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Fullshare Holdings Limited

豐盛控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00607)



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)

**JOINT ANNOUNCEMENT
PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE
RESUMPTION OF TRADING**

This joint announcement is made pursuant to Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”) by the respective board of directors of Fullshare Holdings Limited (“**Fullshare**”) and China High Speed Transmission Equipment Group Co., Ltd. (“**CHS**”).

References are made to the joint announcements issued by Fullshare and CHS dated (i) 18 January 2018 and 14 February 2018 in relation to, among other things, the Proposed Offer and the Possible Disposal; (ii) 15 March 2018 in relation to, among other things, the possible change of transaction structure from a possible conditional voluntary partial cash offer for the issued shares of CHS to a possible sale and purchase of Five Seasons’ direct shareholding interests in CHS that would represent more than 50% but not exceeding 73.91% of the issued shares of CHS (the “**Possible Transaction**”). If the Possible Transaction materialises and is completed, it will result in a change in control of CHS and a mandatory general offer, in cash, for the issued shares of CHS to be made under Rule 26.1 of the Takeovers Code by the Potential Offeror (the “**Possible Mandatory Offer**”); and (iii) 16 April 2018 in relation to the Possible Transaction and the Possible Mandatory Offer (collectively, the “**Joint Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Joint Announcements unless specified otherwise.

* For identification purpose only

EARNEST MONEY AGREEMENT AND SUPPLEMENTAL MOU

Fullshare and CHS wish to update their respective shareholders and potential investors that since the publication of the Joint Announcements, as informed by Five Seasons, on 24 April 2018, Fullshare, Five Seasons and the Potential Offeror entered into an earnest money agreement (the “**Earnest Money Agreement**”), and Mr. Ji and the Potential Offeror entered into a supplemental agreement in relation to the original MOU (the “**Supplemental MOU**”). Pursuant to the Earnest Money Agreement, the Potential Offeror shall provide an amount in cash or cash equivalents of RMB One billion (the “**Earnest Money**”) to Fullshare (or its subsidiaries) as refundable earnest money within 30 days from the date of the Earnest Money Agreement. If and upon the earlier of: (i) the parties agreeing in writing not to proceed with the Possible Transaction; or (ii) the parties have not entered into any definitive sale and purchase agreement (the “**Definitive Agreement**”) on or before 30 September 2018, then Fullshare shall refund and return in full the Earnest Money (together with any income accrued thereon) to the Potential Offeror within 15 business days. On the other hand, if the parties enter into the Definitive Agreement, then the Earnest Money shall be dealt with in accordance with the terms of the Definitive Agreement.

The Earnest Money Agreement and the Supplemental MOU have extended the term of the original MOUs to the earliest of the following: (i) 30 September 2018; (ii) the date on which the announcement on the Possible Transaction is made pursuant to Rule 3.5 of the Takeovers Code; or (iii) the date on which the Potential Offeror terminates the Possible Transaction by notice in writing to Fullshare and Five Seasons or, as the case may be, Mr. Ji. The respective obligations of Five Seasons and Mr. Ji under the original MOUs (including the exclusivity undertaking thereunder) will be extended accordingly. Save for the above, the terms under the original MOUs remain unchanged.

Fullshare and CHS also wish to remind their respective shareholders and potential investors that since the publication of the Joint Announcements, whilst the discussions between Five Seasons and the Potential Offeror are still on-going, no commitment or any formal or legally binding agreement has been reached or entered into in respect of the material terms and conditions of the Possible Transaction at the date of this joint announcement.

In accordance with Rule 3.7 of the Takeovers Code, monthly announcements regarding the progress of the discussions will be made by Fullshare and CHS until announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with the Possible Transaction is made. Further announcement(s) will be made by Fullshare and CHS as and when appropriate in accordance with the relevant requirements of the Listing Rules and the Takeovers Code (as the case may be).

If the Possible Transaction materialises and is completed, it will lead to a change in control of CHS and the Possible Mandatory Offer to be made under Rule 26.1 of the Takeovers Code. As at the date of this joint announcement, no commitment or any formal or legally binding agreement has been reached or entered into in respect of the material terms and conditions of the Possible Transaction and there is no assurance that the Possible Transaction will materialise or eventually be consummated. Shareholders and potential investors of Fullshare and CHS are advised to exercise caution when dealing in the shares or other securities of Fullshare or CHS, and if they are in doubt about their positions, they should consult their professional adviser(s).

RESUMPTION OF TRADING OF FULLSHARE AND CHS

At the request of Fullshare and CHS respectively, trading in the shares of Fullshare (stock code: 607) and the shares of CHS (stock code: 658) had respectively been halted with effect from 9:00 a.m. on 25 April 2018 pending the release of this joint announcement. Each of Fullshare and CHS has applied for resumption of trading in the shares of Fullshare and the shares of CHS on the Stock Exchange with effect from 9:00 a.m. on 26 April 2018 following the publication of this joint announcement.

By Order of the Board
Fullshare Holdings Limited
JI CHANGQUN
Chairman

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

Hong Kong, 25 April 2018

As at the date of this joint announcement, the executive directors of Fullshare are Mr. Ji Changqun, Mr. Shi Zhiqiang, and Mr. Wang Bo; and the independent non-executive directors of Fullshare are Mr. Lau Chi Keung, Mr. Chow Siu Lui and Mr. Tsang Sai Chung.

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

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

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