

This circular is for information purpose only and does not constitute or form part of, an offer or invitation, or solicitation or inducement of an offer to acquire, purchase or subscribe for any shares or securities of 南京三寶科技股份有限公司 (Nanjing Sample Technology Company Limited*).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountants or other professional adviser.

If you have sold or transferred all your shares in the Company, you should at once hand this circular, together with the accompanying proxy forms and reply slips, to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



南京三寶科技

	<i>Page</i>
DEFINITIONS	1
 LETTER FROM THE BOARD	
1. INTRODUCTION	3
2. PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS	4

“AGM”	the annual general meeting of the Company to be convened and held at 10:00 a.m. on 27 May 2019
“Articles”	the articles of association of the Company, as may be amended from time to time
“associate(s)”	has the meaning as defined in the Listing Rules
“Board”	the board of Directors
“Company”	Nanjing Sample Technology Company Limited* (南京

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, modified and supplemented from time to time
“Share(s)”	the Domestic Shares and H Shares
“Shareholders”	holders of the Shares, including holders of the Domestic Shares and the H Shares, unless specified otherwise
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Supervisor(s)”	member(s) of supervisory committee of the Company



南京三

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS

In accordance with Article 101 of the Articles, Directors shall be elected at shareholders' general meeting. The term of office of the Directors shall be three (3) years. Upon maturity of the current term of office, a Director shall be eligible to offer himself for re-election and reappointment. As the term of office of the sixth session of the Board and the supervisory committee of the Company was expired on 31 December 2018, therefore, all Directors and Supervisors (other than the Employee Supervisor) shall be subject to re-election at the AGM.

As notified by Mr. Ma Jun who will not offer himself for re-election at the AGM. Besides, due to work adjustment, Mr. Chang Yong will be re-designated as non-executive Director of the Company.

Based on the review by the nomination committee of the Company in considering the board diversity policy as well as good corporate governance practice, they recommend the following adjustment to the composition of the Board and propose relevant resolutions in relation to the appointment at the AGM for Shareholders' approval:

- 1) To propose Ms. Yu Hui be appointed as executive Director of the Company;
- 2) To propose Mr. Chang Yong be appointed as non-executive Director of the Company;
- 3) In considering Mr. Shum Shing Kei will soon be serving the independent non-executive Director of the Company more than 9 years, Mr. Shum shall retire at the AGM;
- 4) To propose Mr. Niu Zhongjie 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 adjustment 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 of the Company at the AGM for a term of three years commencing from 1 January 2019.

Separate ordinary resolutions to approve the above re-election and appointment will be proposed at the AGM for the Shareholders' consideration and approval.

The biographical details of the Directors and Supervisors (collectively “Candidate(s)”) proposed to be re-elected and appointed at the AGM are set out in Appendix I to this circular.

The Company has received from each of Mr. Hu Hanhui, Mr. Gao Lihui and Mr. Niu Zhongjie a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. Further, in consideration of each of Mr. Hu Hanhui, Mr. Gao Lihui and Mr. Niu Zhongjie has not engaged in any executive management and/or in any businesses of the Group and did not hold any Shares, the Directors (including the members of nomination committee of the Company) are of the view that each of Mr. Hu Hanhui, Mr. Gao Lihui and Mr. Niu Zhongjie possessed of the independence and they are suitable to act as independent non-executive Directors of the Company.

3. GENERAL MANDATE TO ISSUE SHARES

In order to increase the flexibility and efficiency in operation, and to give discretion to the Board in the event that it becomes desirable to issue any Shares, the Company proposes to obtain Shareholders’ approval for the general mandate to allot, issue and otherwise deal with additional Shares, whether Domestic Shares or H Shares, up to the limit of:

- (i) in case of Domestic Shares, 20 per cent. of the aggregate nominal amount of Domestic Shares in issue; and

LETTER FROM THE BOARD

terms therein, the Company will be allowed to allot, issue and deal with up to a maximum of 112,511,700 Domestic Shares and 45,900,000 H Shares on the basis that no further Domestic Shares and H Shares will be issued by the Company prior to the AGM.

4. AGM

A Notice convening the AGM is set out on pages 14 to 17 of this circular. A Proxy Form for use at the AGM is also enclosed. Whether or not you intend to attend the AGM, you are requested to complete and return the enclosed Proxy Form (for use at the AGM) in accordance with the instructions printed thereon as soon as possible to the Company's Hong Kong H share registrar and transfer office, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of holders of H Shares) or the Company's registered office, No. 10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the PRC (in case of holders of Domestic Shares) but in any event not less than 24 hours before the time appointed for the holding of the AGM. Completion and return of the Proxy Form will not preclude you from attending and voting in person at the AGM or at any adjourned meeting should you so wish. According to Rule 13.39(4) the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all resolutions at the AGM will be voted by poll. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under the Listing Rules.

