

China Hi-Tech Holding Company Limited
*(incorporated in Hong Kong with
limited liability)*

 **JINGWEI TEXTILE MACHINERY COMPANY LIMITED**
经纬纺织机械股份有限公司
*(a joint stock limited company incorporated in
the People's Republic of China)*
(Stock Code: 350)

16 November 2015

To the Independent H Shareholder(s)

Dear Sirs,

**Voluntary conditional cash offer by UBS AG Hong Kong Branch
on behalf of China Hi-Tech Holding Company Limited to acquire all of the issued H
shares in the capital of Jingwei Textile Machinery Company Limited**

and

Proposed withdrawal of listing of H shares

Introduction

Reference is made to (i) the announcement jointly issued by China Hi-Tech Holding Company Limited (the “**Offeror**”) and Jingwei Textile Machinery Company Limited (the “**Company**”) on 13 August 2015 (the “**Joint Announcement**”) in relation to the voluntary conditional cash offer (the “**Offer**”) by UBS AG Hong Kong Branch on behalf of the Offeror to acquire all the issued H shares in the capital of the Company; (ii) the composite offer and response document in respect of the Offer jointly issued by the Offeror and the Company dated 30 September 2015 (the “**Composite Document**”); (iii) the notice of the second special general meeting of the Company (the “**Notice of EGM**”) dated 30 September 2015; (iv) the notice of the H share class meeting of the Company (the “**Notice of H Share Class Meeting**”) dated 30 September 2015; (v) the announcement jointly issued by the Offeror and the Company in relation to the despatch of the Composite Document on 30 September 2015; and (vi) the announcement jointly issued by the Offeror and the Company in relation to the results of the EGM and the H Share Class Meeting dated 16 November 2015. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

The EGM and the H Share Class Meeting

The board of the Offeror and the Board are pleased to announce that all the resolutions as set out in the Notice of EGM and the Notice of H Share Class Meeting were duly passed by way of poll at the EGM and the H Share Class Meeting held on 16 November 2015.

Minimum condition and the First Closing Date

The H Shareholders are reminded that the Offer is conditional on, amongst others, valid acceptance of the Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the First Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) such that, following acquisition of such H Shares, the Offeror and any person acting in concert with it would hold more than 75% of the H Shares in issue as at the First Closing Date. However, the Offeror reserves the right to waive this condition in part provided that the Offeror has received valid acceptances in respect of more than 50% of the H Shares.

Unless the Offer has become unconditional as to acceptances or in all respects on or before the First Closing Date or the First Closing Date has been revised or extended in accordance with the Takeovers Code, the latest time and date for acceptance of the Offer will be 4:00 p.m. on Monday, 23 November 2015.

The Offeror and the Company will issue an announcement, stating whether the Offer has been revised or extended, has expired or has become or been declared unconditional (as to acceptances) by 7:00 p.m. on Monday, 23 November 2015.

Withdrawal of listing of the H Shares

Upon the Offer becoming unconditional, the Company will make an application for the listing of the H Shares to be withdrawn from the Hong Kong Stock Exchange in accordance with Rule 6.12 of the Listing Rules. H Shareholders will be notified by way of an announcement of the date of the last day of dealing in the H Shares and on which the withdrawal of the listing of the H Shares on the Hong Kong Stock Exchange will become effective.

Expected timetable

We set out below the expected timetable of the Offer and the proposed voluntary withdrawal of listing of the H Shares on the Hong Kong Stock Exchange. Please be reminded the timetable below is indicative only and may be subject to change. Any changes to the timetable will be announced by the Offeror and the Company as and when appropriate.

Resumption of dealings in the A Shares and the H Shares 9:00 a.m. on Tuesday,
17 November 2015

Re-opening of the shareholder register of the Company Tuesday, 17 November 2015

First Closing Date^(Note 1) Monday, 23 November 2015

Latest time and date for acceptance of the Offer on
the First Closing Date^(Note 2) 4:00 p.m. on Monday, 23 November 2015

Announcement of the results of the Offer as at
the First Closing Date on the website of
the Hong Kong Stock Exchange. by 7:00 p.m. on Monday, 23 November 2015

Latest time and date for the Offeror to declare
the Offer unconditional as to acceptances. 7:00 p.m. on Sunday, 29 November 2015

Latest date for posting of remittances for the amounts
due under the Offer in respect of valid acceptances
received at or before the latest time for acceptances of
the Offer on the First Closing Date (assuming
the Offer has become unconditional in
all respects on the First Closing Date)^(Note 3) Wednesday, 2 December 2015

Final Closing Date (assuming the Offer has become
unconditional in all respects
on the First Closing Date)^(Note 4) Monday, 21 December 2015

