H股股份過戶登記處有權就處理任何查閱資料的要求收取合理費用。有關查閱資料或更正資料或有關政策及慣例以及持有資料種類的資料的所有要求，應寄往本公司的香港主要營業地址(地址為香港金鐘道89號力寶中心第二座901-903室)或根據適用法律不時通知的地點，並註明收件人為公司秘書或(視乎情況而定)H股股份過戶登記處。

承董事會命
上海集優機械股份有限公司
董事長
周志炎

二零一八年十一月十六日