
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.

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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)

**PROPOSED CHANGE OF DIRECTORS
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

A notice convening an extraordinary general meeting of China High Speed Transmission Equipment Group Co., Ltd. to be held in China Purple Mountain Ballroom, 2nd Floor, Jinling Building, Jinling Hotel, No. 2 Hanzhong Road, Nanjing, Jiangsu, China on Thursday, 24 April 2025 at 10:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular.

Whether or not you intend to attend and vote at the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon 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 the holding of the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment thereof.

* For identification purpose only

CONTENTS

	<i>Page</i>
Definitions	1-3
Letter from the Board	4-14
Appendix – Biographical Details of the Proposed Directors	15-17
Notice of EGM	EGM-1

DEFINITIONS

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

“Articles”	the articles of association of the Company as may be amended from time to time
“Board”	the board of Directors
“CCASS Participant”	a person admitted for the time being by Hong Kong Securities Clearing Company Limited as a participant of the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited
“Company”	China High Speed Transmission Equipment Group Co., Ltd., an exempted 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
“EGM”	the extraordinary general meeting of the Company to be held in China Purple Mountain Ballroom, 2nd Floor, Jinling Building, Jinling Hotel, No. 2 Hanzhong Road, Nanjing, Jiangsu, China at 10:00 a.m. on 24 April 2025
“Fullshare”	Fullshare Holdings Limited, a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Stock Exchange (stock code: 607)
“Group”	the Company and its subsidiaries from time to time
“Independent Investigation”	has the meaning ascribed to it in the Company’s announcement dated 6 February 2025
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanjing Drive”	Nanjing High Accurate Drive Equipment Manufacturing Group Co., Ltd., a wholly owned subsidiary of the Company
“Nanjing Gear Management”	Nanjing Gear Enterprise Management Co., Ltd., a wholly owned subsidiary of the Company

DEFINITIONS

“NHS”	Nanjing High Speed Gear Manufacturing Co., Ltd., a 50.02% owned subsidiary of Nanjing Gear Management
“NHS Articles Amendment”	the amendment of the articles of association of NHS in or around late September 2024
“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
“Proposed Appointment”	the proposed appointment of Mr. Yang Qilin, Mr. Li Zubin, Mr. Chen Minrui and Mr. Huang Shun, as set out in the Requisition Notice
“Proposed Directors”	collectively, Mr. Yang Qilin, Mr. Li Zubin, Mr. Chen Minrui and Mr. Huang Shun, who are the subject of the Proposed Appointment
“Proposed Removal”	the proposed removal of Mr. Hu Yueming and Mr. Hu Jichun as Directors, as set out in the Requisition Notice
“Proposed Resolutions”	the resolutions proposed at the EGM
“Relevant Amounts”	the receivables and pre-payments of the Relevant Subsidiaries in the amount of approximately RMB 6.64 billion in aggregate due under certain agreements for the sale and purchase of commodities
“Relevant Interests”	611,241,693 Shares beneficially owned by the Requisitionist, representing 37.37% of the issued shares of the Company
“Relevant Subsidiaries”	Nanjing Drive, Nanjing Handa Import & Export Trade Co., Ltd. and Nanjing Shengzhuang Supply Chain Co., Ltd., which are all wholly owned subsidiaries of the Company
“Requisition Notice”	a letter from the Requisitionist to the Company dated 13 March 2025 and deposited to the Company on 14 March 2025, in respect of a requisition relating to, among others, the Proposed Appointment and the Proposed Removal

DEFINITIONS

“Requisitionist”	Five Seasons XVI Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Fullshare
“RMB”	Renminbi, the lawful currency of the PRC
“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
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

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. Zhou Zhijin

Ms. Zheng Qing

Mr. Gu Xiaobin

Registered office:

Vistra (Cayman) Limited

P.O. Box 31119

Grand Pavilion, Hibiscus Way

802 West Bay Road

Grand Cayman KY1-1205

Cayman Islands

Independent non-executive Directors:

Mr. Jiang Xihe

Ms. Jiang Jianhua

Dr. Chan Yau Ching, Bob

Mr. Nathan Yu Li

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

Room 1302

13th Floor, COFCO Tower

No. 262 Gloucester Road

Causeway Bay

Hong Kong

Hong Kong, 3 April 2025

To the shareholders

Dear Sir/Madam

**PROPOSED CHANGE OF DIRECTORS
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with, amongst other things, the relevant information, including notably the Board's views, regarding the proposals to seek the approval of the Shareholders at the EGM for the Proposed Resolutions as set out in the Requisition Notice in relation to, among others, the Proposed Appointment and the Proposed Removal; and the notice of EGM.

