

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.

The information set out below in this joint announcement is provided for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares in Fullshare Holdings Limited or China High Speed Transmission Equipment Group Co., Ltd.



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 8.1 OF THE TAKEOVERS CODE AND THE INSIDE INFORMATION PROVISIONS UNDER THE SFO

This joint announcement is made by the respective board of directors of Fullshare Holdings Limited (“**Fullshare**”) and China High Speed Transmission Equipment Group Co., Ltd. (“**CHS**”), pursuant to Rule 8.1 of the Takeovers Code and the Inside Information Provisions under Part XIVA of the SFO.

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 change of transaction structure from a possible conditional voluntary partial cash offer for the issued shares of CHS to the Possible Transaction and the Possible Mandatory Offer; (iii) 16 April 2018, 25 May 2018, 25 June 2018, 2 August 2018 and 3 September 2018 in relation to the monthly update of the Possible Transaction or the Possible Sale and Purchase (as the case may be) and the Possible Mandatory Offer; (iv) 25 April 2018 and 28 September 2018 in relation to, among other things, the Earnest Money Agreement, the First Supplemental MOU, the Supplemental Earnest Money Agreement and the Second Supplemental MOU; (v) 30 June 2018 in relation to the Framework Agreement, the Possible Sale and Purchase, the Possible CHS Disposal and the publication of the Preliminary Restructuring Report by the Potential Offeror; and (vi) 9 October 2018 in relation to the publication of the A-share announcement by the Potential Offeror (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

Fullshare and CHS were informed by the Potential Offeror that the following two announcements have been published (collectively, the “**October 2018 A-share Announcements**”): (i) an announcement published by 新光控股集團有限公司 (Neoglory Holdings Group Co. Ltd.*) (“**Neoglory Holdings**”), the controlling shareholder of the Potential Offeror holding approximately 62.0455% equity interest in the Potential Offeror as at 23 October 2018, on the Shanghai Stock Exchange on 22 October 2018 in relation to the default in the repayment of the bond (122492.SH) issued by Neoglory Holdings in the total principal amount of RMB2 billion together with the accrued interest thereon; and (ii) an announcement published by the Potential Offeror on the Shenzhen Stock Exchange on 23 October 2018 in relation to, among others, the judicial freezing (司法凍結) for the period commencing from October 2018 until October 2021 and another freezing waiting in sequence (輪候凍結) for a period of 36 months commencing from 15 October 2018 by the courts of the PRC, in each case, involving 1,134,239,907 and 126,026,655 shares with limited trading conditions of the Potential Offeror (collectively, the “**Potential Offeror’s Frozen Shares**”), representing approximately 62.0455% and 6.8939% of the total issued share capital of the Potential Offeror respectively as at 23 October 2018, which are held by Neoglory Holdings and Mr. Yu Yunxin (虞雲新), respectively. Neoglory Holdings is ultimately and beneficially owned by Mr. Yu Yunxin (虞雲新) and his spouse Ms. Zhou Xiaoguang (周曉光).

Fullshare and CHS would like to draw the attention of their respective shareholders and potential investors that, as mentioned in the October 2018 A-share Announcements, among other things, (i) Neoglory Holdings has been proactively liaising with the (bonds) investors and will try its best to raise funds to fulfill its obligations under the bonds; and (ii) there is a risk of change in control of the Potential Offeror if the Potential Offeror’s Frozen Shares have been legally disposed of by the order of the courts in the PRC. The full version of the October 2018 A-share Announcements (in simplified Chinese) are available on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn/>) and the website of the Shenzhen Stock Exchange (<http://www.szse.cn/>), respectively.

Fullshare and CHS wish to update their respective shareholders and potential investors that as at the date of this joint announcement, as informed by the Potential Offeror and Five Seasons, (i) the discussions between Five Seasons and the Potential Offeror are still on-going; and (ii) save for the MOUs, the First Supplemental MOU, the Second Supplemental MOU, the Earnest Money Agreement, the Supplemental Earnest Money Agreement and the Framework Agreement (collectively the “**Agreements**”) (each contains certain legally binding provisions as disclosed in the Joint Announcements and the term of the Agreements having been extended to 31 October 2018), 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 Sale and Purchase.

MONTHLY ANNOUNCEMENTS

Further announcement(s) setting out the progress of the Possible Sale and Purchase and the Possible Mandatory Offer will be made by Fullshare and CHS as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be) and in any event on a monthly basis until announcement of firm intention to make the offers under Rule 3.5 of the Takeovers Code or of a decision not to proceed with the offers is made.

CAUTION

There is no assurance that the Possible Sale and Purchase will materialize. If the completion of the Possible Sale and Purchase takes place, the Potential Offeror will make a mandatory offer pursuant to Rule 26.1 of Takeovers Code for the securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CHS. Even if the Definitive Agreement is entered into among Fullshare, Five Seasons and the Potential Offeror, but if the conditions set out therein cannot be satisfied, the Definitive Agreement may or may not be consummated. As at the date of this joint announcement, there is no assurance that there will be a general offer under Rule 26.1 of Takeovers Code for the securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CHS.

Shareholders and potential investors of Fullshare and CHS should exercise caution when dealing in the securities of Fullshare or CHS, and if they are in doubt about their positions, they should consult their professional adviser(s).

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, 23 October 2018

As at the date of this joint announcement, the executive directors of Fullshare are Mr. Ji Changqun, Mr. Wang Bo and Ms. Du Wei; 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.