

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **China High Speed Transmission Equipment Group Co., Ltd.**, you should at once hand this circular and the accompanying proxy form 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.

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

---



**中國高速傳動設備集團有限公司\***  
China High Speed Transmission Equipment Group Co., Ltd.

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 658)**

**(1) GENERAL MANDATES TO ISSUE AND REPURCHASE  
SHARES;  
(2) RE-ELECTION OF RETIRING DIRECTORS; AND  
(3) NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the AGM to be held at China Purple Mountain Ballroom, 2nd Floor, Jinling Building, Jinling Hotel, No. 2 Hanzhong Road, Nanjing, Jiangsu, China at 10:00 a.m. on Friday, 25 June 2021 is set out on pages 16 to 19 of this circular. A proxy form for use at the AGM is also enclosed. Such proxy form is also published on the designated website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company ([www.chste.com](http://www.chste.com)).

Whether or not you intend to attend the AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of 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 adjourned meeting thereof should you so wish.

\* *For identification purpose only*

17 May 2021



---

## DEFINITIONS

---

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

“AGM”	the annual general meeting of the Company to be held at China Purple Mountain Ballroom, 2nd Floor, Jinling Building, Jinling Hotel, No. 2 Hanzhong Road, Nanjing, Jiangsu, China at 10:00 a.m. on Friday, 25 June 2021
“AGM Notice”	the notice convening the AGM as set out on pages 16 to 19 of this circular
“Articles of Association”	the articles of association of the Company as may be amended from time to time
“Board”	the board of Directors
“Companies Law”	the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Company”	China High Speed Transmission Equipment Group Co., Ltd., a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s), including independent non-executive director(s), of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to exercise the power of the Company to allot, issue and deal in Shares with the total number not exceeding 20% of the total number of issued Shares as at the date of passing of the relevant resolution

---

## DEFINITIONS

---

“Latest Practicable Date”	10 May 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum of Association”	the memorandum of association of the Company as may be amended from time to time
“PRC”	the People’s Republic of China, except where the context requires, geographical references to the PRC exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general and unconditional mandate to be granted to the Directors to exercise the power of the Company to repurchase Shares with the total number not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission of Hong Kong as amended from time to time
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

\* *for identification purpose only*

---

LETTER FROM THE BOARD

---



**中國高速傳動設備集團有限公司\***

China High Speed Transmission Equipment Group Co., Ltd.

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 658)**

*Executive Directors:*

Mr. Hu Jichun (*Chairman and  
Chief Executive Officer*)

Mr. Hu Yueming

Mr. Chen Yongdao

Mr. Wang Zhengbing

Mr. Zhou Zhijin

Ms. Zheng Qing

Mr. Gu Xiaobin

Mr. Fang Jian

*Independent non-executive Directors:*

Dr. Chan Yau Ching, Bob

Ms. Jiang Jianhua

Mr. Jiang Xihe

Mr. Nathan Yu Li

*Registered office:*

4th Floor, Harbour Place

103 South Church Street

George Town

Grand Cayman KY1-1002

Cayman Islands

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

Room 1302

13th Floor, COFCO Tower

No. 262 Gloucester Road

Causeway Bay

Hong Kong

17 May 2021

*To the Shareholders*

Dear Sir or Madam,

**(1) GENERAL MANDATES TO ISSUE AND REPURCHASE  
SHARES;**

**(2) RE-ELECTION OF RETIRING DIRECTORS; AND**

**(3) NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with the relevant information regarding the grant of the Issue Mandate and the Repurchase Mandate, the re-election of the retiring Directors in accordance with the Articles of Association and to give you notice of the AGM at which resolutions will be proposed for our Shareholders to consider and, if thought fit, approve, among other matters, the aforesaid matters.

\* For identification purpose only

---

## LETTER FROM THE BOARD

---

### 2. GENERAL MANDATE TO ISSUE SHARES

At the last annual general meeting of the Company held on 22 May 2020, the Directors were given a general mandate to issue Shares.

