
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any 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 accountant or other professional adviser.

If you have sold or transferred all your shares in Sany Heavy Equipment International Holdings Company Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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SANY HEAVY EQUIPMENT INTERNATIONAL HOLDINGS COMPANY LIMITED

三一重裝國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 631)

PROPOSED RENEWAL OF GENERAL MANDATES TO ISSUE SHARES AND BUY-BACK SHARES, DECLARATION OF FINAL DIVIDEND, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of the Company to be held at Conference Room 103, R&D Building, Sany Heavy Equipment Industrial Park, No. 25, 16 Kaifa Road, Shenyang Economic and Technological Development Zone, Liaoning Province, the PRC on Tuesday, 25 May 2021 at 11:00 a.m. is set out on pages 19 to 23 of this circular. Whether or not you intend to be present and vote at the Annual General Meeting in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting. The completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

20 April 2021

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Practical measures will be taken to try to avoid the spread of COVID-19 at the Annual General Meeting, including:

- compulsory temperature checks and health declarations for all attendees, including Directors and Shareholders
- prohibition from attendance at the Annual General Meeting if the attendee has a fever. Persons exhibiting flu-like symptoms may also be refused admittance to the venue of the Annual General Meeting
- compulsory wearing of surgical face masks throughout the Annual General Meeting
- maintaining proper distance between seats
- no refreshments will be served at the Annual General Meeting

Any person who does not comply with the precautionary measures may be denied entry into the venue of the Annual General Meeting. The Company reminds Shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attend the Annual General Meeting in person.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2020 Annual Report”	the annual report of the Company for the financial year ended 31 December 2020 which has been dispatched to the Shareholders on 20 April 2021
“AGM Notice”	the notice convening the Annual General Meeting set out on pages 19 to 23 of this circular
“Annual General Meeting”	the annual general meeting of the Company to be held at Conference Room 103, R&D Building, Sany Heavy Equipment Industrial Park, No. 25, 16 Kaifa Road, Shenyang Economic and Technological Development Zone, Liaoning Province, the PRC on Tuesday, 25 May 2021 at 11:00 a.m., for the purpose of considering and, if thought fit, approving the resolutions proposed in this circular
“Articles of Association”	the articles of association of the Company as amended from time to time
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Buy-back Mandate”	a general and unconditional mandate to be granted to the Directors to exercise the power of the Company to buy-back Shares in the capital of the Company up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolutions
“Company”	Sany Heavy Equipment International Holdings Company Limited (三一重裝國際控股有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the same meaning ascribed to it under the Listing Rules

DEFINITIONS

“Director(s)”	the director(s) of the Company
“General Mandate”	a general and unconditional mandate to be granted to the Directors to exercise all powers of the Company to allot, issue, and otherwise deal with new Shares and other securities with an aggregate nominal amount not exceeding the sum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolutions, and the aggregate nominal value of the share capital of the Company bought back by the Company (if any)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	12 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Register of Members”	the principal or branch register of members of the Company maintained in the Cayman Islands or Hong Kong respectively
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules

DEFINITIONS

“Takeovers Code” The Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission of Hong Kong, as amended from time to time

“%” per cent



**SANY HEAVY EQUIPMENT INTERNATIONAL
HOLDINGS COMPANY LIMITED**

三一重裝國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 631)

Executive Directors:

Mr. Liang Zaizhong (*Chairman*)
Mr. Qi Jian (*Vice Chairman*)
Mr. Fu Weizhong

Non-executive Directors:

Mr. Tang Xiuguo
Mr. Xiang Wenbo

Independent Non-executive Directors:

Mr. Ng Yuk Keung
Mr. Poon Chiu Kwok
Mr. Hu Jiquan

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Place of Business in Hong Kong:

Room 2010
Landmark North
No. 39 of Lung Sum Avenue
Sheung Shui
New Territories
Hong Kong

20 April 2021

To: the Shareholders of the Company

Dear Sir or Madam,

**PROPOSED RENEWAL OF
GENERAL MANDATES TO ISSUE SHARES AND
BUY-BACK SHARES,
DECLARATION OF FINAL DIVIDEND,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting relating to the proposed renewal of general mandates to allot, issue and deal with the Shares and buy-back Shares, the declaration of final dividend, re-election of Directors, and to seek your approval of the resolutions to these matters at the Annual General Meeting.