LETTER FROM THE BOARD

REQUISITION BY THE REQUISITIONIST

On 14 March 2025, at the request of Yuanta Securities (Hong Kong) Company Limited, a CCASS Participant, HKSCC Nominees Limited has, in its capacity as the nominee holder of the Relevant Interests, submitted a notice of requisition to the Company requiring the Company to convene an extraordinary general meeting and issue to the Shareholders a notice for such extraordinary general meeting for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

- (1) “**THAT** Mr. HU Jichun be and is hereby removed from his positions as an executive director of the Company pursuant to Article 118 of the Articles, with effect from the conclusion of the EGM.”
- (2) “**THAT** Mr. HU Yueming be and is hereby removed from his positions as an executive director of the Company pursuant to Article 118 of the Articles, with effect from the conclusion of the EGM.”
- (3) “**THAT** Mr. YANG Qilin (楊啟林先生) be and is hereby appointed as an executive director of the Company pursuant to Article 115 of the Articles, with effect from the conclusion of the EGM.”
- (4) “**THAT** Mr. LI Zubin (李祖濱先生) be and is hereby appointed as a non-executive director of the Company pursuant to Article 115 of the Articles, with effect from the conclusion of the EGM.”
- (5) “**THAT** Mr. CHEN Minrui (陳敏銳先生) be and is hereby appointed as a non-executive director of the Company pursuant to Article 115 of the Articles, with effect from the conclusion of the EGM.”
- (6) “**THAT** Mr. HUANG Shun (黃順先生) be and is hereby appointed as an independent non-executive director of the Company pursuant to Article 115 of the Articles, with effect from the conclusion of the EGM.”
- (7) “**THAT** each of the directors of the Company appointed to the Board between the date of the requisition notice for the convening of the EGM and the date of the EGM, other than those persons who are to be appointed directors of the Company at the EGM, be and is hereby removed as a director of the Company pursuant to Article 118 of the Articles with effect from the conclusion of the EGM.”
- (8) “**THAT** it is in the interest of the Company to and the Board be and is hereby requested to forthwith following the conclusion of the EGM convene such Board or Board committee meetings for the purpose of passing all necessary resolutions in order to implement the following as quickly as possible: (i) upon the removal of Mr. HU Jichun as an executive director of the Company, to remove or terminate Mr. HU Jichun from his positions as the chairman of the Board, the chief executive

LETTER FROM THE BOARD

officer of the Company and any other roles and duties of the Group and to remove him as an authorised signatory of the Group, and (ii) upon the removal of Mr. HU Yueming as an executive director of the Company, to remove or terminate Mr. HU Yueming from any other roles and duties of the Group and to remove him as an authorised signatory of the Group, with effect from the conclusion of the EGM on or as soon as possible after the date of the passing of the relevant resolutions.”

- (9) “**THAT** any one or more of the directors or the secretary of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents as he/she/they may consider necessary, desirable or expedient for the purpose of or in connection with, the implementation of and giving effect to the aforementioned resolutions and to attend to any necessary registration and/or filing for and on behalf of the Company.”

The biographical details of the Proposed Directors, which have been reproduced from the Requisition Notice, are set out in the Appendix to this circular. Such particulars of the Proposed Directors have not been independently verified by the Company or the Board.

RELEVANT PROVISIONS IN THE ARTICLES

Pursuant to Article 79 of the Articles, general meetings may be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist and the foregoing member shall be able to add resolutions to the meeting agenda, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company, on a one vote per share basis in the share capital of the Company.

Pursuant to Article 115 of the Articles, the Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than two. Subject to the provisions of these Articles and the Act, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.

Pursuant to Article 118 of the Articles, the Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed.

INFORMATION ON THE REQUISITIONIST

In the Requisition Notice which was received by the Company on 14 March 2025, HKSCC Nominees Limited has stated that, as at the date of the Requisition Notice, the relevant number of Shares that it held as the nominee holder and which are beneficially owned by the Requisitionist through Yuanta Securities (Hong Kong) Company Limited amounted to 611,241,693 Shares, representing approximately 37.37% of the issued share capital of the Company. The Requisitionist is wholly owned by Fullshare.

LETTER FROM THE BOARD

REASON(S) FOR THE PROPOSED REMOVAL AND APPOINTMENT OF DIRECTORS

The Requisition Notice does not set out any reasons for the Proposed Removal and the Proposed Appointment.

The Board notes the announcement of Fullshare (which wholly owns the Requisitionist) dated 7 March 2025, in which Fullshare stated its intention to reconstitute the Company's Board, purportedly for the purpose of investigating into and ratifying any existing and potential wrongdoings and preserving the assets of the Company and its subsidiaries. In particular, Fullshare alleged the NHS Articles Amendment was unauthorised by Fullshare, and as a result of the NHS Articles Amendment, Nanjing Gear Management (and hence the Company) ceases to control the composition of the majority of the board of NHS Board and may therefore lose control in the board of NHS.

