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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)**

## **COMPLETION OF THE PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



**BRIDGE PARTNERS**

**BRIDGE PARTNERS CAPITAL LIMITED**

Reference is made to the announcements of the China High Speed Transmission Equipment Group Co., Ltd. (the “**Company**”) dated 6 December 2013 and 9 December 2013 in relation to, among other things, the placing of new shares under a general mandate (the “**Announcements**”). Unless otherwise specified, terms used herein shall have the same meanings as defined in the Announcements.

The Board is pleased to announce that the conditions under the Placing Agreement were fulfilled and that the Placing has been completed on 19 December 2013 pursuant to the terms of the Placing Agreement. A total of 272,548,000 new Shares have been placed at the Placing Price of HK\$3.98 to not less than six independent placees (the “**Placees**”). To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Placees and, if applicable, their ultimate beneficial owners are Independent Third Parties.

### **USE OF PROCEEDS**

The gross proceeds from the Placing are HK\$1,084,741,040. The net proceeds, after deducting the placing commission and other related expenses, are estimated to be approximately HK\$1,081,741,040. The net price per Placing Share will be approximately HK\$3.97. The Company intends to apply the net proceeds from the Placing for general working capital purposes.

## CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

So far as the Directors are aware, the shareholding structure of the Company immediately before and after the completion of the Placing is summarised as follows:

Shareholder	Immediately before completion of the Placing		Immediately after completion of the Placing	
	Number of Shares	Approximate shareholding percentage (%)	Number of Shares	Approximate shareholding percentage (%)
Fortune Apex Limited (Note 1)	348,073,024	25.54	348,073,024	21.29
Glorious Time Holdings Limited (Note 2)	0	0.00	255,962,000	15.65
The Capital Group Companies, Inc. (Note 3)	123,038,730	9.03	123,038,730	7.52
Zhang Yunlong	80,715,000	5.92	80,715,000	4.94
Other Placees	0	0.00	16,586,000	1.01
Other shareholders	<u>810,916,802</u>	<u>59.51</u>	<u>810,916,802</u>	<u>49.59</u>
Total	<u>1,362,743,556</u>	<u>100.00</u>	<u>1,635,291,556</u>	<u>100.00</u>

*Note:*

- (1) Fortune Apex Limited owns 348,073,024 Shares. Messrs. Hu Yueming, Liu Jianguo, Lu Xun, Chen Yongdao, Li Cunzhang, Li Shengqiang, Liao Enrong, Jin Maoji, Yao Jingsheng, Chen Zhenxing, Zhang Xueyong, Xu Yong, Wang Zhengrong and Chen Liguang (collectively, the “**Management Shareholders**”) together own 100% interest in the issued share capital of Fortune Apex Limited. However, none of them singly controls more than one-third of the voting power at general meetings of Fortune Apex Limited and neither Fortune Apex Limited nor its directors are accustomed or obliged to act in accordance with directions or instructions of any single member of the Management Shareholders.
- (2) Glorious Time Holdings Limited, a company incorporated in the British Virgin Islands, whose ultimate beneficial owner is Mr. Ji Chang Qun.

- (3) The Capital Group Companies Inc. held 9.03% interest of the Company through several controlled corporations, including Capital Group International, Inc., Capital Guardian Trust Company, Capital International, Inc., Capital International Limited and Capital International Sarl.
- (4) The above shareholding table is based on the Disclosure of Interests section filed with and disclosed on the website of the Stock Exchange as at the date of this announcement.

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

19 December 2013

*As at the date of this announcement, the board of directors of the Company comprises seven executive directors, namely Mr. Hu Yueming, Mr. Chen Yongdao, Mr. Lu Xun, Mr. Li Shengqiang, Mr. Liu Jianguo, Mr. Liao Enrong and Mr. Jin Maoji, and four independent non-executive directors, namely Mr. Jiang Xihe, Mr. Zhu Junsheng, Mr. Chen Shimin, and Ms. Jiang Jianhua.*