At the Annual General Meeting, resolutions, amongst others, will be proposed by the Company for the Shareholders to approve (i) the renewal of the General Mandate and the Buy-back Mandate; (ii) the extension of the General Mandate to include Shares bought back pursuant to the Buy-back Mandate; (iii) the declaration of final dividend; and (iv) the re-election of Directors.

DECLARATION OF FINAL DIVIDEND

As stated in the announcement of the Company dated 18 March 2021 relating to the annual results of the Group for the year ended 31 December 2020, the Board has resolved to recommend the declaration and the payment of the final dividend of HK15 cents per ordinary Share for the year ended 31 December 2020, amounting to HK\$469,096,388 in total. Should there be any change in the Company's total number of shares between 28 February 2021 and the record date for the dividend distribution, the dividend per ordinary share of the Company shall remain unchanged and the total dividends amount shall be adjusted accordingly. The final dividend is subject to the Shareholders' approval. Such final dividend is expected to be distributed on or around 18 June 2021 to the shareholders whose names appear on the Company's register of members on Wednesday, 2 June 2021.

CLOSURE OF REGISTER OF MEMBERS — ANNUAL GENERAL MEETING

The register of members of the Company will be closed from Thursday, 20 May 2021 to Tuesday, 25 May 2021, both days inclusive, during which period no transfer of shares will be registered. The record date for entitlement to attend and vote at the annual general meeting is Tuesday, 25 May 2021. In order to be entitled to attend and vote at the forthcoming annual general meeting of the Company to be held on Tuesday, 25 May 2021, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 18 May 2021.

CLOSURE OF REGISTER OF MEMBERS — FINAL DIVIDEND PAYMENT

The register of members of the Company will also be closed from Monday, 31 May 2021 to Wednesday, 2 June 2021, both days inclusive, during which period no transfer of shares will be registered. The record date for entitlement to the proposed dividends is Wednesday, 2 June 2021. In order for the shareholders to be entitled to the proposed dividends, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong

LETTER FROM THE BOARD

Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 28 May 2021.

RENEWAL OF GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES

At the Company’s annual general meeting held on 25 May 2020, resolutions were passed giving general mandates to the Directors (i) to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of the relevant resolutions; and (ii) to buy-back Shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolutions. Such general mandates will expire at the conclusion of the forthcoming Annual General Meeting.

At the Annual General Meeting, separate ordinary resolutions will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing the relevant resolution at the Annual General Meeting. As at the Latest Practicable Date, a total of 3,142,191,213 Shares were in issue. Subject to the passing of the proposed resolution granting the General Mandate to the Directors and on the basis that no Shares will be issued or bought back by the Company prior to the Annual General Meeting, the Company will be allowed under the General Mandate to issue a maximum of 628,438,242 new Shares. The General Mandate will end on the earliest of (a) the date of the next annual general meeting; or (b) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company;
- (b) to grant the Buy-back Mandate to the Directors to exercise all powers of the Company to buy-back issued Shares subject to the criteria set out in this circular. Under such Buy-back Mandate, the maximum number of Shares that the Company may buy back shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution at the Annual General Meeting. As at the Latest Practicable Date, the number of Shares in issue is 3,142,191,213 Shares. Subject to the passing of the proposed ordinary resolution approving the granting of the Buy-back Mandate and no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 314,219,121 Shares, being 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation thereof. The Buy-back Mandate will end on the earliest of (a) the date of the next annual general meeting; or (b) the date by which the next

LETTER FROM THE BOARD

annual general meeting of the Company is required to be held by the Articles of Association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company; and

- (c) subject to the passing of the aforesaid ordinary resolutions of the General Mandate and the Buy-back Mandate, to extend the number of Shares to be issued and allotted under the General Mandate by an additional number representing such number of Shares bought back under the Buy-back Mandate.

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution to renew the grant of the Buy-back Mandate at the Annual General Meeting.

RE-ELECTION OF DIRECTORS

In accordance with article 84(1) of the Company's articles of association, each of Mr. Qi Jian, Mr. Xiang Wenbo and Mr. Poon Chiu Kwok will retire from the office of Director by rotation at the forthcoming Annual General Meeting of the Company and, being eligible, will offer themselves for re-election.

