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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) APPOINTMENT OF EXECUTIVE DIRECTOR
(2) RE-DESIGNATION OF DIRECTOR
(3) CHANGE OF CHAIRMAN OF THE BOARD

The board (the “**Board**”) of directors (the “**Director(s)**”) of China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that with effect from 24 May 2019:

- (i) Mr. Gu Xiaobin (顧曉斌) (“**Mr. Gu**”) has been appointed as an executive Director;
- (ii) Mr. Hu Yueming (胡曰明) (“**Mr. Hu**”) has been re-designated from a non-executive Director to an executive Director (the “**Re-designation**”) and will relinquish his position as the chairman of the Board (the “**Chairman**”); and
- (iii) Mr. Hu Jichun (胡吉春) has been appointed as the Chairman and will remain as an executive Director and the chief executive officer of the Company (the “**CEO**”).

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board is pleased to announce that Mr. Gu Xiaobin (顧曉斌) has been appointed as an executive Director with effect from 24 May 2019.

Mr. Gu Xiaobin, aged 50, is a university graduate and was graduated from Beihang University majoring in material science and engineering in July 1991. He joined AVIC Chengdu Engine (Group) Co., Ltd. in September 1991, and was engaged in technology, sales and foreign trade, and served as an assistant to the head of the

foreign trade division. He joined General Electric (China) Co., Ltd. in December 1996 and held various positions, including project manager of purchase department in China of energy industry group, quality engineer, Six Sigma Master Black Belt, purchasing general manager in China of energy group, and purchasing general manager in Asia of renewable energy group, etc. Mr. Gu joined the Group in October 2017, and serves as a director, the chief operating officer and the general manager of wind power business department and overseas business department of 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) (“**NGC**”), an indirect wholly-owned subsidiary of the Company.

Mr. Gu has not held any directorships in other listed companies in Hong Kong and overseas in the past three years and, save as disclosed above, does not currently hold any other major appointments and qualifications. Save as disclosed above, Mr. Gu is not holding any other position within the Group and/or Mr. Gu does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) of the Company, nor does he has any interests in the shares of the Company (the “**Shares**”) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The appointment of Mr. Gu is for an initial term of three years from 24 May 2019, subject to retirement and re-election at the next annual general meeting of the Company (thereafter retirement by rotation) pursuant to the articles of association of the Company (the “**Articles of Association**”). The annual emolument of Mr. Gu as set out in his service agreement with the Company is approximately RMB5,500,000 per annum and he will also be 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.

Save as disclosed above, the Board is not aware of any other matters in relation to the appointment of Mr. Gu that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) nor is there any other information which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board is delighted to appoint Mr. Gu as an executive Director. The Board believes that Mr. Gu’s management experience will enable him to play a key role in the development and execution of the Group’s business.

The Board would like to extend its warm welcome to Mr. Gu on his appointment.

RE-DESIGNATION OF DIRECTOR

The Board is pleased to announce that Mr. Hu Yueming (胡曰明) has been re-designated from a non-executive Director to an executive Director with effect from 24 May 2019.

Mr. Hu Yueming, aged 70, is an executive Director after the Re-designation and the chairman of the Nomination Committee of the Company. Mr. Hu is a university graduate and was graduated from Fudan University majoring in laser technology in 1977. Mr. Hu is a senior engineer. He has more than 30 years of experience in the management of machinery and industrial enterprises and has served as the head of various state-owned enterprises such as Nanjing Engineering Equipment Factory (南京工藝裝備廠) and general manager of various foreign invested enterprises including Nanjing Atlas Copco Construction Machinery Ltd. He has extensive experience in enterprise management. In 1998, he became the general manager of Nanjing High Speed Gear Factory. From March 2007 to December 2016, he served as the chairman and the general manager of NGC. Mr. Hu also holds directorship in certain subsidiaries of the Group. Mr. Hu is an expert on mechanical transmission equipment technology and business management. He is also the vice president of the China New Energy Generation Network (中國新能源發電網), a council member of China General Machine Components Industry Association (中國機械通用零部件工業協會), 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) and chairman of Nanjing Renewable Energy Association (南京可再生能源協會). He has been awarded the “National May 1 Labour Medal” (全國五一勞動獎章) and title of “The 4th Outstanding Entrepreneur of the Machinery Industry” (第四屆全國機械工業明星企業家). Mr. Hu is the father of Mr. Hu Jichun, an executive Director, the CEO and, with effect from 24 May 2019, the Chairman.

