

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this 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 announcement.*



**Xingye Alloy Materials Group Limited**  
**興業合金材料集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 505)**

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

**Placing Agent**



**COMPLETION OF PLACING**

Reference is made to the announcement of the Company dated 16 July 2021 (the “**Announcement**”) in relation to the Placing. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that the condition precedent set out in the Placing Agreement has been fulfilled and the completion of the Placing took place on 29 July 2021.

An aggregate of 85,000,000 Placing Shares, representing approximately 9.45% of the total issued share capital of the Company as at the date of this announcement (as enlarged by the issue and allotment of all the Placing Shares), have been successfully placed at the Placing Price of HK\$0.96 per Placing Share to not less than six Placees who are independent professional, institutional and/or other individual investors.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the Placees and their ultimate beneficial owners (in respect of institutional investors) are Independent Third Parties. None of the Placees has become a substantial shareholder of the Company immediately upon completion of the Placing.

The gross and net proceeds from the Placing are approximately HK\$81,600,000 and HK\$79,968,000 respectively. The Company intends to apply the net proceeds from the Placing to its construction of new workshops on the Land and for its general working capital.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF PLACING

To the best knowledge, information and belief of the Directors, and according to the publicly available information, the following table sets out the shareholding structure of the Company immediately before and after the completion of the Placing:

Shareholders	Immediately before completion of the Placing		Immediately after completion of the Placing	
	<i>Number of shares</i>	<i>Approximate % of shareholding</i>	<i>Number of shares</i>	<i>Approximate % of shareholding</i>
HU Changyuan (Notes 1 and 2)	278,813,000	34.23%	278,813,000	31.00%
Other directors of the Group (Note 2)	23,126,000	2.84%	23,126,000	2.57%
Xie Shicai (Note 3)	187,720,000	23.05%	187,720,000	20.87%
<b>Public Shareholders</b>				
Placees (Note 4)	–	–	85,000,000	9.45%
Other public shareholders	<u>324,899,173</u>	<u>39.89%</u>	<u>324,899,173</u>	<u>36.12%</u>
<b>Total</b>	<b><u>814,558,173</u></b>	<b><u>100%</u></b>	<b><u>899,558,173</u></b>	<b><u>100%</u></b>

Notes:

1. Mr. Hu Changyuan is interested in these 278,813,000 Shares in the following manner:
  - a. 265,200,000 Shares are held by Luckie Strike Limited and Come Fortune International Limited which were wholly owned by Dynamic Empire Holdings Limited. The entire issued share capital of Dynamic Empire Holdings Limited is beneficially owned by the Hu Family Trust which was founded by Mr. Hu Changyuan and the trustee of which was Zedra Trust Company (Singapore) Limited (formerly known as Barclays Wealth Trustees (Singapore) Limited). The custodian of these 239,400,000 Shares was Nomura Singapore Limited, which was indirectly wholly-owned by Nomura Holdings Inc. Mr. Hu Changyuan is deemed to be interested in these Shares by virtue of the SFO;
  - b. 13,213,000 Shares are held by Regency Success Limited, which is 100% controlled by Mr. Hu Changyuan; and
  - c. 400,000 Shares are directly held by Mr. Hu Changyuan.

2. These 23,126,000 Shares are held by directors of the Group (other than Mr. Hu Changyuan whose interest is shown separately in the table above) as to: (i) 3,103,000 Shares by Mr. HU Minglie, an executive Director; (ii) 400,000 Shares by Mr. ZHU Wenjun, an executive Director; (iii) 284,000 Shares by Mr. Chai Chaoming, an independent non-executive Director; (iv) 350,000 Shares by Ms. LU Hong, an independent non-executive Director; (v) 150,000 Shares by Dr. LOU Dong, an independent non-executive Director; and (vi) 18,839,000 Shares by the directors of the subsidiaries of the Group.
3. These 187,720,000 Shares are held as to (a) 164,812,000 Shares by bostone Group Limited, which is in turn owned as to approximately 34.33% and 65.67% by Mr. Xie Shicai and Ms. Ma Jiafeng (the spouse of Mr. Xie Shicai) respectively; and (b) 22,908,000 Shares by Hong Kong Nes International New Energy Limited, which is in turn beneficially owned by Mr. Xie Shicai as to 34.93%.
4. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, as the Placing Shares are placed to not less than six Placees who are Independent Third Parties, and none of the Placees has become a substantial shareholder of the Company upon completion of the Placing, the shareholding held by the Placees is regarded as held by the public.
5. Certain percentage figures included in this table have been subject to rounding adjustments. Figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

By Order of the Board  
**Xingye Alloy Materials Group Limited**  
**HU Minglie**  
*Chief Executive Officer and Executive Director*

Hong Kong, 29 July 2021

*As at the date of this announcement, the executive directors of the Company are Mr. HU Changyuan, Mr. HU Minglie and Mr. ZHU Wenjun; and the independent non-executive directors of the Company are Mr. CHAI Chaoming, Dr. LOU Dong and Ms. LU Hong.*