The nomination committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of with reference to the nomination principles and criteria set out in the Company's Board diversity policy and Director nomination policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The nomination committee of the Company recommended the re-election of Mr. Qi Jian, Mr. Xiang Wenbo and Mr. Poon Chiu Kwok as Directors at the Annual General Meeting to be held on Tuesday, 25 May 2021. Mr. Poon Chiu Kwok, being an independent non-executive Director, has confirmed independence with reference to the factors set out in Rule 3.13 of the Listing Rules. On 18 March 2021, the nomination committee of the Company assessed and reviewed the individual independent non-executive Director's annual confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules, and affirmed that all independent non-executive Directors, including Mr. Poon Chiu Kwok, remained independent.

The biographical details of such re-electing Directors as required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting at Conference Room 103, R&D Building, Sany Heavy Equipment Industrial Park, No. 25, 16 Kaifa Road, Shenyang Economic and Technological Development Zone, Liaoning Province, the PRC on Tuesday, 25 May 2021 at 11:00 a.m. at which resolutions will be proposed for the purpose of considering and if thought fit, approving the resolutions set out in the AGM Notice as set out on pages 19 to 23 of this circular.

LETTER FROM THE BOARD

A form of proxy for use in connection with the Annual General Meeting is enclosed herewith. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked. Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the Annual General Meeting will be by poll. The chairman of the Annual General Meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting pursuant to article 66 of the Articles of Association.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed renewal of the General Mandate and the Buy-back Mandate, the declaration of final dividend, and the re-election of Directors are in the best interests of the Company as well as its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the Annual General Meeting as set out in the AGM Notice.

Yours faithfully
By Order of the Board
Mr. Liang Zaizhong
Chairman

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Buy-back Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. LISTING RULES RELATING TO THE BUY-BACK OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to buy-back their shares on the Stock Exchange and other stock exchange on which the securities of the company are listed and such exchange is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all buy-back of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general buy-back mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 3,142,191,213 Shares in issue. Subject to the passing of the resolution granting the Buy-back Mandate and on the basis that no further Shares are issued or bought back during the period from the Latest Practicable Date to the Annual General Meeting, the Company will be allowed under the Buy-back Mandate to buy back a maximum of 314,219,121 Shares, being 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution at the Annual General Meeting.

3. REASONS FOR SHARE BUY-BACK

The Directors have no present intention to buy back any Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed, but consider that the ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders as a whole.

As compared with the financial position of the Company as at 31 December 2020 (as disclosed in its latest audited financial statements for the year ended 31 December 2020), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed buy-back were to be carried out in full during the proposed buy-back period. In the circumstances, the Directors do not propose to exercise the Buy-back Mandate to such an extent as would have a material adverse impact on the working capital or gearing ratio of the Company.

4. FUNDING OF BUY-BACK

The Company is empowered by its memorandum of association and Articles of Association to buy back its Shares. In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Articles of Association and the Companies Law. Under the Companies Law, payment for a share buy-back by the Company may only be made out of profits or the proceeds of a new issue of Shares made for such purpose or out of capital of the Company. The amount of premium payable on a buy-back of Shares may be paid out of either the profits or out of the share premium of the Company or out of capital of the Company.

In addition, under the Companies Law, payment out of capital by a company for the purchase by a company of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business. In accordance with the Companies Law, the shares so bought back would be treated as cancelled but the aggregate amount of authorized share capital would not be reduced.

5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company in the event that the Buy-back Mandate is granted by the Shareholders.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Buy-back Mandate is granted by the Shareholders.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make buy-backs pursuant to the Buy-back Mandate and in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

7. EFFECT OF TAKEOVERS CODE

A buy-back of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the controlling shareholders of the Company, Mr. Liang Wengen and Sany Hongkong Group Limited exercise approximately 67.13% voting rights in the general meeting of the Company. In the event that the Directors exercise in full the power to buy back the Shares which is proposed to be granted pursuant to the Buy-back Mandate, the voting right of Mr. Liang Wengen and Sany Hongkong Group Limited would be increased to approximately 74.59% and such increase would not give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code. The Listing Rules prohibit a company from making buy-back on the Stock Exchange if the result of the buy-back would be less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in the public hands. The Company has no intention to exercise the Buy-back Mandate to such extent that it would give rise to an obligation to make a mandatory offer under the Takeovers Code or result in the amount of shares held by the public being reduced to less than 25% of the issued share capital of the Company.