Latest time and date for the Offer remaining open
for acceptance on the Final Closing Date
and closing of the Offer^(Note 4) 4:00 p.m. on Monday, 21 December 2015

Announcement of the results of the Offer as at
the Final Closing Date on the website of
the Hong Kong Stock Exchange by 7:00 p.m. on Monday, 21 December 2015

Last day of trading the H Shares on
the Hong Kong Stock Exchange. Monday, 21 December 2015

Withdrawal of the listing of the H Shares from
the Hong Kong Stock Exchange^(Note 5) 4:00 p.m. on Monday, 28 December 2015

Latest date for posting of remittances for the amounts due
under the Offer in respect of valid acceptances of the Offer
on the Final Closing Date^(Note 3) Thursday, 31 December 2015

Notes:

- (1) It is assumed that the Offer has not become unconditional as to acceptances or in all respects prior to the First Closing Date. The Offeror reserves the right to extend the Offer until such time and/or date as it may determine and in accordance with the Takeovers Code. The Offeror will issue an announcement, stating whether the Offer has been revised or extended, has expired or has become or been declared unconditional (as to acceptances or in all respects).
- (2) Unless the Offer has previously become or been declared unconditional, revised or extended, the latest time and date for acceptance of the Offer is 4:00 p.m. on the First Closing Date. Please refer to Appendix I to the Composite Document for additional information on how to accept the Offer.
- (3) Pursuant to Rule 20.1 of the Takeovers Code, settlement in cash in respect of acceptances of the Offer will be made within 7 Business Days of the later of the the date on which the Offer has become or is declared unconditional and the date on which the H Shares are tendered for acceptance of the Offer. Relevant documents of title must be received by the Registrar to render each acceptance of the Offer complete and valid.
- (4) In accordance with Rule 15.3 of the Takeovers Code, where the Offer becomes or is declared unconditional (whether as to acceptances or in all respects), it should remain open for acceptance for not less than 14 days thereafter. In such case, at least 14 days' notice in writing must be given before the Offer is closed to the Independent H Shareholders who have not accepted the Offer and an announcement will be published. The Offeror will extend the 14-day period under Rule 15.3 of the Takeovers Code to 28 calendar days.
- (5) It is currently expected that the withdrawal of listing of the H Shares from the Hong Kong Stock Exchange would happen at 4:00 p.m. on Monday, 28 December 2015, subject to the satisfaction of any conditions for delisting such securities from the Hong Kong Stock Exchange, and receipt of any regulatory approvals required for such delisting.
- (6) Beneficial owners of the H Shares who hold their H Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.
- (7) The latest time and date for acceptance of the Offer, the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the last day of trading of H Shares and withdrawal of listing of the H Shares will not take effect if there is a tropical cyclone warning signal number 8 above, or a "black" rainstorm warning, in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the such relevant date. Instead, such relevant date will be rescheduled to the same time on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

Unless otherwise indicated, all time references contained above are to Hong Kong time.

No right of compulsory acquisition

The Offeror has no rights under the laws of the PRC and the articles of association of the Company to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the Offer. Accordingly, Independent H Shareholders are reminded that if they do not accept the Offer and the Offer subsequently becomes unconditional in all respects, and the H Shares are delisted from the Hong Kong Stock Exchange, this will result in the Independent H Shareholders holding unlisted H Shares and the liquidity of the H Shares may be severely reduced. In addition, the Company will not continue to be subject to the Listing Rules and may not continue to be subject to the Takeovers Code after the completion of the Offer and the rights of Independent H Shareholders to certain information of the Company will be reduced.

By order of the board of
China Hi-Tech Holding Company Limited
Ye Maoxin
Director

By order of the board of
Jingwei Textile Machinery Company Limited
Ye Maoxin
Chairman

As at the date of this letter, the board of directors of the Offeror comprises Mr. Ye Maoxin, Mr. Du Qianyi and Mr. Shi Tinghong.

As at the date of this letter, the board of directors of CHG comprises Mr. Zhang Jie, Mr. Liu Haitao, Mr. Ye. Huicheng, Mr. Guo Guorong, Mr. Qi Zerui, Mr. Zhao Xiaogang and Mr. Jing Xinbao.

As at the date of this letter, the Board comprises Mr. Ye Maoxin, Mr. Wang Jiangan, Mr. Yan Fuquan, Mr. Shi Tinghong and Mr. Yao Yuming, all being executive Directors, and Ms. Chen Jinrong, Ms. An Guojun and Mr. Niu Hongjun, all being independent non-executive Directors.

The directors of the Offeror and CHG jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than that relating to the Group) and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by the Group or the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than that relating to the Offeror and CHG) and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by the Offeror or CHG) have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter misleading.