At the AGM, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant the Issue Mandate. The Shares which may be allotted and issued pursuant to the Issue Mandate are up to 20% of the total number of issued Shares on the date of passing the resolution approving the Issue Mandate. As at the Latest Practicable Date, the total number of issued Shares is 1,635,291,556 Shares. Subject to the passing of the ordinary resolution approving the Issue Mandate and on the basis that no further new Shares will be issued or repurchased up to the AGM, the Company would be allowed under the Issue Mandate to issue a maximum of 327,058,311 Shares. In addition, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Issue Mandate by adding to the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate the number of Shares purchased under the Repurchase Mandate, if granted. Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in paragraphs 4 and 6 of the AGM Notice.

### 3. GENERAL MANDATE TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 22 May 2020, the Directors were given a general mandate to repurchase Shares.

Such general mandate to repurchase Shares will lapse at the conclusion of the AGM. In order to ensure flexibility for the Directors to repurchase any Shares, it is necessary to grant the Repurchase Mandate at the AGM, and an ordinary resolution set out in paragraph 5 of the AGM Notice will be proposed at the AGM to seek the Shareholders' approval for granting of the Repurchase Mandate. The Shares which may be repurchased pursuant to the Repurchase Mandate are up to 10% of the total number of issued Shares on the date of passing the resolution approving the Repurchase Mandate.

The Issue Mandate and Repurchase Mandate, if approved at the AGM, will continue in force until (a) the conclusion of next annual general meeting of the Company; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or (c) revoked or varied by ordinary resolution by our Shareholders in general meeting, whichever occurs first.

In accordance with the Listing Rules, an explanatory statement to provide Shareholders with all the information reasonably necessary for them to make an informed decision on the proposed resolution for the granting of the Repurchase Mandate is set out in Appendix I to this circular.

---

## LETTER FROM THE BOARD

---

### 4. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 130 of the Articles of Association at every annual general meeting of the Company, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term or holding office as chairman or managing Director) shall be subject to retirement by rotation at least once every three years. Any Director appointed pursuant to Article 114 or Article 115 of the Articles of Association shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereafter. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

Pursuant to Articles 114, 115 and 130 of the Articles of Association, Mr. Hu Jichun, Mr. Zhou Zhijin, Mr. Fang Jian, Mr. Jiang Xihe and Mr. Nathan Yu Li will retire by rotation at the AGM and, being eligible, have offered themselves for re-election at the AGM.

With the assistance and recommendation from the nomination committee of the Company, the Board has reviewed the structure, size, composition and diversity of the Board from a number of aspects, including but not limited to gender, age, cultural and ethnic background, professional qualification, skills, knowledge and length of service and decided to propose the re-election of Mr. Jiang Xihe and Mr. Nathan Yu Li as independent non-executive Directors at the AGM. Having made all necessary and reasonable enquiries, the Board is satisfied that they have no financial, business or family relationships with any other Directors, senior management of the Company or substantial or controlling Shareholders. In addition, the Board has assessed and reviewed their written confirmations of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules and is satisfied that they remain independent. Given that Mr. Jiang Xihe and Mr. Nathan Yu Li do not hold any directorship in more than seven listed companies, the Board believes that they can commit sufficient time to assume their respective director's duties.

According to paragraph A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, any further appointment of independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by shareholders. Mr. Jiang Xihe has been an independent non-executive Director for more than nine years. Notwithstanding that Mr. Jiang Xihe has served as an independent non-executive Director for more than nine years, Mr. Jiang Xihe does not have any management role in the Group and he has demonstrated his willingness to exercise independent judgment and has been giving objective views to the Company. There is no evidence that length of tenure is having an adverse impact on his independence. The Board is satisfied that, as well proven by his valuable independent judgment and advice from the perspective of his strong accounting and finance background coupled with his general understanding of business of the Group during his tenure as an independent non-executive Director, Mr. Jiang Xihe has the required character, integrity,

---

## LETTER FROM THE BOARD

---

independence and experience to fulfill the role of an independent non-executive Director and will contribute to the diversity of the Board, in particular, with his professional experience in the field of accounting and finance.

The Board considers that Mr. Nathan Yu Li can contribute to the diversity of the Board, in particular, with his expertise in software engineering and business management and is of the view that he has made valuable contribution to the Company, demonstrated his ability to provide independent, balanced and objective view to the Company's affairs, brought to the Board his own perspective, skills and experience as well as exercised judgment in the best interests of the Company when discharging his duties as an independent non-executive Director.

