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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)**

## **RESTORATION OF PUBLIC FLOAT UNDER THE LISTING RULES**

References are made to (i) the composite document dated 31 October 2016 jointly issued by Five Seasons XVI Limited (the “**Offeror**”), Fullshare Holdings Limited (“**Fullshare**”) and China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”) (the “**Composite Document**”); (ii) the supplemental document dated 18 November 2016 jointly issued by the Offeror, Fullshare and the Company (the “**Supplemental Document**”); and (iii) the announcement (the “**Joint Announcement**”) jointly issued by Offeror, Fullshare and the Company dated 5 December 2016 in relation to, among other things, close of the voluntary conditional share exchange offer by BaoQiao Partners Capital Limited for and on behalf of the Offeror to acquire all of the issued shares of the Company (other than those already owned by the Offeror and parties acting in concert with the Offeror) (the “**Offer**”). Capitalised terms not otherwise defined in this announcement shall have the meaning as defined in the Composite Document, the Supplemental Document and the Joint Announcement.

### **BACKGROUND**

As disclosed in the Joint Announcement, immediately following the close of the Offer, the Company could not satisfy the minimum public float requirement as set out under Rule 8.08(1)(a) of the Listing Rules. An application has been made to the Stock Exchange for a waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for the period from 5 December 2016 to 26 December 2016 (the “**Waiver**”). On 7 December 2016, the Stock Exchange has granted the Waiver to the Company.

### **DISPOSAL OF SHARES**

The Company has been informed by Glorious Time that in order to assist the Company to restore its public float in compliance with the relevant requirement under the Listing Rules, Glorious Time has, as at 16 December 2016, completed the disposal of an aggregate of 130,672,000 shares of the Company (“**Shares**”) (the “**Disposal**”), representing approximately 7.99% of the total issued share capital of the Company as at the date of this announcement, to independent third parties (the “**Independent Third Parties**”). Following the completion of the Disposal, Glorious Time continues to hold 17,890,000 Shares.

\* For identification purpose only

To the best of the knowledge of the Company and based on the information provided by the Offeror, the Independent Third Parties are independent of and not connected with the Company and its connected person(s) (as defined in the Listing Rules) and therefore the Shares held by them should be counted towards the public float of the Company.

## RESTORATION OF PUBLIC FLOAT UNDER THE LISTING RULES

Immediately upon completion of the Disposal, 408,823,863 Shares, representing approximately 25.0001% of the total issued share capital of the Company as at the date of this announcement, are held by the public. Accordingly, the minimum public float of the Company of 25% of the total issued share capital of the Company as required under Rule 8.08(1)(a) of the Listing Rules has been restored.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structures of the Company (i) immediately after the close of the Offer; and (ii) immediately upon completion of the Disposal and as at the date of this announcement.

	Immediately after the close of the Offer		Immediately upon completion of the Disposal and as at the date of this announcement	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Glorious Time	148,562,000	9.08	17,890,000	1.09
The Offeror	1,208,577,693	73.91	1,208,577,693	73.91
Public shareholders of the Company	278,151,863	17.01	408,823,863	25.00
Total	<u>1,635,291,556</u>	<u>100.00</u>	<u>1,635,291,556</u>	<u>100.00</u>

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

Hong Kong, 16 December 2016

*As at the date of this announcement, the executive directors of the Company are Mr. Chen Yongdao, Mr. Gou Jianhui, Mr. Wang Zhengbing, Mr. Zhou Zhijin, Mr. Hu Jichun and Ms. Zheng Qing; the non-executive directors of the Company are Mr. Hu Yueming and Mr. Yuen Chi Ping; and the independent non-executive directors of the Company are Dr. Chan Yau Ching, Bob, Ms. Jiang Jianhua, Mr. Jiang Xihe and Mr. Nathan Yu Li.*