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INSIDE INFORMATION POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary review of the management accounts of the Group for the six months ended 30 June 2020, the Group is expected to record an increase of approximately 130% in its profit attributable to owners of the Company for the six months ended 30 June 2020 as compared with that of the six months ended 30 June 2019, in which the profit attributable to owners of the Company for continuing operations is expected to record an increase of approximately 50%.

The information contained in this announcement is only based on a preliminary review of the management accounts of the Group for the six months ended 30 June 2020. Such accounts have not been confirmed by the Company's auditors or the audit committee of the Board.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by China High Speed Transmission Equipment Group Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

The board (the "**Board**") of directors (the "**Director(s)**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary review of the management accounts of the Group for the six months ended 30 June 2020, the Group is expected to record an increase of approximately 130% in its profit attributable to owners of the Company for the six months ended 30 June 2020 as compared with that of the six months ended 30 June 2019, in which the profit attributable to owners of the Company for continuing operations is expected to record an increase of approximately 50%. The anticipated substantial increase is mainly attributable to the increase in sales revenue and gross profit margin as well as the decrease in finance costs.

The Company is still in the process of finalising the Group's interim results for the six months ended 30 June 2020. The information contained in this announcement is only a preliminary review of the management accounts of the Group for the six months ended 30 June 2020, which have not been confirmed by the Company's auditors or the audit committee of the Board. Financial information and other details of the Group will be disclosed in the announcement of interim results of the Group for the six months ended 30 June 2020 which is expected to be published on or around 28 August 2020.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

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

Hong Kong, 20 August 2020

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

* *For identification purposes only*