This is false and misleading. As stated in the Company's announcement dated 10 March 2025, the NHS Articles Amendment appropriately reflects the shareholding structure of NHS, to properly ensure fair and equal treatment of all shareholders. The auditors of the Company and the legal advisors to the Company have confirmed to the Company that the NHS Articles Amendment would **not** lead to a loss of control in the Board of NHS under the relevant accounting standards (particularly, IFRS 10) or the company law of the PRC. Although the shares in NHS indirectly held by the Company amount to 50.02%, the Company retains effective control over 6 out of the 9 board seats at NHS, accounting for 66.7% of the voting rights in the board of NHS. Further, as shown in the Company's financial results announcement for the year ended 31 December 2024 dated 28 March 2025, the financial statements of NHS continue to be consolidated into the financial statements of the Company, reflecting the fact that the Company has control over NHS. The NHS Articles Amendment requires its shareholders' approval, not Fullshare's.

The fact that the Company retains control over NHS has, in fact, been reflected in Fullshare's annual results announcement for the year ended 31 December 2024, which was approved by the board of Fullshare and published on 31 March 2025. No circumstance has arisen that would lead to a loss of such control by the Company. Therefore, Fullshare's assertion that there is a risk of NHS ceasing to be a subsidiary of Fullshare (and by implication, the Company) at any time is again false and misleading.

Further, Fullshare and its Chairman of the board and CEO, Mr. Ji Changqun ("Mr. Ji"), jointly issued a **Letter of Undertaking** to certain lenders in May 2022, undertaking, amongst others, to refrain from intervening in or participating in the management and operations of NHS, including but not limited to:

- Not to appoint new directors to the board of NHS;
- Not to replace existing NHS board members;
- To ensure the continuous and stable operations of NHS;
- To maintain the independence of NHS's usage of funds.

LETTER FROM THE BOARD

The **Letter of Undertaking** remains in effect. It is clear that the Proposed Resolution (8), if implemented, would constitute a breach of such Letter of Undertaking by Fullshare and Mr. Ji.

VIEWS OF THE BOARD

The Board (including all independent non-executive Directors and excluding Ms. Zheng Qing, Mr. Hu Jichun and Mr. Hu Yueming who abstained from voting) has carefully considered and deliberated on the Proposed Removal and the Proposed Appointment. It is of the opinion that the Proposed Removal and the Proposed Appointment would be **AGAINST** the best interests of the Company and the Shareholders as a whole. Accordingly, it strongly recommends Shareholders to vote against all of the Proposed Resolutions at the EGM, including the Proposed Removal and the Proposed Appointment. The Board's views are as follows:

The Proposed Resolutions are to Conceal Fullshare's Wrongdoing

1. As explained above, the reason behind the Proposed Removal put forward by Fullshare is unfounded. It is plainly a pretext to eliminate directors and key management personnel who are not only of strategic importance to the Company, but also are indispensable for the past, present and future success of the Company in its lines of business.
2. As stated in the Company's annual results announcement dated 28 March 2025, the Company has suffered from a significant impairment due to the Relevant Amounts. Such amounts arose from suspicious transactions entered into by the Relevant Subsidiaries of the Company while under the management of Mr. Fang Jian, a former director of the Company recommended by Fullshare; the Company has been advised of evidence showing involvement of other senior managers affiliated with Fullshare.
3. Based on evidence available to the Company, the Company has been advised of bases to believe that (i) the counterparties to those suspicious transactions were connected to Fullshare and/or its relevant associates and (ii) the suspicious transactions were approved and executed by the Relevant Subsidiaries with improper involvement of Fullshare-related personnel. The Company further notes that Mr. Fang Jian (recommended by Fullshare) has failed to provide the Company with any reasonable explanations for the suspicious transactions and what ultimately happened to the Relevant Amounts. Mr. Fang Jian (recommended by Fullshare) has also been uncooperative with the Independent Investigation. For example, he had refused to provide the books and records of the Relevant Subsidiaries which might be relevant to understanding the suspicious transactions or their work-related electronic devices which might contain relevant correspondence and records.

