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**PROPOSED CHANGE OF AUDITOR  
DELAY IN PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2025  
AND  
FORTHCOMING SUSPENSION OF TRADING**

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board proposes to put forward the resolutions of (i) the removal of HLB Hodgson Impey Cheng Limited (“**HLB Hodgson**”) as the auditor of the Company (the “**Proposed Removal**”) and (ii) subject to the Proposed Removal resolution being passed, the appointment of Prism Hong Kong Limited (“**Prism**”) as the new auditor of the Company following the Proposed Removal (the “**Proposed Appointment**”, and together with the Proposed Removal, the “**Proposed Change of Auditor**”), at an extraordinary general meeting to be convened by the Company (the “**EGM**”).

**BACKGROUND**

At the annual general meeting of the Company held on 27 June 2025, the shareholders of the Company (the “**Shareholders**”) vetoed the re-appointment of Baker Tilly Hong Kong Limited as auditor of the Company for the preparation of the Company’s consolidated financial statements for FY2025.

The Company published an announcement on 7 September 2025 (the “**Previous Announcement**”) in relation to the appointment of HLB Hodgson with effect from 6 September 2025 to fill the casual vacancy of the auditor of the Company and to hold the office until the conclusion of the next annual general meeting of the Company.

Fullshare Holdings Limited (“**Fullshare**”), via its wholly-owned subsidiaries, holds approximately 71.08% of the Company’s issued shares as at the date of this announcement, and is the Company’s controlling shareholder (as defined in the Listing Rules). Since the Company published the Previous Announcement, it has received strong opposition from Fullshare which challenged the validity of the appointment of HLB Hodgson as auditor of the Company, contending that the process contravenes the spirit of the Company’s articles of association and the Listing Rules (including paragraph 17 of Appendix A1 to the Listing Rules), thereby depriving the Shareholders of their fundamental right to approve the appointment of auditor of the Company.

From a compliance perspective, if the appointment of HLB Hodgson were found invalid, the audit report issued by it could itself be invalid, exposing the Company and all Shareholders (including minority Shareholders) to significant risk.

In order to reduce uncertainty and risk, maintain good corporate governance and safeguard the Company's strict compliance with the Articles and paragraph 17 of Appendix A1 to the Listing Rules, the majority of Directors resolved at the Board meeting held on 13 February 2026 (the "**Board Meeting**") to convene an EGM as soon as practicable for the Shareholders to consider and approve the Proposed Change of Auditor in respect of the Company's financial statements for the financial year ended 31 December 2025 ("**FY2025**"). The Board Meeting was attended by all Directors except Mr. YE Xingming. Mr. LI Zubin, Mr. LAU Jing Yeung William, Mr. TSE Man Kit Keith and Mr. LU Yuanzhu voted in favour of the above resolution, while the other two Directors, namely, Mr. HU Yueming and Ms. JIANG Jianhua opposed the above resolution.

As Fullshare's voting intention could determine whether the Proposed Change of Auditor can be approved at the EGM, the Company has sought Fullshare's views. Fullshare indicates its preference for Prism to be appointed as the Company's auditor as Prism has already been engaged as Fullshare's own auditor, and Fullshare also makes clear that it does not support HLB Hodgson serving as the Company's auditor.

The audit committee of the Company (the "**Audit Committee**"), by majority votes, also resolved at its committee meeting held on 24 February (the "**AC Meeting**") 2026 to put forward the Proposed Removal (if no agreement was reached with the Company to end HLB Hodgson's audit engagement) and the Proposed Appointment for the Shareholders to consider at the EGM. Such resolutions were voted in favour by Mr. LAU Jing Yeung William (chairman of the committee) and Mr. LU Yuanzhu, while the remaining member Ms. JIANG Jianhua voted against the resolutions as when the Previous Announcement was published, she was one of the Directors considering that the appointment of HLB Hodgson was valid.

## **PROPOSED CHANGE OF AUDITOR**

The Company had conveyed to HLB Hodgson the above-mentioned resolutions made at the Board Meeting and the AC Meeting, and requested HLB Hodgson to resign as the Company's auditor. However, HLB Hodgson neither voluntarily tendered its resignation nor expressed any intention to cease serving as the Company's auditor. HLB Hodgson maintains that it remains the auditor of the Company (until being removed) and has not provided a clearance letter to the Company.

Under the circumstances, the Proposed Removal will be put forward for the Shareholders to consider at the EGM, pursuant to Rule 13.88 of the Listing Rules. The Proposed Appointment will also be proposed at the EGM.

Save as disclosed above, the Board and the Audit Committee confirm that, as at the date of this announcement, they are not aware of any disagreement or unresolved matter between the Company and HLB Hodgson, and that there are no other matters in respect of the Proposed Removal that need to be brought to the attention of the Shareholders.

## **TIMING AND FORTHCOMING SUSPENSION OF TRADING IN THE COMPANY'S SHARES ON THE STOCK EXCHANGE**

Pursuant to Rule 13.49 of the Listing Rules, the Company is required to announce its annual results for FY2025 (the “**Annual Results Announcement**”) on a date not later than three months after the end of FY2025 (i.e. on or before 31 March 2026). Rule 13.46 of the Listing Rules requires the Company to despatch its annual report for FY2025 (the “**Annual Report**”) on a date no later than four months after the end of FY2025 (i.e. on or before 30 April 2026). Under Rule 13.50 of the Listing Rules, if an issuer fails to publish periodic financial information as scheduled in accordance with the Listing Rules, the Stock Exchange will normally require suspension of trading in the issuer's securities and the suspension will normally remain in force until the issuer publishes an announcement containing the requisite financial information in accordance with the Listing Rules.

The audit plan prepared by Prism indicates that its audit work on the Company's consolidated financial statement for FY2025 could be completed by the end of May 2026 at the earliest. Even if the Proposed Change of Auditor is approved by the Shareholders at the EGM, the Company will not be able to comply with Rules 13.49 and 13.46 of the Listing Rules in a timely manner. Therefore, trading in the Company's shares on the Stock Exchange will be suspended from 9:00 am on 1 April 2026 pursuant to Rule 13.50 of the Listing Rules. Mr. HU Yueming at the Board Meeting raised that the suspension of trading might bring about adverse impacts to the Group's operation and expressed concerns regarding such potential adverse impacts.

Nevertheless, the Company will make its best efforts to facilitate its auditor's work, publish its Annual Results Announcement and Annual Report as soon as possible and apply for resumption of trading in the Company's shares on the Stock Exchange.

### **EGM**

The EGM will be convened at which the resolutions of the Proposed Removal and the Proposed Appointment will be put forward for the Shareholders to consider. To the best of the Directors' information, belief and knowledge, no Shareholders have material interest in relation to such resolutions and therefore no Shareholder is required to abstain from voting at the EGM.

A circular and the notice of the EGM will be despatched to the Shareholders as soon as practicable.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**China High Speed Transmission  
Equipment Group Co., Ltd.**  
**LI Zubin**  
*Executive Director*

Hong Kong, 26 February 2026

*As at the date of this announcement, the executive Directors are Mr. Hu Yueming and Mr. Li Zubin; the non-executive Director is Mr. Ye Xingming; and the independent non-executive Directors are Ms. Jiang Jianhua, Mr. Lau Jing Yeung William, Mr. Lu Yuanzhu and Mr. Tse Man Kit, Keith.*