5. RECOMMENDATIONS

The Directors consider that the re-election and appointment of Directors and supervisors and the general mandate to issue Shares proposed to be approved at the AGM are in the interests of the Company and the Shareholders as a whole, and recommend the Shareholders to vote in favor of the relevant resolutions to be proposed at the AGM.

Your faithfully,
By order of the Board
南京三寶科技股份有限公司
Nanjing Sample Technology Company Limited
Sha Min
Chairman

EXECUTIVE DIRECTORS

Mr. Sha Min (沙敏), aged 54, a senior engineer and senior economist, received postgraduate education, is an executive Director and Chairman of the Company. He is

Company with reference to the basis of prevailing market conditions and his roles and responsibilities. As at the Latest Practicable Date, Mr. Zhu is entitled to a director's fee of RMB25,000 per annum plus an annual salary and allowance of RMB637,258.88.

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

NON-EXECUTIVE DIRECTOR

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, both of which are the subsidiaries of the Company, 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).

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 executive Director 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 Latest Practicable Date, 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 Latest Practicable Date, 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.

Save as disclosed, Mr. Chang did not hold any other directorship in listed public companies in the last three years.

So far as the Directors were aware, as at the Latest Practicable Date, Mr. Chang did not have any relationship with any Directors, Supervisors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

So far as the Directors were aware, there is no other information for Mr. Chang which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matters concerning his appointment as non-executive Director that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Hu Hanhui (胡漢輝), aged 63, professor and instructor of doctorate students, is an independent nonexecutive Director, the chairman of the remuneration committee and the nomination committee and a member of the audit committee of the Company. He had served as the Associate Head of Department of Management Science and Engineering in Nanjing Institute of Technology, the Deputy Director of the Technology Research Institution and the president of the University's Union in Southeast University, a part-time researcher of the Humanities and Social Science Research Institution of Education Department in Dongbei University of Finance and Economics, a member of Professional Committee in China Development Bank and a member of the "Expert Group of Basic Requirements on Entrepreneurship Education in High Schools" in Ministry of Education. Currently, Mr. Hu has served as the Director of the Research Institution of Entrepreneur Group Economics and Industrial Organization of School of Economics and Management in Southeast University and an independent director of Nanjing Textiles Import & Export Corp., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600250). Mr. Hu was appointed as an independent non-executive Director of the Company in May 2016.

Mr. Hu has been entered into a service agreement with the Company for a term of three years commencing from 1 January 2019 subject to the retirement and re-election requirements of the Articles. The emoluments of the independent non-executive Directors was determined by the Company with reference to the basis of prevailing market conditions and their roles and responsibilities. As at the Latest Practicable Date, the amount of director's fee for Mr. Hu is RMB30,000 per annum.

Mr. Gao Lihui (高立輝), aged 55, received doctoral education, is a senior economist and an independent non-executive Director and a member of the audit committee and the nomination committee of the Company. Mr. Gao holds a diploma from The Business School of Yangzhou University in the PRC, a master degree in Business Administration from The School of Business and Economics of Maastricht University in the Netherlands and a doctoral degree in management from The School of Business of Nanjing University. Mr. Gao worked at Jiangsu Branch of Bank of China from 1991 to 1992 and was mainly responsible for the management of foreign exchange, finance and Japanese Yen sub-ledgers. He served as General Ledger Accountant of Jiangsu Branch of Bank of China from 1992 to 1995 and was responsible for the management of foreign exchange and finance. In addition, Mr. Gao had been appointed as the deputy manager of the Gulou branch of Bank of Nanjing, the manager of Danfeng Street branch of Bank of Nanjing and the general manager of the Business department of HengFeng Bank. Mr. Gao is currently the chairman of Nanjing Ju Bian Asset Management Limited Company. Mr. Gao was appointed as an independent non-executive Director of the Company in May 2017.

So far as the Directors were aware, as at the Latest Practicable Date, each of Mr. Hu, Mr. Gao and Mr. Niu did not have any relationship with any Directors, Supervisors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

So far as the Directors were aware, there is no other information for each of Mr. Hu, Mr. Gao and Mr. Niu which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matters concerning their re-election as independent non-executive Director that need to be brought to the attention of the Shareholders.