LETTER FROM THE BOARD

4. As stated in the Company's announcement dated 16 March 2025, the police in Nanjing had initiated a formal investigation into a case involving suspected embezzlement and misappropriation of the Relevant Subsidiaries' funds and assets by individual(s) in position(s) of authority.
5. As stated in the Company's announcement dated 31 March 2025, a writ of summons under High Court Action No. 656 of 2025 has been issued at the High Court of the Hong Kong Special Administrative Region on 31 March 2025 by the Relevant Subsidiaries seeking to claim against Fullshare and other wrongdoers for, among other things, the Relevant Amounts. In line with the practice of the Hong Kong legal proceedings, the statement of claim containing full particulars of the claim, is expected to be filed with the High Court, Hong Kong, in due course after acknowledgment of service of the writ by the relevant defendant. Further announcement will be made later in due course after filing of the statement of claim. The expansion of Fullshare's influence in the Board is expected to enable Fullshare to interfere with the Relevant Subsidiaries' ongoing civil lawsuits against Fullshare and other wrongdoers.
6. In short, the Company has been advised of substantial reasons to believe that Fullshare (through Mr. Fang Jian and other Fullshare-related personnel improperly involved in the management of the Relevant Subsidiaries) had engaged in wrongful conduct against the Relevant Subsidiaries, which caused the loss of the Relevant Amounts.
7. It would be disastrous for the Company and its Shareholders if a majority shareholder involved in wrongful conduct against the Company and the Shareholders, such as that described above, is allowed to expand its control over the Company.
8. The Board fully respects the independence and integrity of the ongoing Independent Investigation. In circumstances where there is evidence indicating Fullshare's connection with the fraud, embezzlement and misappropriation against the Relevant Subsidiaries, where Mr. Fang Jian (recommended by Fullshare) has persistently refused to co-operate with the Independent Investigation, and where the Proposed Directors if appointed to the Board will be in a position to interfere with and otherwise obstruct the ongoing Independent Investigation, the only reasonable inference is that the Proposed Appointment and the Proposed Removal are part of Fullshare's attempt to obstruct the ongoing Independent Investigation, with a view to concealing its wrongdoing.
9. In contrast to the direct management of Mr. Fang Jian and involvement of Fullshare-related personnel in the Relevant Subsidiaries, Directors of the Company, including Mr. Hu Jichun and Mr. Hu Yueming, were not involved in the day-to-day management of the Relevant Subsidiaries. As a result, despite internal controls in place, the wrongful conduct was concealed from the Company, and it was not until Mr. Fang Jian's removal as legal representative and executive director of the

LETTER FROM THE BOARD

Relevant Subsidiaries in July 2024 that the wrongful conduct could start to be revealed. As such, the accusations of lack of supervision and internal control against the Board in Fullshare's announcement dated 1 April 2025 are not only baseless, but also outrageous in view of evidence of improper involvement of Fullshare-related personnel.

10. In the same announcement dated 1 April 2025, Fullshare has made another inaccurate and misleading allegation against the Board (particularly Mr. Hu Yueming) in relation to a gearbox equipment maintenance service contract between NHS and AVIS Transmission Technology Co., Ltd. ("AVIS"). By way of correction to Fullshare's assertions (i) Mr. Hu Yueming has no shares in AVIS; and (ii) the RMB175 million maintenance fee covers maintenance of over 5,000 gearbox equipment for 5 years, which are on market terms and in the interest of NHS. Fullshare further seeks to allege that it has not been provided information in relation to this service contract; in fact, as a shareholder of the Company, Fullshare is simply not entitled to such information. That Fullshare is now seeking to complain about the lack of information simply demonstrates its failure to respect the separate legal personality of the Company and its subsidiaries, and interfere and seek information it is not entitled to, in circumstances where other shareholders of the Company would also not have such influence or information.

The Proposed Removal is Detrimental to the Company

In addition, the Board (including all independent non-executive Directors and excluding Ms. Zheng Qing, Mr. Hu Jichun and Mr. Hu Yueming who abstained from voting) has decided that the removal of Mr. Hu Jichun and Mr. Hu Yueming would be severely detrimental to the Company's and Shareholders' interests:

1. Mr. Hu Yueming is the founder of the Company. He has grown the Company from a factory in Nanjing to the leading supplier of gearbox and drive technology solutions around the world, and importantly, a cornerstone of the renewable energy sector in the PRC. Mr. Hu Jichun is the second-generation leader of the Company and is a trusted business partner for the Company's customers and suppliers. They are also the trusted leaders of the management team and the wider staff of the Company.

Since Fullshare issued its announcement dated 7 March 2025, which contained false accusations against Mr. Hu Yueming and Mr. Hu Jichun and threatened to remove them from their positions, key customers and suppliers of the Group had reached out to the Company and expressed serious concerns over the prospects of their business cooperation with the Group should Mr. Hu Jichun and Mr. Hu Yueming be removed. These concerns are likely shared by the lenders to the Group, which will create uncertainties over the renewal of credit facilities to the Group. The Board has grave concerns over the Company's stability and business prospects without the leadership of Mr. Hu Yueming and Mr. Hu Jichun.

