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南京三寶科技股份有限公司
NANJING SAMPLE TECHNOLOGY CO.,LTD.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1708)

**RETIREMENT OF NON-EXECUTIVE DIRECTOR AND
INDEPENDENT NON-EXECUTIVE DIRECTOR
AND
PROPOSED RE-ELECTION AND APPOINTMENT
OF DIRECTORS AND SUPERVISORS**

The board (the “Board”) of directors (the “Directors”) of Nanjing Sample Technology Company Limited (the “Company” together with its subsidiaries, the “Group”) announces that the term of office of the sixth session of the Board and the supervisory committee (the “Supervisory Committee”) of the Company was expired on 31 December 2018. In accordance with Article 101 of the Articles of Association (the “Articles”) of the Company, Directors shall be elected at shareholders’ general meeting. The term of office of the Directors shall be three years. Upon maturity of the current term of office, a Director shall be eligible to offer himself for re-election and re-appointment. Hence, all Directors and Supervisors (other than the Employee Supervisor) shall be subject to re-election at the forthcoming annual general meeting (the “AGM”).

**RETIREMENT OF NON-EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE
DIRECTOR**

As notified by Mr. Ma Jun (“Mr. Ma”), the non-executive Director, that, due to his focus on other personal business activities, he will not offer himself for re-election at the AGM. Besides, in considering the good corporate governance practice, Mr. Shum Shing Kei (“Mr. Shum”) will soon be serving as the independent non-executive Director of the Company for more than 9 years, Mr. Shum shall retire at the AGM.

Each of Mr. Ma and Mr. Shum has confirmed that he has no disagreement with the Board and there are no other matters that are required to be brought to the attention of the shareholders of the Company (the “Shareholders”).

The Board would like to express its sincere gratitude to Mr. Ma and Mr. Shum for their valuable contribution to the Group during the tenure of their service.

PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS

Based on the review by the nomination committee of the Company in considering the board diversity policy as well as the structure of the Board, they recommended the following adjustments to the composition of the Board and proposed relevant resolutions in relation to the appointment at the AGM for shareholders' approval:

- 1) To propose Ms. Yu Hui (“Ms. Yu”) be appointed as executive Director of the Company;
- 2) Due to work adjustment, it's proposed to re-designate Mr. Chang Yong (“Mr. Chang”) as non-executive Director of the Company;
- 3) To propose Mr. Niu Zhongjie (“Mr. Niu”) be appointed as independent non-executive Director of the Company.

Pursuant to the Articles, the above-mentioned appointments will only become effective after obtaining approval at the AGM for a term commencing from the conclusion of the AGM and ending on 31 December 2021, renewable upon re-election and re-appointment.

Other than the above-mentioned adjustments to the Board, the nomination committee of the Company also proposed to re-elect the retiring Directors, namely Mr. Sha Min (executive Director), Mr. Zhu Xiang (executive Director), Mr. Hu Hanhui (independent non-executive Director) and Mr. Gao Lihui (independent non-executive Director) and the retiring Supervisors, namely Mr. Qiu Xiang Yang (independent Supervisor) and Mr. Dai Jian Jun (Supervisor) as the Directors and Supervisors of the seventh session of the Board and the Supervisory Committee at the AGM for a term of three years commencing from 1 January 2019.

The biographical details of Ms. Yu, Mr. Chang and Mr. Niu are as follows:

Ms. Yu Hui (于暉), aged 42, holds a bachelor degree and is studying the EMBA of Shanghai Advanced Finance Institute. She is the vice president of the Company. Ms. Yu served in the Chinese People's Liberation Army from 1994 to 2003. From 2003 to 2012, she worked for the Enterprise Division of Nanjing Industry and Commerce Bureau. She joined the Company in 2012 as General Manager of the Strategic Promotion Center. Ms. Yu has served as Vice President of the Company since March 2017.

Ms. Yu will enter into a service agreement with the Company in respect of her appointment as executive Director for a term commencing from the date of approval of her appointment as executive Director by Shareholders and ending on 31 December 2021, subject to the retirement and re-election requirements of the Articles. The emolument for Ms. Yu will be determined by the Company which will be fixed with reference to the emolument of the other executive directors of the Company, the prevailing market conditions as well as her role and responsibilities.

Mr. Chang Yong (常勇), aged 52, a senior economist, received postgraduate education, is currently an executive Director, vice chairman and vice president, a member of nomination committee of the Company. He is responsible for implementing the Group's strategies and business plans. He obtained a master's degree in computer application studies from Harbin Institute of Technology in March 1990. Mr. Chang worked for the computer centre of the Nanjing Bureau of Finance from July 1990 to September 1992. He worked as a manager of Nanjing Kentucky Fried Chicken Company Limited from September 1992 to March 1993. Mr. Chang became vice general manager of Sample Group in June 1993 and was mainly responsible for the expansion, operation and management of Sample Group's business. Mr. Chang joined the Company and was first appointed as an executive director and president of the Company in December 1997, then became the vice-president of the Company in May 2014. Mr. Chang also currently holds the position as the chairman of the board of directors of Jiangsu Intellitrans Company Limited (江蘇智運科技發展有限公司) and Nanjing Wu Lian Wang Yan Jiu Yuan Development Co., Ltd. (南京物聯網研究院發展有限公司) respectively and holds directorships in Jiangsu Ruifu Intelligent Tech. Co., Limited (江蘇瑞福智能科技有限公司) and Nanjing City Intelligent Transportation Co., Ltd. (南京城市智能交通股份有限公司), all of them are the subsidiaries of the Company.