To enable our Shareholders to make an informed decision on the re-election of retiring Directors, the biographical details of the retiring Directors, as required under Chapter 13 of the Listing Rules, are set out in Appendix II to this circular.

### **5. ANNUAL GENERAL MEETING**

A notice convening the AGM is set out on pages 16 to 19 of this circular. At the AGM, relevant resolutions will be proposed to approve, among other things, the granting of the Issue Mandate and the Repurchase Mandate and the re-election of the retiring Directors.

### **6. ACTIONS TO BE TAKEN**

A proxy form for use at the AGM is enclosed with this circular and such proxy form is also published on the designated website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.chste.com](http://www.chste.com)). Whether or not you intend to attend the AGM or any adjournment thereof, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM if you so wish. In the event that a Shareholder having lodged a proxy form attends the AGM, his proxy form will be deemed to have been revoked.

### **7. VOTING BY WAY OF POLL**

Pursuant to Rule 13.39 of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. The chairman of the AGM will therefore demand a poll for every resolution put to the vote at the AGM pursuant to Article 90 of the Articles of Association.



---

## LETTER FROM THE BOARD

---

### 8. RECOMMENDATION

The Directors consider that the granting of the Issue Mandate and the Repurchase Mandate and the re-election of the retiring Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of the resolutions to be proposed at the AGM. No Shareholder is required to abstain from voting in respect of any of the resolutions to be proposed at the AGM.

### 9. CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM, the transfer books and register of members of the Company will be closed from Tuesday, 22 June 2021 to Friday, 25 June 2021, both days inclusive, during which period no transfer of Shares in the Company will be registered. In order to qualify for the right to attend and vote at the AGM, all transfer forms, accompanied by the relevant share certificates, must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 21 June 2021.

Yours faithfully,  
For and on behalf of the Board  
**China High Speed Transmission  
Equipment Group Co., Ltd.**  
**Hu Jichun**  
*Chairman*

*This appendix serves as an explanatory statement, as required by the Listing Rules, to provide relevant information to you in connection with the Repurchase Mandate.*

## **1. LISTING RULES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

- (a) the shares proposed to be purchased by the company are fully-paid up;
- (b) the company has previously sent to its shareholders an explanatory statement complying with the provisions of Rule 10.06(1)(b) of the Listing Rules; and
- (c) the shareholders of the company have given a specific approval or a general mandate to the directors of the company to make such purchase, by way of an ordinary resolution which complies with the provisions of Rule 10.06(1)(c) of the Listing Rules and which has been passed at a general meeting of the company duly convened and held and the company has delivered a copy of such resolution, together with the necessary supporting documentation, to the Stock Exchange in accordance with Rule 10.06(1)(d) of the Listing Rules.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, the total number of issued Shares is 1,635,291,556 Shares. Subject to the passing of the resolution in relation to the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 163,529,155 Shares.

## **3. REASON FOR REPURCHASES**

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. 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. Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

## **4. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association and the Articles of Association and the applicable laws and regulations of the Cayman Islands. Pursuant to the Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including profits of the Company or out of a fresh issue of Shares made for

the purpose of the repurchase or, if authorised by the Articles of Association and subject to the Companies Law, out of capital of the Company and, in the case of any premium payable on the repurchases, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company. The Company may not repurchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

## 5. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2020) 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 extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

## 6. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2020</b>		
May	5.28	4.13
June	4.84	4.20
July	5.05	4.44
August	6.36	4.80
September	6.63	4.97
October	8.05	5.49
November	6.25	5.40
December	7.68	5.55
<b>2021</b>		
January	9.18	7.23
February	8.35	7.10
March	8.36	6.62
April	8.18	5.51
May (up to the Latest Practicable Date)	5.63	5.25

## 7. GENERAL

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Memorandum of Association, the Articles of Association and the applicable laws and regulations of the Cayman Islands.