8. SHARE BUY-BACK BY THE COMPANY

The Company had not bought back any of its Shares (on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

9. SHARE PRICES

The Shares are trading on the Stock Exchange and the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the following months up to the Latest Practicable Date are as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
March	5.19	3.60
April	4.32	3.78
May	4.20	3.77
June	3.84	3.52
July	4.27	3.69
August	4.31	3.78
September	4.61	4.27
October	4.82	4.26
November	4.74	4.15
December	5.80	4.39
2021		
January	6.82	5.87
February	9.20	6.57
March	9.88	7.30
April (up to the Latest Practicable Date)	9.59	8.97

DIRECTORS STANDING FOR RE-ELECTION

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

Mr. Qi Jian

Mr. Qi Jian (戚建), aged 61, was appointed as an executive Director, chairman of the Board and chief executive officer of the Company on 6 August 2015, and was redesignated as the vice chairman of the Board and remained as the chief executive officer and a member of the Strategic Investment Committee since 21 October 2019.

Mr. Qi joined Sany Group in May 2001. He served as the deputy dean of the research institute of Sany Heavy Industry, from May 2001 to May 2003, overseeing the research and development of road machinery products. He served as the deputy general manager of Sany Automobile Manufacturing from May 2003 to November 2006, overseeing the research and development and the production and manufacturing of commercial vehicles and passenger vehicles. From November 2006 to July 2015, he served as the general manager of Sany Automobile Lifting Machinery Co., Ltd. (三一汽車起重機械有限公司) (“**Sany Lifting Machinery**”). During his term of service, Sany Lifting Machinery grew rapidly and became a core business of Sany Group with a sales amount ranked second in lifting machinery industry in 2014.

From 1982 to May 2001, Mr. Qi had taken positions such as the deputy chief engineer and the deputy director of China BlueStar Changsha Design and Research Institute, engaged in product design and contracting of engineering projects. He participated in over 30 projects of chemical engineering, light industry and mechanical engineering designs. He was in charge of and completed over 20 engineering designs, which received various provincial and ministerial excellent achievement awards. Mr. Qi is a senior engineer at the level of researcher, who has over 30 years of experience in design and technical management and over 10 years of experience as senior management.

Mr. Qi graduated from Qingdao Chemical Engineering Academy (青島化工學院) in 1982 with a bachelor degree in chemical machinery. He also received a degree of executive master of business administration at Wuhan University (武漢大學) in 2005.

Mr. Qi entered into a director’s service contract with the Company on 6 August 2015 for a term of three years, which expired on 5 August 2018 and was automatically renewed for a further term of three years commencing from 5 August 2018 until terminated by either party pursuant to the terms of the service contract, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Under the director service contract, the director service fees payable to Mr. Qi is RMB500,000 per year, which is determined by reference to, among others, his duties with the Company.

The nomination committee has evaluated Mr. Qi based on the duties of the nomination committee, including but not limited to his character and integrity, professional qualifications, skills, knowledge, experience and willingness and ability to devote

adequate time to discharge duties as a member of the Board. The nomination committee is of the view that Mr. Qi will bring to the Board perspectives, skills and experience as further described in his biography. Based on the Board diversity policy adopted by the Company, the nomination committee considers that Mr. Qi can contribute to the diversity of the Board, in particular with Mr. Qi's professional experience in corporate management.

Save as disclosed herein, Mr. Qi held no other directorships in any listed public companies in the last three years. Mr. Qi does not hold any other position with the Company and its subsidiaries. Mr. Qi does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Qi is deemed to be interested in 1,500,000 Shares which may be issued to him upon exercise of share options granted to him on 15 December 2017 and 917,691 Shares which were awarded to him under the share award scheme of the Company on 18 December 2020, 80% of which remained unvested. Save as disclosed, Mr. Qi had no interest any Shares or underlying Shares of the Company pursuant to part XV of the SFO.

Mr. Xiang Wenbo

Mr. Xiang Wenbo (向文波), aged 59, was appointed as a non-executive Director of the Company on 23 July 2009. He has also been a non-executive Director of Sany Heavy Equipment since January 2004. Mr. Xiang has over 20 years of experience in the machinery industry. Mr. Xiang joined Sany Group in 1991 and was a standing deputy general manager and general manager of the marketing department and executive president of Sany Group. He is currently the president and vice-chairman of Sany Heavy Industry.

Mr. Xiang graduated in 1982 from the Department of Casting of Hunan University (湖南大學) with a Bachelor's degree in Engineering Science and graduated from Materials Department of Dalian University of Technology (大連理工大學) with a master's degree in Engineering in 1988. Mr. Xiang holds the title of senior engineer and is an expert entitled to government allowance from the State Council.