LETTER FROM THE BOARD

2. Mr. Hu Yueming is an expert in mechanical transmission equipment technology and corporate management, serving as Vice Chairman of the China New Energy Power Generation Network and President of the Nanjing Renewable Energy Association. Mr. Hu Yueming has also been elected as a People's Representative to the Jiangsu Provincial People's Congress.

Mr. Hu Jichun serves as Executive Director of the China General Machinery Components Industry Association, Vice President of the Gear and Electric Drive Branch under the China General Machinery Components Industry Association, and Executive Director of the Xin Su Shang National Council. Mr. Hu Jichun was honored with the titles of "Outstanding Entrepreneur of Jiangsu Province" and "Corporate Expert of the Jiangsu Economic Think Tank".

Unsuitability of the Proposed Directors

1. The directors who are proposed to replace Mr. Hu Yueming and Mr. Hu Jichun have no knowledge or experience with the core business of the Company, and would clearly not be in a position to ensure that the best interests of the Company and its stakeholders are protected. They lack the character, experience and integrity commensurate with their position as directors of a listed issuer in Hong Kong:
 - a. High speed transmission equipment manufacturing is a niche and highly technical industry. The Company's leaders must possess the requisite knowledge and experience. According to the resume produced by the Requisitionist, Mr. Yang Qilin, Mr. Li Zubin and Mr. Chen Minrui appeared to lack the requisite experience and knowledge required for the proposed directorship and leadership roles within the Company. Mr. Li Zubin and Mr. Chen Minrui primarily worked in the human resource sector. Although Mr. Yang Qilin served as a director at Nanjing Drive between October 2020 and March 2025, the scope of his responsibilities was primarily related to commodity trading, which are largely irrelevant to the high speed transmission equipment manufacturing business. His previous experience in the turbine, compressor and boiler manufacturing sector (which the Company is unable to verify) was also irrelevant to the high speed transmission equipment manufacturing business, which is niche and highly specialised.
 - b. There is evidence indicating that Mr. Li Zubin has been involved in tax evasion by falsifying contracts and invoices and de-registering companies. A report has been filed with Nanjing State Tax Bureau (南京市稅務局).
 - c. Mr. Yang Qilin served as a director at Nanjing Drive between October 2020 and March 2025. Following the Company's discovery of wrongdoing by Mr. Fang Jian (recommended by Fullshare), to strengthen its internal control, the Company reviewed the conduct by senior management personnel affiliated with Fullshare. The Company has discovered, from public information and

LETTER FROM THE BOARD

attendance records of Mr. Yang, that (i) Mr. Yang had not reported to duty at the office of Nanjing Drive since July 2024, (ii) instead of working for Nanjing Drive, Mr. Yang had worked for Fullshare at its diesel engine plant in Nantong, Jiangsu, the PRC, and (iii) Mr. Yang also collaborated with Mr. Fang Jian (recommended by Fullshare) in his position in Nanjing Drive to initiate an investment project in Dafeng District, Yancheng City, which if completed would involve an investment of around RMB10 billion, without the Company's proper authorisation and exposing Nanjing Drive to enormous investment risks incommensurate with the size of Nanjing Drive. Mr. Yang tendered his resignation on 31 March 2025, whilst Nanjing Drive has reserved its rights against Mr. Yang's misconduct listed above in writing.

- d. Mr. Huang Shun serves as the chairman and chief accountant of Jiangsu Verti-Hor Certified Public Accounts Co. Ltd. (江蘇縱橫會計師事務所有限公司) (“**Jiangsu Verti-Hor CPA**”). According to public search records, Jiangsu Verti-Hor CPA had been subject to court enforcement actions in the following claims in the PRC courts:–

Case Number	Person Subject to Enforcement	Subject Amount (Yuan)	Court of Enforcement	Filing
(2024) Su 0104 Zhi No. 4684	Jiangsu Verti-Hor Certified Public Accounts Co. Ltd.	654,000.00	The People's Court of Qinhuai District, Nanjing City, Jiangsu Province	6 August 2024
(2011) Zhan Fa Zhi Zi No. 00264	Jiangsu Verti-Hor Certified Public Accounts Co. Ltd.	60,000.00	The People's Court of Zhanhua District, Binzhou City	11 May 2011

Name of Case	Role in Case	Case Number	Subject Amount (Yuan)	Latest Progress	Court of Subject Matter
Case of Enforcement concerning the Rental Contract Dispute between Jiangsu Jingwei Air-Conditioning Equipment Co. Ltd.* (江蘇經緯空調設備有限公司) and Jiangsu Verti-Hor Certified Public Accounts Co. Ltd.	Person subject to enforcement in 1st round of enforcement	(2024) Su 0104 Zhi No. 4684	654,000.00	1st round of enforcement on 6 August 2024	The People's Court of Qinhuai District, Nanjing City, Jiangsu Province

* For identification purposes only

LETTER FROM THE BOARD

2. In contrast, Mr. Hu Jichun and Mr. Hu Yueming are prominent leaders in the high-speed transmission gear product manufacturing sector, with recognised, well-established records of success as demonstrated above. Allowing Fullshare to remove them and replace them with individuals, whose professional competence and integrity as directors are highly questionable for the reasons noted above, would jeopardise the business and operational prospects of the Company. This risk is particularly acute given the majority shareholder's persistent misconduct against the Company.