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

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

## 8. EFFECT OF TAKEOVERS CODE

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the interest of the Shareholder(s), could obtain or consolidate control of the Company and become(s) obligated to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, so far as the Directors are aware, the shareholding of the substantial Shareholder are as follows:

<b>Name</b>	<b>Nature of Interests</b>	<b>Number of securities held</b>	<b>Approximate percentages to the equity (%)</b>
Five Seasons XVI Limited ("Five Seasons") (Note 1)	Beneficial owner	1,208,577,693 (Long Position)	73.91 (Long Position)
Fullshare Holdings Limited ("Fullshare Holdings")	Interest of controlled corporation	1,208,577,693 (Long Position)	73.91 (Long Position)
Magnolia Wealth International Limited ("Magnolia Wealth")	Interest of controlled corporation	1,208,577,693 (Long Position)	73.91 (Long Position)

Name	Nature of Interests	Number of securities held	Approximate percentages to the equity (%)
Glorious Time Holdings Limited (“ <b>Glorious Time</b> ”) (Note 2)	Beneficial owner	17,890,000 (Long Position)	1.09 (Long Position)
Mr. Ji Changqun (“ <b>Mr. Ji</b> ”) (Note 3)	Interest of controlled corporation	1,208,577,693 (Long Position)	73.91 (Long Position)
	Interest of controlled corporation	17,890,000 (Long Position)	1.09 (Long Position)

*Notes:*

1. Five Seasons, a company incorporated in the British Virgin Islands, is wholly-owned by Fullshare Holdings (stock code: 607), while the issued share capital of Fullshare Holdings is owned as to 38.69% by Magnolia Wealth, a company incorporated in the British Virgin Islands, which is wholly and beneficially owned by Mr. Ji. Accordingly, Fullshare Holdings, Magnolia Wealth and Mr. Ji are considered to have interests in 1,208,577,693 Shares, representing approximately 73.91% of the issued Shares.
2. Glorious Time, a company incorporated in the British Virgin Islands, is wholly and beneficially owned by Mr. Ji. Accordingly, Mr. Ji is considered to have interests in 17,890,000 Shares, representing approximately 1.09% of the issued Shares.
3. Five Seasons is indirectly owned more than one-third by Mr. Ji and Glorious Time is wholly and beneficially owned by Mr. Ji. Accordingly, Mr. Ji is considered to have interests in 1,226,467,693 Shares, representing approximately 74.99% of the issued Shares.

The Directors have no intention to exercise the Repurchase Mandate which may result in possible mandatory offer being made under the Takeovers Code or the public float of the Company falling below the minimum percentage prescribed by the Stock Exchange.

## 9. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company in the six months prior to the Latest Practicable Date, whether on the Stock Exchange or otherwise.

The biographical details of the Directors as of the Latest Practicable Date proposed to be re-elected at the AGM are set out as follows:

### Executive Directors

**Mr. Hu Jichun**, aged 42, is an executive Director, the chairman of the Board, the chief executive officer of the Company and the chairman of the nomination committee of the Company. He is a holder of postgraduate degree. Mr. Hu graduated from Shanghai University in Control Theory and Control Engineering and obtained a master's degree in Engineering in 2004. Mr. Hu served as the vice general manager of Nanjing E-crystal Energy Co., Ltd. from January 2012 to November 2018 and has been serving as an executive Director since June 2015. Also, Mr. Hu served as a director of Nanjing High Accurate Drive Equipment Manufacturing Group Co., Ltd. ("**Nanjing Drive**") from November 2016 to September 2020 and the chairman and the general manager of Nanjing Drive from December 2016 to May 2019. He served as the president of Nanjing Drive from January 2017 to September 2020. Mr. Hu has been a director and the chairman of Nanjing High Speed Gear Manufacturing Co., Ltd. ("**Nanjing High Speed**") since August 2017. Mr. Hu also serves as a director of certain subsidiaries of the Group, including major subsidiaries such as, Nanjing High Speed & Accurate Gear (Group) Co., Ltd. ("**Nanjing High Accurate**"), NGC Transmission Equipment (America), Inc., China Transmission Holdings Limited and High Speed Holdings Limited. Mr. Hu is a council member of China General Machine Components Industry Association (中國機械通用零部件工業協會) and the vice chairman of Gear Manufacturers Association (齒輪專業協會) of China General Machine Components Industry Association (中國機械通用零部件工業協會). Mr. Hu is the son of Mr. Hu Yueming, an executive Director and an authorised representative of the Company under Rule 3.05 of the Listing Rules.

