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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 AND RESUMPTION OF TRADING

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; and (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 (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 an announcement (the “**A-share announcement**”) in relation to the responses to the Shenzhen Stock Exchange’s enquiries (the “**Enquiries**”) regarding, among other things, default (the “**Default**”) of payment in a principal amount and accrued interest of approximately RMB2.23 billion for bonds issued by the controlling shareholder of the Potential Offeror has been published on the website of the Shenzhen Stock Exchange on 8 October 2018. Fullshare and CHS would like to draw the attention of their respective shareholders and potential investors that in the A-share announcement, it was mentioned, among other things, that (i) the controlling shareholder of the Potential Offeror has held communication meetings with bondholders, accelerated the sale of assets to raise funds for the repayment of the bonds in default in order to relieve the risk, and kept close communication with investors and institutions (quoted from the A-share announcement as “新光集團……召開債券持有人溝通會議，為解除上述風險，新光集團將加大資產出售步伐……同時，新光集團與投資者及中介機構保持密切溝通……”); (ii) financing arrangement for the restructuring (being the Possible Sale and Purchase and the Possible Mandatory Offer) of the Potential Offeror has been affected by the Default (quoted from the A-share announcement as “公司正在推進的重組事項……由於上述債務違約事項的發生，導致該部分融資業務受到較大影響”); (iii) the Potential Offeror is in active discussions with financiers for alternative financing proposals with a view to eliminating the impacts of the matters raised in the Enquiries (including but not limited to the Default) on the progress of the restructuring (being the Possible Sale and Purchase and the Possible Mandatory Offer) of the Potential Offeror (quoted from the A-share announcement as “公司正在與資金方積極磋商融資途徑調整方案……爭取在期限內消除上述事項對重組進程的影響”); and (iv) if the Potential Offeror fails to eliminate the impacts of matters raised in the Enquiries (including but not limited to the Default) on the progress of the restructuring (being the Possible Sale and Purchase and the Possible Mandatory Offer) of the Potential Offeror before 31 October 2018, there is a risk that the restructuring (being the Possible Sale and Purchase and the Possible Mandatory Offer) of the Potential Offeror may be suspended (quoted from the A-share announcement as “誠意金協議和意向書的期限被延長至以下時間中較早發生者：2018年10月31日、關於可能收購符合《收購及合併守則》規則3.5的公告出具之日、或公司書面通知賣方或季昌群先生終止可能收購之日……若公司無法在期限內消除上述事項對重組進程的影響，公司重組事項有可能被中止的風險”). The full version of the A-share announcement (in simplified Chinese) is available on the website of the Shenzhen Stock Exchange (<http://www.szse.cn/>).

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.

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 9 October 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 of Hong Kong Limited with effect from 9:00 a.m. on 10 October 2018 following the publication of this joint announcement.

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, 9 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.