RECOMMENDATION

For the above reasons, the Board (including all independent non-executive Directors and excluding Ms. Zheng Qing, Mr. Hu Jichun and Mr. Hu Yueming who abstained from voting) considers the resolutions proposed under the Requisition Notice to be contrary to the best interests of the Company and the Shareholders as a whole.

Accordingly, the Board (including all independent non-executive Directors), excluding Ms. Zheng Qing, Mr. Hu Jichun and Mr. Hu Yueming who abstained from voting, recommends the Shareholders to **vote against** the Proposed Resolutions at the EGM.

EGM

The EGM will be convened and held in China Purple Mountain Ballroom, 2nd Floor, Jinling Building, Jinling Hotel, No. 2 Hanzhong Road, Nanjing, Jiangsu, China on Thursday, 24 April 2025 at 10:00 am for the Shareholders to consider and, if thought fit, to approve the Proposed Resolutions. A notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular.

ACTION TO BE TAKEN

A proxy form for use at the EGM is enclosed with this circular and such proxy form is also published on the designated website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.chste.com). Whether or not you intend to attend the EGM 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 EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM if you so wish. In the event that a Shareholder having lodged a proxy form attends the EGM, his proxy form will be deemed to have been revoked.

LETTER FROM THE BOARD

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 EGM will therefore demand a poll for every resolution put to vote at the EGM pursuant to Article 90 of the Articles.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the EGM, the transfer books and register of members of the Company will be closed from Wednesday, 23 April 2025 to Thursday, 24 April 2025, 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 EGM, 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 Tuesday, 22 April 2025.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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

As at the date of this circular, the executive Directors are Mr. Hu Jichun, Mr. Hu Yueming, Mr. Chen Yongdao, Mr. Zhou Zhijin, Ms. Zheng Qing and Mr. Gu Xiaobin; and the independent non-executive Directors are Mr. Jiang Xihe, Ms. Jiang Jianhua, Dr. Chan Yau Ching, Bob and Mr. Nathan Yu Li.

* *For identification purposes only*

The following information on the Proposed Directors are reproduced from the Requisition Notice. The Board was not provided with any documents in support with the particulars of these individuals and is not in a position to independently verify them, and accordingly takes no responsibility for the accuracy of the information below. Further, such particulars set out in the Requisition Notice include placeholders, in respect of which the Company does not have relevant information and is therefore not in a position to complete.

PROPOSED EXECUTIVE DIRECTOR – MR. YANG QILIN 楊啓林先生

Mr. YANG Qilin (“**Mr. Yang**”), aged [54], possess over 30 years of experience in the mechanical equipment manufacturing industry, with expertises particularly in corporate mergers and acquisitions, application of 3D printing technology, disposal and revitalisation of corporate assets.

From 1993 to 2018, Mr. Yang held successive positions at Nanjing Turbine & Electric Machinery Group* (南京汽輪電機集團), including manager (經理), head (主任), group supervisor (集團監事) and director (董事) of the tool company (工具公司), tool department (工具部套車間), and generator department (發電機車間). From 2009 to 2016, he served as the vice general manager at Nanjing Craft Equipment Manufacturing Co., Ltd.* (南京工藝裝備製造有限公司) and as the chairman and legal representative of Nanjing Electrical Equipment Co., Ltd.* (南京電工設備有限公司). From 2017, Mr. Yang successively took on roles as the general manager, chairman, and legal representative of Nanjing Compressor Co., Ltd.* (南京壓縮機股份有限公司) and Nanjing Aoneng Boiler Co., Ltd.* (南京奧能鍋爐有限公司), and now as a director 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), a subsidiary of China High Speed Transmission Equipment Group Co., Ltd. (a company whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 658)).

Mr. Yang graduated from Nanjing Mechanical School (南京機械高等學校) in 1993, and obtained a bachelor’s degree in economic management from Nanjing University, the PRC (南京大學) in 1998. He obtained a master’s degree in management science and engineering (管理科學與工程) from Southeast University, the PRC (東南大學) in 2002, and a master’s degree in business administration from Macau University of Science and Technology (澳門科技大學) in 2005. He is a senior engineer.