**Mr. Zhou Zhijin**, aged 49, is an executive Director. He graduated from Nanjing Industrial School in 1991. He joined Nanjing High Speed Gear Factory (南京高速齒輪箱廠) in August 1991 and was appointed as the vice director of personnel department in January 1999. He has served as the deputy director of human resource department of Nanjing High Accurate since September 2001. He has served as the assistant to general manager and office head of Nanjing High Speed since July 2003. He has served as the vice general manager of Nanjing High Speed since July 2006. He has served as an executive Director since June 2015. Mr. Zhou served as a director of Nanjing Drive from November 2016 to September 2020. He served as the vice president of Nanjing Drive from January 2017 to September 2020. Mr. Zhou has served as a director of Nanjing High Speed since August 2017. Mr. Zhou also holds directorship in certain subsidiaries of the Group.

As at the Latest Practicable Date, Nanjing High Speed was owned as to approximately 6.98% by Shanghai Shifu Enterprise Management LLP\* (上海釀福企業管理合夥企業(有限合夥)) (the "**Employee Partnership Enterprise**"). The Employee Partnership Enterprise was owned as to approximately 10.56% by Shouguang Jiding Information Consultancy Services

LLP\* (壽光吉鼎信息諮詢服務合夥企業(有限合夥)) (“**Shouguang Jiding**”), as one of the limited partners. Mr. Zhou Zhijin is one of the limited partners of Shouguang Jiding and holds approximately 46.70% interest in Shouguang Jiding.

**Mr. Fang Jian**, aged 54, is an executive Director. He graduated from Jinling Institute of Technology (金陵科技學院) in July 1987 where he obtained the professional diploma in road and bridges. Mr. Fang has almost 20 years of management experience in the green building and energy-saving building industry in the PRC.

Mr. Fang served as a vice president in Nanjing Jiangong Industry Group Co., Ltd.\* (南京建工產業集團有限公司) (“**Nanjing Jiangong**”) from July 2006 to December 2009 and was appointed as a director of Nanjing Jiangong from 2011 to December 2014. He was appointed as the chairman, a director and the legal representative of Jiangsu Province Green Building Technology Research Centre Co., Ltd.\* (江蘇省綠色建築工程技術研究中心有限公司) from September 2008 to May 2017 and has been appointed as a director since May 2017. He was also appointed as the chairman, a director, the legal representative and the general manager of Jiangsu Jinhe Construction Group Co., Ltd.\* (江蘇錦禾建設集團有限公司) from December 2014 to July 2018. He was appointed as the chairman, a director and the legal representative of Jiangsu Ansen Kangju Enterprise Management Co., Ltd.\* (江蘇安森康居企業管理有限公司) from June 2015 to October 2018. He has also been appointed as the chairman, a director and the legal representative of Nanjing Fasike Energy Technology Development Co., Ltd.\* (南京法斯克能源科技發展有限公司) since June 2015.

Mr. Fang was an executive director of Fullshare Holdings Limited (0607.HK) from December 2014 to June 2016. Mr. Fang has joined the Group since April 2020 and has been appointed as the chairman, a director and the legal representative of each of Nanjing Handa Import & Export Trade Co., Ltd.\* (南京翰達進出口貿易有限公司) and Nanjing Shengzhuang Supplying Chain Co., Ltd.\* (南京市盛裝供應鏈有限公司), both being wholly-owned subsidiaries of the Company. Mr. Fang has served as an executive Director since August 2020. He is a director and the chairman of Nanjing Drive since September 2020 and the general manager of Nanjing Drive since October 2020. Mr. Fang is also a director of certain subsidiaries of the Group.

### **Independent non-executive Directors**

**Mr. Jiang Xihe**, aged 63, is an independent non-executive Director, the chairman of the audit committee of the Company, a member of the remuneration committee of the Company and a member of the nomination committee of the Company. He joined the Company as an independent non-executive Director on 8 June 2007. He is a Doctor in accountancy. He graduated from the Central University of Finance and Economics (中央財經大學) majoring in accountancy in June 1990. He obtained professional accounting qualification recognized in the PRC in July 1999. He is also a member of the Chinese Institute of Finance and Cost for Young & Mid-career professionals as well as a member of the Hong Kong International Accounting Association and a standing member of Jiangsu Accounting Association.