SUPERVISORS

Mr. Qiu Xiang Yang (仇向洋) aged 63, received doctoral education, is a supervisor of the Company. Mr. Qiu was an EMBA graduate. He is now a professor of the economics and management college of Southeast University. He is also the president of the Institute for Urban Development in Jiangsu and vice president of the Nanjing Entrepreneur Club. From February 1991 to June 2004, he was appointed as deputy director and director of the economics and management college of Southeast University. In 1992, he was exceptionally promoted to Professor, and received the State's Sponsorship for Special Contribution. He is a veteran in the teaching and research of economics and management affairs. He has in-depth knowledge in corporate strategic management and industrial development. He was first appointed as a supervisor of the Company in August 2007. He is currently an independent director of Zhong Dian Environmental Protection Limited* (a company listed on the Shenzhen Stock Exchange, stock code: 300172), Neoglory Prosperity Inc.* (a company listed on the Shenzhen Stock Exchange, stock code: 002147), Tianjin Tai Da Limited* (a company listed on the Shenzhen Stock Exchange, stock Code: 000652) and Nanjing Kangni Mechanical & Electrical Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code 603111).

Mr. Dai Jian Jun (戴建軍) aged 49, a practising lawyer, is a supervisor of the Company. He was educated in Jiangsu Police Institute from September 1988 to July 1991. He worked for Southeast University in 1991. Mr. Dai was qualified as a lawyer in PRC in 1996. Mr. Dai has been a practicing lawyer of Jiangsu Zhi Bang Law Firm since 1996. He was appointed as a supervisor of the Company in August 2003. Mr. Dai is currently an independent director of Nanjing Canatal Data-Centre Environmental Tech. Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 603912) and an executive director of Nanjing Heyuxin Real Estate Co., Ltd.

APPENDIX I BIOGRAPHICAL DETAILS OF DIRECTORS AND SUPERVISORS

Save as disclosed, each of Mr. Qiu and Mr. Dai did not hold any other directorship in listed public companies in the last three years.

So far as the Directors were aware, as at the Latest Practicable Date, each of Mr. Qiu and Mr. Dai did not have any relationship with any Directors, Supervisors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

So far as the Directors were aware, there is no other information for each of Mr. Qiu and Mr. Dai which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matters concerning their re-election as supervisors that need to be brought to the attention of the Shareholders.



- (ii) To consider and approve the re-election of Mr. Zhu Xiang as executive Director for a term of three years commencing from 1 January 2019 to 31 December 2021 and to authorize the Board on behalf of the Company to determine his remuneration.
- (iii) To consider and approve the appointment of Ms. Yu Hui as executive Director for a term commencing from the conclusion of the AGM and ending 31 December 2021 and to authorize the Board on behalf of the Company to determine her remuneration.
- (iv) To consider and approve the appointment of Mr. Chang Yong as Yong as Yongthe fo

SPECIAL RESOLUTIONS

NOTICE OF AGM

- (ii) the expiry date of the period within which the next annual general meeting is required by the Articles or any applicable law to be held; or
 - (iii) the passing of a special resolution of the Company in a general meeting revoking or varying the authority set out in this resolution.
- ② contingent on the Board resolving to issue Shares pursuant to this resolution, the Board be authorised:
- (a) to approve, execute and do or procure to be executed and done all such documents and matters which it may consider necessary in connection with the issue of such new shares, including but not limited to the time, quantity and place for such issue, to make all necessary applications to the relevant authorities, and to enter into underwriting agreement(s) or any other agreement(s);
 - (b) to determine the use of proceeds and to make necessary filings and registration with the relevant authorities in the PRC, and/or Hong Kong and any other places and jurisdictions (as appropriate); and
 - (c) to increase the registered capital of the Company and make any amendments to the Articles in accordance with such increase and to register the increased capital with the relevant authorities in the PRC and/or Hong Kong and any other places and jurisdictions (as appropriate) so as to reflect the new capital and/or share capital structure of the Company resulting from the intended allotment and issue of the shares of the Company pursuant to paragraph ① of this resolution.

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

Nanjing, the PRC
30 April 2019

Notes:

1. Any member of the Company (“Member”) entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. In the case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder is present at the meeting, whether in person or by proxy, that one of the joint holders whose name stands first on the register of Members in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.
2. To be valid, a proxy form and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of such authority must be deposited at the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen’s Road East, Wanchai, Hong Kong (“H Share Registrar”) and in case of holders of domestic shares, to the Company’s mailing address at No. 10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the PRC not less than 24 hours before the time appointed for the holding of the AGM or 24 hours before the time appointed for taking the poll. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. Members or their proxies shall present identity proof (and form of proxy in case of proxies) upon attending the AGM.
4. In order to determine the identify of the shareholders to attend and vote at the AGM, the register of Members in Hong Kong will be closed from 27 April 2019 (Saturday) to 27 May 2019 (Monday), (both days inclusive). Instruments of transfer accompanied by relevant share certificates must be lodged with the H Share Registrar by 4:30 p.m. on 26 April 2019 (Friday).
5. Members entitled to attend the AGM are requested to complete and deliver the reply slip for attendance to the H Share Registrar or the Company’s office in Nanjing before 13 May 2019 (Monday).