PROPOSED NON-EXECUTIVE DIRECTOR – MR. LI ZUBIN (李祖濱先生)

Mr. LI Zubin (“**Mr. Li**”), aged [55], served as an information service engineer (信息服務科信息服務工程師) and administrative enforcement specialist (行政執法專員) at the Jiangsu Provincial Meteorological Bureau’s Information Service Department (江蘇省氣象臺信息服務科) from July 2000 to June 2001. He also served as the manager and IE engineer at the Nanjing branch of Shenzhen Taisi Technology Co., Ltd.* (深圳泰思科技有限公司) from July 2001 to May 2002, the manager at Mahle (Nanjing) Engine Parts Co., Ltd.* (馬勒(南京)發動機配件有限公司) from June 2002 to May 2003, the assistant compensation and benefits manager (助理薪酬福利經理) at Xinjiekou store of Walmart China’s Nanjing branch (中國沃爾瑪南京分公司

購物中心新街口店) from June 2003 to July 2004. Mr. Li also served as the project manager at Shanghai Tuosheng Management Consulting Co., Ltd.* (上海拓晟管理諮詢有限公司) from August 2004 to March 2005 and an executive director at Shanghai Zhibi Enterprise Management Consulting Co., Ltd.* (上海智比企業管理諮詢有限公司) from April 2005 to November 2010. He served as an executive president at Nanjing Jiangong Industrial Group Co., Ltd.* (南京建工產業集團有限公司) from July 2010 to June 2012, and has served as an executive director at Shanghai Derui Human Resource Management Consulting Co., Ltd.* (上海德銳人效管理諮詢有限公司) since March 2012 and an executive director at Jiangsu Derui Management Technology Co., Ltd.* (江蘇德銳管理科技有限公司) since April 2018.

Mr. Li graduated with a doctor of business administration (工商管理博士) from the W. P. Carey School of Business at Arizona State University, the U.S.A. (亞利桑那州立大學凱瑞商學院) in May 2020.

PROPOSED NON-EXECUTIVE DIRECTOR – MR. CHEN MINRUI (陳敏銳先生)

Mr. CHEN Minrui (“**Mr. Chen**”), aged [60], served as a non-executive director of Fullshare Holdings Limited (“**Fullshare**”, a company whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) (stock code: 00607)) from March 2015 to March 2016. He has been appointed as the human resources director of Fullshare and has held senior management positions, including serving as a director of several subsidiaries of Fullshare since March 2016. He has accumulated over 24 years of experience in human resources management through his major human resources managerial roles at ABB Xiamen Switchgear Co., Ltd.* (ABB廈門開關有限公司), Dell Computer (China) Co., Ltd.* (戴爾計算機(中國)有限公司), Nokia (China) Investment Co., Ltd. (諾基亞(中國)投資有限公司), NOKIA PTE LTD, and Fuyao Glass Industry Group Co., Ltd. (a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 3606)). He is currently serving as the director of Five Seasons V Pte. Ltd., Five Seasons VI Pte. Ltd., Five Seasons XIX Pte. Ltd. and Fullshare Holdings (Singapore) Service Management Pte Ltd (豐盛控股(新加坡)服務管理有限公司), etc.

Mr. Chen obtained a bachelor of science degree from Fuzhou University, the PRC (福州大學) in 1984 and a master of science degree from Xiamen University, the PRC (廈門大學) in 1990.

PROPOSED INDEPENDENT NON-EXECUTIVE DIRECTOR – MR. HUANG SHUN (黃順先生)

Mr. Huang Shun (formerly known as Mr. Huang Mingshun) (“**Mr. Huang**”), aged [51], was appointed as an independent non-executive Director of Fullshare on 30 December 2021. He has over 20 years of accounting experience. Mr. Huang was the project manager in Nanjing Yongda Certified Public Accountants Co., Ltd.* (南京永達會計師事務所有限公司) from July 1998 to October 2003. He serves as the chairman and chief accountant of Jiangsu Verti-Hor Certified Public Accountants Co., Ltd. (江蘇縱橫會計師事務所有限公司) since November 2003. From August 2016 to June 2022, he was the independent non-executive director of Huitongda Network Co., Ltd.* (匯通達網絡股份有限公司), a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 9878) since March 2022.

Mr. Huang obtained a bachelor's degree in economic management in 1998 and a bachelor's degree in law in 2003 from Nanjing University, the PRC (南京大學), respectively. He is a member of the Chinese Institute of Certified Public Accountants since 1999.

Mr. Huang has confirmed (i) his independence as regards each of the factors referred to in Rule 3.13(1) to (8) of the Rules (“**Listing Rules**”) Governing the Listing of Securities on the Hong Kong Stock Exchange; (ii) that he has no past or present financial or other interest in the business of China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”) or its subsidiaries or any connection with any core connected person (as such term is defined in the Listing Rules) of the Company; and (iii) that there are no other factors that may affect his independence at the time of his proposed appointment.