Mr. Xiang was a deputy of the 11th National People's Congress (十一屆全國人大代表), and has also held a number of social positions such as executive president of China-India Business Council (中印商務理事會) and China-South Asia Business Council (中國南亞商務理事會), vice president of China International Chamber of Commerce for Private Sector (中國民營經濟國際合作商會), a council member of China Machinery Industry Confederation (中國機械工業聯合會), a vice chairman of China Construction Machinery Industry Association (中國工程機械工業協會) and Industrial and Commercial Union in Hunan Province (湖南省工商聯合會).

Mr. Xiang was awarded "2002 Bauhinia Cup Outstanding Entrepreneur Awards (2002年紫荊花杯傑出企業家獎)", "2007 China's Top Ten Leaders in Manufacturing (2007中國製造業十大領袖)", "2008 Top Ten Outstanding CEO in China (2008年度中國十大傑出CEO)", "Forbes 2010 Best CEO in China (福布斯2010年中國最佳CEO)" and "Forbes 2011 Best CEO of A-share Listed Non-state-owned Companies (福布斯2011年A股非國有上市公司最佳CEO)".

Mr. Xiang entered into a director's service contract with the Company on 25 December 2015 for a term of three years, which expired on 24 December 2018 and was automatically renewed for a further term of three years commencing from 25 December 2018 until terminated by either party pursuant to the terms of the service contract, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Under the director service contract, no director's fee will be or has been received by Mr. Xiang for his office as a non-executive Director of the Company.

The nomination committee has evaluated Mr. Xiang based on the duties of the nomination committee, including but not limited to his character and integrity, professional qualifications, skills, knowledge, experience and willingness and ability to devote adequate time to discharge duties as a member of the Board. The nomination committee is of the view that Mr. Xiang will bring to the Board perspectives, skills and experience as further described in his biography. Based on the Board diversity policy adopted by the Company, the nomination committee considers that Mr. Xiang can contribute to the diversity of the Board, in particular with Mr. Xiang's professional experience in corporate management.

Save as disclosed herein, Mr. Xiang held no other directorships in any listed public companies in the last three years and Mr. Xiang has not held any other positions with the Group. As at the Latest Practicable Date, Mr. Xiang Wenbo holds 7.95% of the issued share capital of Sany Heavy Equipment Investments Company Limited, which in turn holds the entire issued share capital of Sany Hongkong Group Limited, a controlling shareholder of the Company. He is also the beneficial owner of 2,858,000 Shares. Save as disclosed, he had no interest any Shares or underlying Shares of the Company pursuant to part XV of the SFO. Save as disclosed herein, Mr. Xiang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Poon Chiu Kwok

Mr. Poon Chiu Kwok (潘昭國), aged 59, has been an independent non-executive Director of the Company since 18 December 2015. He is also the chairman of the audit committee and a member of the nomination committee, remuneration committee and strategic investment committee of the Company. Mr. Poon is responsible for supervising and providing independent advice to the Board.

Mr. Poon has many years of experience in regulatory affairs, corporate finance, listed companies governance and management. He is also an executive director, the vice president and the company secretary of Huabao International Holdings Limited (華寶國際控股有限公司), a company listed on the Stock Exchange (stock code: 336). As at the date of this report, he serves as an independent non-executive director of the following public companies listed on the Main Board of the Stock Exchange: Sunac China Holdings Limited (融創中國控股有限公司) (stock code: 1918), Yuanda China Holdings Limited (遠大中國控股有限公司) (stock code: 2789), Changan Minsheng APLL Logistics Co., Ltd. (重慶長安民生物流股份有限公司) (stock code: 1292), Greentown Service Group Co. Ltd. (綠城服務集團有限公司) (stock code: 2869), Aux International Holdings Limited (奧克斯國際控股

有限公司) (stock code: 2080), Jinchuan Group International Resources Co. Ltd (金川集團國際資源有限公司) (stock code: 2362), Honghua Group Limited (宏華集團有限公司) (stock code: 196) and Yanzhou Coal Mining Company Limited (兗州煤業股份有限公司) (stock code: 1171). He also served as a non-executive director of Chong Kin Group Holdings Limited (創建集團(控股)有限公司) (stock code: 1609), and retired in June 2018, an independent non-executive director of TUS International Ltd. (啟迪國際有限公司) (stock code: 872), and retired in July 2020. He was also an independent non-executive director of Tonly Electronics Holdings Limited, the shares of which were listed on the Main Board of the Stock Exchange before 8 March 2021.

