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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)

VOLUNTARY ANNOUNCEMENT

CNY 650,000,000 8.30 PER CENT. GUARANTEED BONDS DUE 2017
(Bond Stock Code: 85702)

**SETTLEMENT OF THE REDEMPTION OF THE BONDS AS A
RESULT OF THE OCCURRENCE OF A RELEVANT EVENT**

Reference is made to (i) the announcements of China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) 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 (the “**Bonds**”), (ii) the announcements of the Company dated 12 November 2015, 29 November 2015 and 8 December 2015 in relation to an offer (the “**Tender Offer**”) made by the Company to repurchase the Bonds, and (iii) the announcements of the Company dated 31

October 2016 and 29 November 2016 in relation to the occurrence of a Relevant Event in relation to the Bonds (the “**Announcements**”). Capitalised terms not otherwise defined herein shall have the meaning given to them in the Announcements.

The board of directors (the “**Board**”) of the Company hereby announces that:

- (a) following the occurrence of a Relevant Event in relation to the Bonds and pursuant to the Conditions, the Company has received valid Put Exercise Notices from those Bondholders holding such Bonds in the aggregate principal amount of CNY151,590,000 (the “**Redeemed Bonds**”). Settlement of the Redeemed Bonds (the “**Redemption**”) was completed on 12 January 2017 (i.e., the **Put Settlement Date**);
- (b) the aggregate amount of consideration paid by the Company in relation to the Redemption was CNY154,898,451.75;
- (c) the Redeemed Bonds were cancelled by the Company on the Put Settlement Date; and
- (d) as disclosed in the announcement made by the Company dated 8 December 2015 and pursuant to the Tender Offer, the Company accepted and repurchased validly tendered Bonds in the aggregate principal amount of CNY322,370,000, which was settled on the same day. Subsequent to the cancellation of the Redeemed Bonds on the Put Settlement Date, the principal amount of Bonds remains outstanding is CNY113,040,000, and such outstanding Bonds remain listed on the Stock Exchange of Hong Kong Limited.

The total consideration payable by the Company for the Redemption was funded by the internal resources of the Company. The Board considers that there will be no material impact on the Group’s financial position as a result of the Redemption.

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

Hong Kong, 13 January 2017

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

** For identification purposes only*