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XINYI SOLAR HOLDINGS LIMITED
信義光能控股有限公司
*(Incorporated under the laws of
the Cayman Islands with limited liability)*
(Stock code: 00968)



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)

**PLACING AND
TOP-UP SUBSCRIPTION OF
XINYI SOLAR SHARES UNDER
GENERAL MANDATE**

**DISCLOSEABLE TRANSACTIONS IN
RELATION TO PLACING AND
TOP-UP SUBSCRIPTION
OF XINYI SOLAR SHARES**



as Sole Placing Agent

PLACING AND TOP-UP SUBSCRIPTION

On 10 March 2015 (after trading hours), the Vendor, Xinyi Glass, Xinyi Solar and the Sole Placing Agent entered into the Placing Agreement, pursuant to which the Vendor has agreed to appoint the Sole Placing Agent and the Sole Placing Agent has agreed to act as sole agent for the Vendor to procure purchasers to purchase (or failing which, to purchase itself as principal), the Placing Shares at the Placing Price of HK\$2.30 for each Placing Share.

On 10 March 2015 (after trading hours), Xinyi Glass, Xinyi Solar and the Vendor entered into the Top-up Subscription Agreement, pursuant to which, the Vendor has agreed to subscribe for the Top-up Subscription Shares at the Top-up Subscription Price following completion of the Placing. The Top-up Subscription Price is equal to the Placing Price.

The Placing Shares represent (i) 8.22% of the existing number of Xinyi Solar Shares in issue as of the date of this joint announcement and (ii) 7.60% of the enlarged number of Xinyi Solar Shares in issue as enlarged by the allotment and issue of Top-up Subscription Shares. The Top-up Subscription Shares represent (i) 8.22% of the existing number of Xinyi Solar Shares in issue as of the date of this joint announcement and (ii) 7.60% of the enlarged number of Xinyi Solar Shares in issue as enlarged by the allotment and issue of Top-up Subscription Shares.

The Placing is unconditional, and completion of which is expected to be on or before 13 March 2015, being the second Business Day following the date of this joint announcement or such other date as the Vendor and the Sole Placing Agent may agree in writing.

Completion of the Top-up Subscription is conditional upon (a) completion of the Placing having occurred pursuant to the Placing Agreement and (b) the Stock Exchange granting the listing of and permission to deal in the Top-up Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of the definitive share certificate(s) representing the Top-up Subscription Shares).

The gross proceeds and net proceeds from the Top-up Subscription will be HK\$1,150.0 million and HK\$1,135.5 million, respectively, which are intended to be used as capital expenditure of solar farm projects and solar glass production plant in Malaysia and general working capital of Xinyi Solar Group.

The Top-up Subscription Shares will be allotted and issued under the Xinyi Solar General Mandate. An application will be made by Xinyi Solar to the Stock Exchange for the listing of, and permission to deal in the Top-up Subscription Shares on the Stock Exchange.

The Placing Agreement contains provisions granting the Sole Placing Agent the right to terminate the Placing Agreement on the occurrence of certain events. Completion of the Top-up Subscription is subject to fulfillment of the conditions precedent set forth in the Top-up Subscription Agreement.

WARNING: As the Placing Agreement and the Top-up Subscription Agreement may or may not complete, and the Placing Shares and the Top-up Subscription Shares may or may not be allotted and issued or listed, Xinyi Solar Shareholders and potential investors are advised to exercise caution when dealing in the Xinyi Solar Shares.

IMPLICATION UNDER THE LISTING RULES

Xinyi Solar

As the Top-up Subscription Shares are to be allotted and issued by Xinyi Solar pursuant to the Xinyi Solar General Mandate, no additional approval from Xinyi Solar Shareholders will be required for the Placing and the Top-up Subscription.

Xinyi Glass

Pursuant to the Placing Agreement, the Vendor will dispose of 500,000,000 Xinyi Solar Shares, its shareholding percentage in Xinyi Solar will be reduced from 29.255% to 21.031% immediately upon completion of the Placing. Pursuant to the Top-up Subscription Agreement, the Vendor will subscribe for 500,000,000 new Xinyi Solar Shares and following completion of which, its shareholding percentage will be increased from 21.031% to 27.032%.