Mr. Poon has entered into a letter of appointment with the Company for a term of two years. Mr. Poon is entitled to receive an emolument of HK\$260,000 per annum. The relevant letter of appointment is in compliance with the requirements of the Articles of Association and the Listing Rules, in which it contains the terms on early retirement and retirement by rotation for Directors. The emolument for Mr. Poon is determined by reference to the remuneration indicators in the industry and the prevailing market conditions.

Mr. Poon serves as the independent non-executive director of more than seven listed companies. The Company considers that Mr. Poon has been and will continue to fulfill his duties and obligations diligently as an Independent non-executive Director of our Company. Independent non-executive Director is not required to take executive role in the management and operations of our Group but to supervise the management of our Group and to attend board meetings and special committee meetings (either physically or by other means of communications) as and when required. The Company usually convenes a Board meeting prior to a major transaction for the purposes of discussion and communication, enabling the independent non-executive Directors to fully understand the Company's business and the transaction in order to perform their responsibilities of providing advice and recommendations to the Board. Mr. Poon's adequate record of attendance in the Company's board meetings upon his first joined our Company and his provision of recommendation and advice on issues in relation to compliance and management, corporate governance and transactions from time to time fully demonstrate his proactive discharges his duties.

Mr. Poon possesses good academic and professional qualifications, diverse experiences and knowledge across a wide range of industries together with a broad understanding of culture in China. He has been able to bring about critical and complementary insights on operating strategies, corporate governance and capital market to the Board. Moreover, he has continuously participated in professional follow-up training to enhance his professional knowledge, which is conducive to contributing new perspectives and independent judgments to the Board, facilitating effective board decisions. The Company and all of the Directors are of the view, and as confirmed by Mr. Poon, that he will be able to devote sufficient time to discharge his duties as an independent non-executive Director of the Company.

Mr. Poon has also demonstrated that he understands his duties and obligations as required by the relevant laws and regulations, including the Listing Rules, while in the course of discharging his duties and obligation, Mr. Poon, same as other Directors, is fully

supported by our company secretary and the legal team. We really appreciate that Mr. Poon has offered himself for re-election as an independent non-executive Director of the Company.

As at the Latest Practicable Date, Mr. Poon is deemed to be interested in 1,000,000 Shares which may be issued to him upon exercise of share options granted to him on 15 December 2017 pursuant to the share option scheme. Mr. Poon is also interested in 200,000 Shares pursuant to Part XV of the SFO.

Others

Save as disclosed, there is no other information relating to the above Directors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

Article 85 of the Articles of Association provides that:

“No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

For the purpose of the Articles of Association:

- (i) “head office” means such office of the Company as the Directors may from time to time determine to be the principal office of the Company;
- (ii) “Member” means a duly registered holder from time to time of the shares in the capital of the Company;
- (iii) “Notice” means written notice unless otherwise specifically stated and as further defined in the Articles of Association; and
- (iv) “Registration Office” means, in respect of any class of share capital, such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.

Accordingly, if any Shareholder wishes to nominate a person to stand for election as a Director, the following documents must be lodged at the Company's head office in Hong Kong, namely (i) his/her notice of intention to propose a resolution at the general meeting; (ii) a notice signed by the nominated candidate of the candidate's willingness to be appointed; (iii) that candidate's information as required to be disclosed under Rule 13.51(2) of the Listing Rules and such other information, as set out in the below heading "Required information of the candidate(s) nominated by Shareholders"; (iv) the candidate's written consent to the publication of his/her personal data, no later than seven (7) days before the Annual General Meeting.

Required information of the candidate(s) nominated by Shareholders

In order to enable Shareholders to make an informed decision on their election of Directors, the above described notice of intention to propose a resolution by a Shareholder should be accompanied by the following information of the nominated candidate(s):

- (a) full name and age;
- (b) positions held with the Company and its subsidiaries (if any);
- (c) experience including (i) other directorships held in the past three years in public companies of which the securities are listed on any securities market in Hong Kong and overseas, and (ii) other major appointments and professional qualifications;
- (d) current employment and such other information (which may include business experience and academic qualifications) of which Shareholders should be aware of, pertaining to the ability or integrity of the candidate;
- (e) length or proposed length of service with the Company;
- (f) relationships with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company, or an appropriate negative statement;
- (g) interests in Shares within the meaning of Part XV of the SFO, or an appropriate negative statement;
- (h) a declaration made by the nominated candidate in respect of the information required to be disclosed pursuant to Rule 13.51(2)(h) to (w) of the Listing Rules, or an appropriate negative statement to that effect where there is no information to be disclosed pursuant to any of such requirements nor there are any other matters relating to that nominated candidate's standing for election as a Director that should be brought to Shareholders' attention; and
- (i) contact details.