He is currently a professor at the Faculty of Accounting and Financial Management of Nanjing Normal University (南京師範大學) and the head of Accounting and Financial Development Research Centre of Nanjing Normal University (南京師範大學).

Currently, Mr. Jiang is also an independent director of Hongbaoli Group Co., Ltd. (stock code: 002165, a company listed on the Shenzhen Stock Exchange), Nanjing Yunhai Special Metals Co., Ltd. (stock code: 002182, a company listed on the Shenzhen Stock Exchange), Jiangsu Lanfeng Bio-chemical Co., Ltd. (stock code: 002513, a company listed on the Shenzhen Stock Exchange) and Anhui Hualing Kitchen Equipment Co., Ltd. (stock code: 430582, a company listed on the New Third Board of the Shenzhen Stock Exchange).

**Mr. Nathan Yu Li**, aged 49, is an independent non-executive Director, a member of the audit committee of the Company and a member of the nomination committee of the Company. He joined the Company as an independent non-executive Director on 1 December 2016.

Mr. Li graduated from Zhejiang University and obtained a bachelor's degree in Science in May 1993. Mr. Li obtained a master's degree in Science from Boston University in May 1995, and further obtained a master's degree in Business Administration from Babson College in May 2009.

Mr. Li was a senior software engineer from August 1995 to May 2001 at Brooks Automation Inc., where he was principally responsible for leading the software team to design semiconductor manufacturing robots. Between June 2001 to March 2006, Mr. Li held various positions at Axsun Technologies Inc., including as principal software engineer, R&D manager and senior technical marketing manager. During his service, optical communication equipment and near infrared laser source product lines of the company were launched. From March 2006 to August 2010, Mr. Li was a director of sales and marketing at Copley Controls Corporation and a director of business development of its parent company, Analogic Corporation, responsible for business of medical diagnostic imaging products, aviation security and motion control products.

Mr. Li was the vice president of business development from August 2010 to August 2011 at Nanjing Fullshare Property Dazhu Technology Company Limited\* (南京豐盛大族科技股份有限公司), a wholly-owned subsidiary of Fullshare Holdings based in Nanjing, PRC, where he was mainly responsible for designing the business plan and growth strategy for the healthcare sector of the company's group. From August 2011 to October 2012, Mr. Li founded Across Globe Works LLC and assisted companies with unique technology in the U.S. to access the international markets.

In October 2012, Mr. Li co-founded with partners and has since then been the general manager of Bowing Medical Technologies LLC, where Mr. Li is mainly responsible for formulation of business development strategy and budget planning.

Save as disclosed above, each of the above Directors has not held any directorship in any other public listed companies in the last three years.



As at the Latest Practicable Date, save as disclosed above, Mr. Hu Jichun, Mr. Zhou Zhijin, Mr. Fang Jian, Mr. Jiang Xihe and Mr. Nathan Yu Li do not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, each of the above Directors does not have any relationship with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders.

The term of their respective service as a Director will be renewed for another three years commencing from the date of forthcoming AGM and is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the provisions of the Articles of Association. The emoluments of Mr. Hu Jichun, Mr. Zhou Zhijin, Mr. Fang Jian, Mr. Jiang Xihe and Mr. Nathan Yu Li as set out in the service agreement/appointment letter in the coming financial year are RMB2,450,000, RMB2,750,000, RMB2,000,000, HK\$240,000 and HK\$240,000 per annum, respectively and they are entitled to such amount of discretionary bonus which the Company may decide to pay. Such emoluments are determined with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions. For the year ended 31 December 2020, Mr. Hu Jichun, Mr. Zhou Zhijin, Mr. Fang Jian, Mr. Jiang Xihe and Mr. Nathan Yu Li, respectively, received a total emolument of RMB2,450,000, RMB29,769,000, RMB667,000, HK\$240,000 and HK\$240,000 (including share-based payment and contributions to retirement benefits scheme) for being a Director.

Save as disclosed above, there are no other matters concerning the above Directors that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to any of the requirements of the Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

---

## NOTICE OF THE ANNUAL GENERAL MEETING

---



**中國高速傳動設備集團有限公司\***

China High Speed Transmission Equipment Group Co., Ltd.