Mr. Hu has not held any directorships in other listed companies in Hong Kong and overseas in the past three years and, save as disclosed above, does not currently hold any other major appointments and qualifications. Save as disclosed above, Mr. Hu is not holding any other position within the Group and/or Mr. Hu does not have any relationships with any other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company, nor does he has any interests in the Shares within the meaning of Part XV of the SFO.

The term of office of Mr. Hu is for an initial term of three years from 24 May 2019, subject to retirement by rotation pursuant to the Articles of Association. The annual emolument of Mr. Hu as set out in his service agreement with the Company is approximately RMB3,450,000 per annum and he will also be 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.

Save as disclosed above, the Board is not aware of any other matters relating to the Re-designation that need to be brought to the attention of the Shareholders, and Mr. Hu has confirmed that there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to extend its warm welcome to Mr. Hu in his new position in the Board.

CHANGE OF CHAIRMAN OF THE BOARD

The Board announces that with effect from 24 May 2019, (i) Mr. Hu Yueming will relinquish his position as the Chairman; and (ii) Mr. Hu Jichun has been appointed as the Chairman and will remain as an executive Director and the CEO.

Mr. Hu Jichun, aged 40, is an executive Director and the CEO. He is a holder of postgraduate degree. Mr. Hu Jichun graduated from Shanghai University majoring in Control Theory and Control Engineering and obtained a Master's degree in Engineering in 2004. Mr. Hu Jichun has served as the vice general manager of Nanjing E-crystal Energy Co., Ltd. since January 2012 and an executive Director since June 2015. Also, Mr. Hu Jichun has served as a director of NGC since November 2016 and the chairman and the general manager of NGC since December 2016. He has served as the president of NGC since January 2017. Mr. Hu Jichun also holds directorship in certain subsidiaries of the Group, including Nanjing High Speed & Accurate Gear (Group) Co., Ltd, Nanjing High Speed Gear Manufacturing Co., Ltd., NGC Transmission Equipment (America), Inc. and China Transmission Holdings Limited. Mr. Hu Jichun is the son of Mr. Hu, an executive Director (after the Re-designation), the chairman of the Nomination Committee and an authorised representative of the Company under Rule 3.05 of the Listing Rules.

Mr. Hu Jichun has not held any directorships in other listed companies in Hong Kong and overseas in the past three years and, save as disclosed above, does not currently hold any other major appointments and qualifications. Save as disclosed above, Mr. Hu Jichun is not holding any other position within the Group and/or Mr. Hu Jichun

does not have any relationships with any other Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company, nor does he has any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Hu Jichun will not receive any remuneration from the Company for his appointment of the Chairman.

Save as disclosed above, the Board is not aware of any other matters relating to the change of the Chairman that need to be brought to the attention of the Shareholders, and Mr. Hu Jichun has confirmed that there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to extend its warm welcome to Mr. Hu Jichun in his new position in the Board.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Pursuant to the Corporate Governance Code Provision A.2.1 of Appendix 14 to the Listing Rules, the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual.

Mr. Hu Jichun is the CEO, and he has also been appointed as the Chairman with effected from 24 May 2019. The Board believes that vesting the roles of both the chairman and the chief executive officer in the same person is beneficial to the business development and management of the Group. The Board considers that the balance of functions and power under this arrangement will not be impaired and this arrangement will enable the Company to formulate and implement decisions promptly and efficiently.

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

Hong Kong, 24 May 2019

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; 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*