Mr. Chang will enter into a service agreement with the Company in respect of his appointment as non-executive Director for a term commencing from the date of approval of his appointment as non-executive Director by Shareholders and ending on 31 December 2021, subject to the retirement and re-election requirements of the Articles. Mr. Chang's emolument will be determined by the Company with reference to the prevailing market conditions, his duties and his responsibilities. As of the date of this announcement, Mr. Chang is entitled to a director's fee of RMB25,000 per annum plus an annual salary and allowance of RMB637,258.88.

As at the date of this announcement, Mr. Chang is indirectly interested in 38.96% of equity interest of Nanjing Sample Technology Group Company Limited* (南京三寶科技集團有限公司) ("Sample Group"). Sample Group, directly holds 397,821,000 Domestic Shares, representing approximately 50.22% of the issued share capital of the Company and Sample Group is owned as to 100% by Jiangsu Sample which in turn is held as to 38.96% by Tibet Zhuo Cai Venture Capital Management Co., Ltd.* (西藏卓財創業投資管理有限責任公司) ("Tibet Zhuo Cai"). Tibet Zhuo Cai is owned as to 90% by Shanghai Lianqi Enterprise Management Center (limited partnership)* (上海聯啟企業管理中心有限合夥) ("Shanghai Lianqi") which in turn is beneficially owned as to 99% by Mr. Chang. Under the SFO, Mr. Chang is deemed to be interested in the entire equity interest in each of Sample Group and Jiangsu Sample. Under the SFO, Mr. Chang is deemed to be interested in all 397,821,000 Domestic Shares.

Mr. Niu Zhongjie (牛鐘潔), aged 50, obtained a bachelor degree in business administration from Northeast Missouri State University in May 1994. He also obtained a master degree in business administration from the University of Hong Kong in December 1999. Mr. Niu has worked with various financial institutions and has extensive experience in equity capital markets. From September 1995 to December 1999, Mr. Niu worked as project manager and deputy manager in investment department of Ng Fung Hong Limited, responsible for investment analysis. From January 2000 to February 2002, he worked as an equity capital markets senior associate of DBS Asia Capital Limited. From April 2003 to April 2006, Mr. Niu served as a representative and later a responsible officer in Partners Capital International Limited for type 1 (dealing in securities) and type 6 (advising on corporate finance)

regulated activities. Mr. Niu was the responsible officer of Vision Finance (Securities) Limited and Vision Finance (Capital) Limited for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities, respectively from June 2006 to January 2008. He then served as a director of Vision Finance Asset Management Limited from February 2008 to January 2015. He has been the director of Vision Finance International Company Limited since September 2007 to present, and has also been the responsible officer of the company to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities since November 2007. Furthermore, he has been the responsible officer for type 4 (advising on securities) and type 9 (asset management) regulated activities of Vision Finance Asset Management Limited since December 2008 and July 2010, respectively. He has served as an independent non-executive director of Gold-Finance Holdings Limited (stock code: 1462) since February 2016. Mr. Niu previously served as an executive director of Beijing Sports and Entertainment Industry Group Limited (stock code: 1803), from April 2015 to 7 November 2018.

Mr. Niu will enter into a service agreement with the Company for a term commencing from the date of approval of his appointment as independent non-executive Director by Shareholders and ending on 31 December 2021, subject to the retirement and re-election requirements of the Articles. The emolument for Mr. Niu will be determined by the Company which will be fixed with reference to the emolument of the other independent non-executive directors of the Company as well as his role and responsibilities.

Mr. Niu has confirmed that he meets the independence criteria as set out in Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Save as disclosed above, as at the date of this announcement, each of Ms. Yu, Mr. Chang and Mr. Niu (i) does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) does not hold any other directorship in listed public companies in the last three years; (iii) does not hold any other positions with other members of the Group; and (iv) does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

So far as the Directors were aware, there is no other information that need to be brought to the attention of the Shareholders of the Company in connection with the abovementioned proposed appointments and there is no other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

GENERAL

A circular containing, among other things, further details of the abovementioned proposed re-election and appointment of Directors and Supervisors and a proxy form, will be despatched to the Shareholders in due course.

By Order of the Board
Nanjing Sample Technology Company Limited*
Sha Min
Chairman

Nanjing, the PRC
29 April 2019

As at the date hereof, the executive Directors are Mr. Sha Min (Chairman), Mr. Chang Yong, Mr. Zhu Xiang, the non-executive Director is Mr. Ma Jun; and the independent non-executive Directors are Mr. Hu Hanhui, Mr. Gao Lihui and Mr. Shum Shing Kei.

* *For identification purpose only*