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VOLUNTARY ANNOUNCEMENT EARLY REDEMPTION IN FULL OF THE BONDS DUE 2023

This announcement is made by China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

Reference is made to the 7.50% corporate bonds (third tranche) with principal amount of RMB500 million (the “**Bonds**”) issued by Nanjing High Accurate Drive Equipment Manufacturing Group Co., Ltd.* (南京高精傳動設備製造集團有限公司) (“**Nanjing Drive**”), a wholly-owned subsidiary of the Company, in 2017. The Bonds are listed on the Shanghai Stock Exchange (143445.SH). The tenor of the Bonds is five years. Under the terms of the Bonds, the subscriber(s) of the Bonds (the “**Subscriber(s)**”) has an option to ask for early redemption of the Bonds and Nanjing Drive has an option to adjust the interest rate at the end of the third year.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that, as agreed by Nanjing Drive and the Subscriber after arm’s length negotiation, Nanjing Drive early redeemed the Bonds fully on 14 August 2020 by paying to the Subscriber the remaining principal amount of the Bonds and the accrued interests from 2 January 2020 till 13 August 2020 (the “**Redemption**”). After the Redemption, the Bonds were delisted earlier from the Shanghai Stock Exchange on 14 August 2020 and the outstanding principal amount of the Bonds was reduced to zero.

Set out below is a table summarising the details of the bonds issued by Nanjing Drive, which as of the date of this announcement, have been repaid in full and fully cancelled:

Name of the bond:	Nanjing High Accurate Drive Equipment Manufacturing Group Co., Ltd. public corporate bond 2017 (first tranche)* (南京高精傳動設備製造集團有限公司公開發行2017年公司債券(第一期))	Nanjing High Accurate Drive Equipment Manufacturing Group Co., Ltd. public corporate bond 2017 (second tranche)* (南京高精傳動設備製造集團有限公司公開發行2017年公司債券(第二期))	Nanjing High Accurate Drive Equipment Manufacturing Group Co., Ltd. public corporate bond 2017 (third tranche)* (南京高精傳動設備製造集團有限公司公開發行2017年公司債券(第三期))
Short name of the bond:	17 Nanchuan 01* (17 南傳 01)	17 Nanchuan 02* (17 南傳 02)	17 Nanchuan 03* (17 南傳 03)
Code of the bond on the Shanghai Stock Exchange:	143047.SH	143168.SH	143445.SH
Principal amount:	RMB900 million	RMB1,020 million	RMB500 million
Tenor:	Five years <i>Note 1</i>	Five years <i>Note 1</i>	Five years <i>Note 1</i>
Coupon rate:	6.47%	6.50%	7.50%
Maturity date:	23 March 2022	17 July 2022	2 January 2023
Latest date to exercise redemption option:	23 March 2020	17 July 2020	2 January 2021
Actual settlement date:	23 March 2020	17 July 2020	14 August 2020

Note 1: The Subscriber(s) have an option to ask for early redemption of the bonds and Nanjing Drive has an option to adjust the interest rate at the end of the third year.

Nanjing Drive has funded the Redemption with its internal resources. The Company considers that the Redemption will have no adverse impact on the Group's financial and operating position and the Group will then not incur further finance costs in relation to the Bonds.

By order of the Board
**China High Speed Transmission
Equipment Group Co., Ltd.**
HU JICHUN
Chairman

Hong Kong, 19 August 2020

As at the date of this announcement, the executive Directors are Mr. Hu Jichun, Mr. Hu Yueming, Mr. Chen Yongdao, Mr. Wang Zhengbing, Mr. Zhou Zhijin, Ms. Zheng Qing and Mr. Gu Xiaobin; the non-executive Director is Mr. Yuen Chi Ping (suspended); and the independent non-executive Directors are Dr. Chan Yau Ching, Bob, Ms. Jiang Jianhua, Mr. Jiang Xihe and Mr. Nathan Yu Li.

* For identification purposes only