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 658)**

### NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”) will be held at China Purple Mountain Ballroom, 2nd Floor, Jinling Building, Jinling Hotel, No. 2 Hanzhong Road, Nanjing, Jiangsu, China at 10:00 a.m. on Friday, 25 June 2021 for the following purposes:

1. To receive and approve the audited consolidated financial statements together with the directors’ report and the independent auditor’s report of the Company for the year ended 31 December 2020.
2. To re-elect directors of the Company (the “**Directors**”) and to authorise the board of Directors to fix the Directors’ remuneration.
3. To re-appoint Baker Tilly Hong Kong Limited as auditors of the Company and to authorise the board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

4. “**THAT:**
  - (a) subject to paragraph (c) below, and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as hereinafter defined in this resolution) of all the powers of the Company to allot, issue and deal with any unissued shares in the capital of the Company and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;

\* For identification purpose only

---

## NOTICE OF THE ANNUAL GENERAL MEETING

---

- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the shares in the capital of the Company to be issued either during or after the end of the Relevant Period (as hereinafter defined);
- (c) the total number of the issued shares of the Company allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares upon the exercise of options which may be granted under any share option scheme or under 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 or any other person of shares or rights to acquire shares of the Company; or (iii) any scrip dividend schemes or similar arrangements providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; or (iv) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20 per cent. of the total number of issued shares of the Company at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution,

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors by this resolution; and

“**Rights Issue**” means an offer of shares of the Company or issue of option, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or,

---

## NOTICE OF THE ANNUAL GENERAL MEETING

---

where appropriate, such other securities) (subject in all cases 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 applicable to the Company).”

5. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company on the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of the shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10 per cent. of the total number of issued shares of the Company at the date of the passing of this resolution, and the authority granted pursuant to paragraph (a) above shall be limited accordingly; and
- (c) for the purposes of this resolution, **“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company; or
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
  - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors by this resolution.”

6. **“THAT** conditional upon the ordinary resolutions set out in paragraphs 4 and 5 of the notice convening this meeting being passed, the general mandate granted to the Directors to allot, issue and deal in any unissued shares pursuant to the ordinary resolution set out in paragraph 4 of the notice convening this meeting be and is hereby extended by the addition to the total number of issued shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by

---

## NOTICE OF THE ANNUAL GENERAL MEETING

---

the Directors pursuant to such general mandate of an amount representing the total number of issued shares of the Company repurchased by the Company under the authority granted pursuant to the ordinary resolution set out in paragraph 5 of the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent. of the total number of issued shares of the Company in issue at the date of the passing of this resolution.”

By Order of the Board  
**Lui Wing Hong, Edward**  
*Company Secretary*

Hong Kong, 17 May 2021

*Notes:*

1. A member entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and, on a poll, vote in his stead. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him and, on a poll, vote on his behalf. A proxy need not be a member of the Company.
2. In order to be valid, a proxy form together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or any adjournment thereof.
3. The register of members of the Company will be closed from Tuesday, 22 June 2021 to Friday, 25 June 2021, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identity of the shareholders who are entitled to attend and vote at the meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 21 June 2021.
4. Pursuant to Article 90 of the Articles of Association of the Company, the Chairman of the meeting will demand a poll on each of the resolutions put to the vote at the meeting.
5. With regard to ordinary resolutions set out in paragraphs 2 and 4 to 6 of this notice, a circular giving details of the Directors subject to re-election and general mandates to issue and to repurchase shares will be despatched to shareholders of the Company at the date hereof. The biographical details of the retiring Directors who are subject to re-election at the meeting are set out in Appendix II to the circular.
6. As at the date of this notice, the board of Directors comprises twelve Directors, of which Mr. Hu Jichun, Mr. Hu Yueming, Mr. Chen Yongdao, Mr. Wang Zhengbing, Mr. Zhou Zhijin, Ms. Zheng Qing, Mr. Gu Xiaobin and Mr. Fang Jian are executive Directors, and Dr. Chan Yau Ching, Bob, Ms. Jiang Jianhua, Mr. Jiang Xihe and Mr. Nathan Yu Li are independent non-executive Directors.