GENERAL

As at [●] 2025, save as disclosed above, there is no other information in relation to the proposed appointment of each of Mr. Yang, Mr. Li, Mr. Chen and Mr. Huang that is required to be disclosed pursuant to Rule 13.51(2), in particular its sub-paragraphs (h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

NOTICE OF EGM



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 EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**EGM**”) of China High Speed Transmission Equipment Group Co., Ltd. (“**Company**”, together with its subsidiaries, the “**Group**”) as requisitioned by HKSCC Nominees Limited, as the nominee holder of the relevant shares of the Company beneficially owned by Five Seasons XVI Limited (“**Five Seasons**”) and on behalf of Five Seasons in accordance with the articles of association (“**Articles**”) of the Company will be convened and held in China Purple Mountain Ballroom, 2nd Floor, Jinling Building, Jinling Hotel, No. 2 Hanzhong Road, Nanjing, Jiangsu, China at 10:00 am on Thursday, 24 April 2025 to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT** Mr. HU Jichun be and is hereby removed from his positions as an executive director of the Company pursuant to Article 118 of the Articles, with effect from the conclusion of the EGM.”
2. “**THAT** Mr. HU Yueming be and is hereby removed from his positions as an executive director of the Company pursuant to Article 118 of the Articles, with effect from the conclusion of the EGM.”
3. “**THAT** Mr. YANG Qilin (楊啟林先生) be and is hereby appointed as an executive director of the Company pursuant to Article 115 of the Articles, with effect from the conclusion of the EGM.”
4. “**THAT** Mr. LI Zubin (李祖濱先生) be and is hereby appointed as a non-executive director of the Company pursuant to Article 115 of the Articles, with effect from the conclusion of the EGM.”
5. “**THAT** Mr. CHEN Minrui (陳敏銳先生) be and is hereby appointed as a non-executive director of the Company pursuant to Article 115 of the Articles, with effect from the conclusion of the EGM.”
6. “**THAT** Mr. HUANG Shun (黃順先生) be and is hereby appointed as an independent non-executive director of the Company pursuant to Article 115 of the Articles, with effect from the conclusion of the EGM.”

NOTICE OF EGM

7. “**THAT** each of the directors of the Company appointed to the board of directors (the “**Board**”) of the Company between the date of the requisition notice for the convening of the EGM and the date of the EGM, other than those persons who are to be appointed directors of the Company at the EGM, be and is hereby removed as a director of the Company pursuant to Article 118 of the Articles with effect from the conclusion of the EGM.”
8. “**THAT** it is in the interest of the Company to and the Board be and is hereby requested to forthwith following the conclusion of the EGM convene such Board or Board committee meetings for the purpose of passing all necessary resolutions in order to implement the following as quickly as possible: (i) upon the removal of Mr. HU Jichun as an executive director of the Company, to remove or terminate Mr. HU Jichun from his positions as the chairman of the Board, the chief executive officer of the Company and any other roles and duties of the Group and to remove him as an authorised signatory of the Group, and (ii) upon the removal of Mr. HU Yueming as an executive director of the Company, to remove or terminate Mr. HU Yueming from any other roles and duties of the Group and to remove him as an authorised signatory of the Group, with effect from the conclusion of the EGM on or as soon as possible after the date of the passing of the relevant resolutions.”
9. “**THAT** any one or more of the directors or the secretary of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents as he/she/they may consider necessary, desirable or expedient for the purpose of or in connection with, the implementation of and giving effect to the aforementioned resolutions and to attend to any necessary registration and/or filing for and on behalf of the Company.”

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

Hong Kong, 3 April 2025

NOTICE OF EGM

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 Wednesday, 23 April 2025 to Thursday, 24 April 2025, both days inclusive, during which period no transfer of shares in the Company 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 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 Tuesday, 22 April 2025.
4. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting convened or any adjournment thereof (as the case may be). In the event that a Shareholder having lodged a proxy form attends the EGM, his proxy form will be deemed to have been revoked.
5. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he/she were solely entitled thereto but if more than one of such joint holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. In accordance with the Listing Rules, voting on the above resolutions will be taken by poll.
7. As at the date of this notice, the Board comprises ten Directors, of which Mr. Hu Jichun, Mr. Hu Yueming, Mr. Chen Yongdao, Mr. Zhou Zhijin, Ms. Zheng Qing and Mr. Gu Xiaobin are executive Directors, and Mr. Jiang Xihe, Ms. Jiang Jianhua, Dr. Chan Yau Ching, Bob and Mr. Nathan Yu Li are independent non-executive Directors.