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Xinyi Glass Holdings Limited
信義玻璃控股有限公司
*(Incorporated in the Cayman
Islands with limited liability)*
(Stock code: 00868)



Xinyi Solar Holdings Limited
信義光能控股有限公司
*(Incorporated in the Cayman
Islands with limited liability)*
(Stock code: 00968)

JOINT ANNOUNCEMENT

REVISED CAP AMOUNT (GLASS PRODUCTS) FOR PURCHASE OF GLASS PRODUCTS

The Xinyi Glass Board and the Xinyi Solar Board refer to the joint announcement (the “**Previous Announcement**”) dated 19 December 2019. Unless the context requires otherwise, the capitalised terms used in this joint announcement shall have the same meanings as used in the Previous Announcement. The purpose of this joint announcement is provide updated information on the amount of purchase under the Glass Supply Framework Agreement for the year ending 31 December 2020 which is expected to exceed more than the existing annual cap amount (the “**Existing Cap Amount (Glass Products)**”) of RMB80.6 million (equivalent to HK\$89.7 million) as well as the implications thereof under the Listing Rules.

REVISED CAP AMOUNT UNDER THE GLASS SUPPLY FRAMEWORK AGREEMENT

As the business of Xinyi Solar continues to grow and the significant increases in the market prices of float glass products in the PRC, the actual amount of purchase of the Glass Products under the Glass Supply Framework Agreement for the year ending 31 December 2020 is expected to exceed the Existing Cap Amount (Glass Products). Hence, Xinyi Glass (Hong Kong) and Xinyi Solar have agreed to adjust upward the Existing Cap Amount (Glass Products) as follows:

**For the year ending
31 December 2020**

Expected amount of purchase of the Glass Products under the Glass Supply Framework Agreement (the “ Revised Cap Amount (Glass Products) ”)	RMB152.1 million (equivalent to HK\$169.9 million)
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BASIS OF DETERMINATION OF THE REVISED CAP AMOUNT (GLASS PRODUCTS)

The Revised Cap Amount (Glass Products) is determined by Xinyi Glass (Hong Kong) (for and on behalf of itself and its subsidiaries) and Xinyi Solar (for and on behalf of Xinyi Solar Group) on an arm's length basis with reference to the current market prices and the expected purchase volume of the Glass Products by Xinyi Solar during the year ending 31 December 2020.

XINYI GLASS DIRECTORS' AND XINYI SOLAR DIRECTORS' VIEW ON THE REVISED CAP AMOUNT (GLASS PRODUCTS)

As disclosed in the Previous Announcement, the Xinyi Glass Directors (including the independent non-executive Xinyi Glass Directors) consider that the transactions contemplated under the Glass Supply Framework Agreement have been entered into (a) in the ordinary and usual course of the business of the Xinyi Glass Group and (b) on normal commercial terms and the terms of the Glass Supply Framework Agreement and the Revised Cap Amount (Glass Products) are fair and reasonable and in the interest of Xinyi Glass and its shareholders as a whole. As each of the following Xinyi Glass Directors, namely Dr. LEE Yin Yee, B.B.S. (Chairman of the Xinyi Glass Board), Mr. TUNG Ching Bor, Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, Mr. LI Ching Wai, Mr. LI Ching Leung, Mr. SZE Nang Sze and Mr. NG Ngan Ho, has interests in the share capital of Xinyi Solar, each of them has abstained from voting on the resolutions approving the Revised Cap Amount (Glass Products).

As disclosed in the Previous Announcement, the Xinyi Solar Directors (including the independent non-executive Xinyi Solar Directors) consider that the transactions contemplated under the Glass Supply Framework Agreement have been entered into (a) in the ordinary and usual course of the business of the Xinyi Solar Group and (b) on normal commercial terms and the terms of the Glass Supply Framework Agreement and the Revised Cap Amount (Glass Products) are fair and reasonable and in the interest of Xinyi Solar and its shareholders as a whole. As each of the following Xinyi Solar Directors, namely Dr. Lee Yin Yee, B.B.S. (Chairman of the Xinyi Solar Board), Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, and Mr. LI Man Yin, has interests in the share capital of Xinyi Glass, each of them has abstained from voting on the resolutions approving the Revised Cap Amount (Glass Products).

IMPLICATIONS UNDER THE LISTING RULES

As of the date of this joint announcement, the Controlling Shareholders and their respective associates are interested in 26.9% of the share capital of Xinyi Solar. Xinyi Glass is interested in 23.7% of the share capital of Xinyi Solar. Xinyi Solar

is not a subsidiary of Xinyi Glass but a connected person of Xinyi Glass. The Controlling Shareholders and their respective associates are interested in 59.4% of the share capital of Xinyi Glass. Since Xinyi Glass is a substantial shareholder of Xinyi Solar, Xinyi Glass and its subsidiaries are connected persons of Xinyi Solar.

There are no changes to the terms and conditions of the Purchase Agreements as well as the annual cap for the purchase of the Production Equipment and Auxiliary Facilities. The applicable percentage ratios (other than the profits ratio which is not applicable) calculated with reference to (i) Revised Cap Amount (Glass Products) on a stand-alone basis and (ii) the Cap Amount (Equipment) and Revised Cap Amount (Glass Products) on an aggregated basis are greater than 0.1% but less than 5%, the continuing connected transactions under the Purchase Agreements are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and shareholders' approval requirements, under Chapter 14A of the Listing Rules.

By order of the board of directors of
Xinyi Glass Holdings Limited
Dr. LEE Yin Yee, B.B.S.
Chairman

By order of the board of directors of
Xinyi Solar Holdings Limited
LEE Yau Ching
*Executive Director and
Chief Executive Officer*

Hong Kong, 24 December 2020

Unless the context requires otherwise, the translation of RMB into HK\$ in this joint announcement is based on the rate of RMB0.8952 = HK\$1.0. No representation is made that any amount in RMB and HK\$ can be or could have been converted at the relevant dates at these rates or any other rates at all.

As of the date of this joint announcement, the Xinyi Glass Board comprises four executive directors, namely Dr. LEE Yin Yee, B.B.S. (Chairman of the Xinyi Glass Board), Mr. TUNG Ching Bor, Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. and Mr. LEE Shing Kan, four non-executive directors, namely Mr. LI Ching Wai, Mr. SZE Nang Sze, Mr. NG Ngan Ho and Mr. LI Ching Leung, and five independent non-executive directors, namely Mr. LAM Kwong Siu, G.B.S., Mr. WONG Chat Chor Samuel, Dr. WONG Ying Wai, G.B.S., J.P., Mr. TRAN Chuen Wah, John and Mr. TAM Wai Hung, David.

As of the date of this joint announcement, the Xinyi Solar Board comprises four executive directors, namely Dr. LEE Yin Yee, B.B.S. (Chairman of the Xinyi Solar Board), Mr. LEE Yau Ching, Mr. LI Man Yin, and Mr. CHEN Xi, two non-executive directors, namely Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. and Mr. LEE Shing Put, B.B.S., and three independent non-executive directors, namely Mr. CHENG Kwok Kin, Paul, Mr. LO Wan Sing, Vincent and Mr. KAN E-ting, Martin.

This joint announcement will be published on the websites of the Stock Exchange at www.hkexnews.hk, Xinyi Glass at www.xinyiglass.com.hk and Xinyi Solar at www.xinyisolar.com.