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中國高速傳動設備集團有限公司*
China High Speed Transmission Equipment Group Co., Ltd.

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 658)

**NOTICE OF OCCURRENCE OF A RELEVANT EVENT IN RELATION
TO CNY 650,000,000 8.30 PER CENT. GUARANTEED BONDS DUE 2017
(Bond Stock Code: 85702)**

Reference is made to (i) the announcements of China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”) dated 13 November 2014 and 19 November 2014 in relation to the issue of the CNY650,000,000 8.30 per cent. guaranteed bonds due 2017, with Common Code of 113828064 and International Securities Identification Number of XS1138280646 (the “**Bonds**”), (ii) the joint announcement made by the Company and Fullshare Holdings Limited (“**Fullshare**”) dated 19 September 2016 in relation to the voluntary conditional share exchange offer to acquire all of the issued shares in the share capital of the Company by Five Seasons XVI Limited (“**Five Seasons**”), a direct wholly-owned subsidiary of Fullshare Holdings Limited (the “**Offer**”), (iii) the composite document in relation to the Offer jointly dispatched by the Company and Fullshare on 31 October 2016, (iv) the announcement of the Company dated 31 October 2016 in relation to the potential occurrence of a Relevant Event (as defined hereinafter) in relation to the Bonds, and (v) the joint announcement made by the Company and Fullshare dated 21 November 2016 in relation to the Offer becoming unconditional (the “**Unconditional Announcement**”)

Capitalised terms not otherwise defined herein shall have the meaning given to them in the terms and conditions of the Bonds (the “**Conditions**”).

As disclosed in the Unconditional Announcement, the Offer has been made unconditional on 21 November 2016, as such, Five Seasons, Fullshare and parties acting in concert with any of them would hold more than 50% of the issued share capital of the Company, and Fortune Apex Limited would cease to have any shareholding in the Company. The consideration in relation to those valid acceptances of the Offer mentioned in the Unconditioned Announcement, including those given by Fortune Apex Limited, which is more than 50% of the voting rights of the Company, has been settled on 29 November 2016 (the “**Consideration Settlement Date**”).

Pursuant to clause 6 of the Conditions, a “**Relevant Event**” occurs if there is a “Change of Control” of the Company and “Control” is defined as, inter alia, the acquisition or control of more than 50 per cent. of the voting rights of the issued share capital of the Company or the right to appoint or remove the majority of the members of the board of directors of the Company.

Notice is being given by the Company to the holders of the Bonds (the “**Bondholder(s)**”) that a Relevant Event occurred on the Consideration Settlement Date.

Pursuant to clause 6(c) of the Conditions, following the occurrence of a Relevant Event, a Bondholder will have the right, at such Bondholder’s option, to require the Company to redeem all, but not some only, of such Bondholder’s Bonds on the Put Settlement Date (as defined hereinafter) at 101 per cent. of their principal amount together with accrued interest to the Put Settlement Date (as defined hereinafter). Upon redemption of any of the Bonds, such redeemed Bonds will be cancelled. Bonds which are not tendered for redemption will remain outstanding and listed on the Stock Exchange of Hong Kong Limited.

To exercise such right, the Bondholder must deposit at the specified office of Deutsche Bank AG, Hong Kong Branch, the Principal Paying Agent, a duly completed and signed notice of redemption (the “**Put Exercise Notice**”), in the form for the time being current, obtainable from the office of the Principal Paying Agent, at Level 52, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, together with the certificate evidencing the Bonds to be redeemed, by not later than 30 days following the occurrence of the Relevant Event (i.e., on or before 29 December 2016).

The “**Put Settlement Date**” shall be the fourteenth day after the expiry of such period of 30 days as referred to above (i.e. 12 January 2017).

A Put Exercise Notice, once delivered, shall be irrevocable and the Company shall redeem the Bonds, which are the subject of the Put Exercise Notices delivered, on the Put Settlement Date.

As at the date of this announcement, the aggregate outstanding principal amount of the Bonds is CNY264,630,000.

Payment to the Bondholders of the principal amount together with accrued interest on the Bonds to be redeemed will be effected through the clearing system operated by Euroclear Bank S.A./N.V. (“**Euroclear**”), and Clearstream Banking, *société anonyme*, Luxembourg (“**Clearstream**”) and their respective participants in accordance with the rules and procedures of Euroclear or Clearstream (as the case may be) and their respective participants.

Bondholders who are in any doubt as to the action to be taken should consult their stockbroker, bank manager, solicitor, professional accountant or other professional adviser. Bondholders who do not hold accounts directly with the Euroclear or Clearstream should inform their bank, securities broker or other intermediary so as to ensure that electronic instructions are transmitted. In addition, Bondholders who give notice exercising the right of redemption must take appropriate steps to block Bonds to be redeemed in the Euroclear or Clearstream so that no transfers may be effected in relation to such Bonds at any time after the delivery of such notice.

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

Hong Kong, 29 November 2016

As at the date of this announcement, the executive directors of the Company are Mr. Hu Yueming, Mr. Chen Yongdao, Mr. Gou Jianhui, Mr. Wang Zhengbing, Mr. Zhou Zhijin and Mr. Hu Jichun; and the independent non-executive directors of the Company are Mr. Jiang Xihe, Mr. Zhu Junsheng, Mr. Chen Shimin and Ms. Jiang Jianhua.