The Shareholder proposing the candidate will be required to read out aloud the proposed resolution at the general meeting.



**SANY HEAVY EQUIPMENT INTERNATIONAL
HOLDINGS COMPANY LIMITED**

三一重裝國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 631)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Sany Heavy Equipment International Holdings Company Limited (the “**Company**”) will be held at Conference Room 103, R&D Building, Sany Heavy Equipment Industrial Park, No. 25, 16 Kaifa Road, Shenyang Economic and Technological Development Zone, Liaoning Province, the PRC on Tuesday, 25 May 2021 at 11:00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors of the Company (the “**Directors**”) and the auditors of the Company and its subsidiaries for the year ended 31 December 2020;
2. To re-elect Mr. Qi Jian as an executive Director;
3. To re-elect Mr. Xiang Wenbo as a non-executive Director;
4. To re-elect Mr. Poon Chiu Kwok as an independent non-executive Director;
5. To declare a final dividend of HK15 cents per ordinary share for the year ended 31 December 2020;
6. To authorize the board of Directors to fix the Directors’ remuneration;
7. To re-appoint Ernst & Young as auditors of the Company and authorize the board of Directors to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

8. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the share option scheme of the Company approved by the Stock Exchange; or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of ordinary shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory outside Hong Kong).”

9. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued Shares in the capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its Shares at a price determined by the Directors;
- (c) the aggregate nominal amount of Shares of the Company which are authorized to be purchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

10. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolutions nos. 8 and 9 above, the general mandate to the Directors pursuant to resolution no. 8 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 9, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By Order of the Board
Mr. Liang Zaizhong
Chairman

Hong Kong, 20 April 2021

Notes:

- (1) A member entitled to attend and vote at the above meeting may appoint one or, if he holds two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
- (2) Where there are joint holders of any Share, any one of such joint holder may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (3) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. The proxy form will be published on the website of the Stock Exchange.
- (4) The register of members of the Company will be closed from Thursday, 20 May 2021 to Tuesday, 25 May 2021, both days inclusive, during which period no transfer of shares will be registered. The record date for entitlement to attend and vote at the annual general meeting is Tuesday, 25 May 2021. In order to be entitled to attend and vote at the forthcoming annual general meeting of the Company to be held on Tuesday, 25 May 2021, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 18 May 2021.

NOTICE OF ANNUAL GENERAL MEETING

The register of members of the Company will also be closed from Monday, 31 May 2021 to Wednesday, 2 June 2021, both days inclusive, during which period no transfer of shares will be registered. The record date for entitlement to the proposed dividends is Wednesday, 2 June 2021. In order for the shareholders to be entitled to the proposed dividends, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 28 May 2021.

- (5) The completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.
- (6) Shareholders of the Company whose names appear on the Register of Members on Tuesday, 25 May 2021 are entitled to attend and vote at the Annual General Meeting or any adjourned meetings.
- (7) If a Shareholder wishes to propose a person (the “Candidate”) to stand for election as a Director, (i) a notice signed by a Shareholder of the Company (other than him/herself) duly qualified to attend and vote at the Annual General Meeting of his/her intention to propose the Candidate for election; (ii) a notice signed by the Candidate of his/her willingness to be elected; and (iii) that Candidate's information as required to be disclosed under Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and (iv) the Candidate's written consent to the publication of his/her personal data, must be lodged at the head office of the Company with minimum notice(s) period of at least seven days, and that the period of lodgment of such notice(s) shall commence on the day after the date of the dispatch of this AGM Notice and end no later than seven days prior to Tuesday, 25 May 2021.

As at the date of this notice, the executive Directors are Mr. Liang Zaizhong, Mr. Qi Jian and Mr. Fu Weizhong, the non-executive Directors are Mr. Tang Xiuguo and Mr. Xiang Wenbo, and the independent non-executive Directors are Mr. Ng Yuk Keung, Mr. Poon Chiu Kwok and Mr. Hu Jiquan.