On the basis that (i) the applicable percentage ratios (as defined under the Listing Rules) in respect of each Placing and Top-up Subscription exceed 5% and are below 25% and (ii) the transactions contemplated under the Placing and the Top-up Subscription, when aggregate with the Previous Placing and Previous Top-up Subscription, respectively, would not result in a higher transaction classification under Chapter 14 of the Listing Rules, each of the Placing and the Top-up Subscription constitutes a discloseable transaction for Xinyi Glass under the Listing Rules, which is subject to the reporting and announcement requirements and exempt from the shareholders' approval requirement under the Listing Rules.

THE PLACING

The Placing Agreement

Date

10 March 2015 (after trading hours)

Parties

- (i) the Vendor
- (ii) Xinyi Glass as the guarantor for the Vendor
- (iii) Xinyi Solar
- (iv) The Hongkong and Shanghai Banking Corporation Limited as the Sole Placing Agent

The Placing

The Sole Placing Agent has agreed to act as sole agent of the Vendor to procure purchasers to purchase (or failing which, to purchase itself as principal), the Placing Shares at the Placing Price to the placees and will receive a placing commission of 1% on the gross proceeds of the Top-up Placing Shares being placed. The placing commission was determined on arm's length basis among Xinyi Solar, the Vendor and the Sole Placing Agent based on current market conditions.

The Sole Placing Agent

To the best of the knowledge, information and belief of each of the directors of Xinyi Glass and Xinyi Solar having made all reasonable enquiries, the Sole Placing Agent and its ultimate beneficial owners are third parties independent of Xinyi Glass, Xinyi Solar and their respective connected persons.

The Placing Shares

The 500,000,000 Placing Shares represent (i) 8.22% of the existing number of Xinyi Solar Shares in issue as of the date of this joint announcement and (ii) 7.60% of the enlarged number of Xinyi Solar Shares in issue as enlarged by the allotment and issue of the Top-up Subscription Shares.

The Placees

The Placing Shares will be placed to at least six placees who will be selected professional, institutional and other professional investors, who and whose ultimate beneficial owners shall be independent of and not connected with Xinyi Solar or its connected persons. In the event that there are any Placing Shares which have not been placed by the Sole Placing Agent, the Sole Placing Agent shall on or before the Closing Date purchase such unplaced Shares at the Placing Price pursuant to the Placing Agreement.

Placing Price

The Placing Price of HK\$2.30 for each Placing Share represents:

- i. a discount of 8.00% to the closing price of HK\$2.50 for each Xinyi Solar Share as quoted on the Stock Exchange on the Last Trading Day;
- ii. a discount of 8.66% to the average closing price of HK\$2.52 for each Xinyi Solar Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- iii. equals to the Top-up Subscription Price.

The Placing Price of HK\$2.30 for each Placing Share was determined on arm's length basis among Xinyi Solar, the Vendor and the Sole Placing Agent based on current market conditions and the prevailing market price of the Xinyi Solar Shares.

Rights of the Placing Shares

The Placing Shares are sold free from any pledge, lien, charge, mortgage, security interest, adverse claim, option, warrant, pre-emptive right, or other encumbrance or third party right whatsoever and rank pari passu in all respects with existing Xinyi Solar Shares and together with all rights attaching thereto as of the date of this joint announcement.

Completion of the Placing

The Placing is unconditional and is expected to be completed on or before 13 March 2015, being the second Business Day following the date of this joint announcement or such other date as the Vendor and the Sole Placing Agent may agree in writing.

Lock up undertaking

The Vendor has undertaken to the Sole Placing Agent that (except for the sale of the Placing Shares pursuant to the Placing Agreement), from the date of the Placing Agreement and for a period of 90 days from the Closing Date, it will not:-

- (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Xinyi Solar Shares or any interests therein beneficially owned or held by it or any securities convertible into or exercisable or exchangeable for or substantially similar to any such Xinyi Solar Shares or interests; or
- (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of Xinyi Solar Shares,

whether any such transaction described in (i) or (ii) above is to be settled by delivery of Xinyi Solar Shares or such other securities, in cash or otherwise; or

- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above,

unless with the prior written consent of the Sole Placing Agent.

No allotment and issue of new Xinyi Solar Shares by Xinyi Solar

Pursuant to the Placing Agreement, Xinyi Solar undertakes to the Sole Placing Agent that from the date of the Placing Agreement and for a period of 90 days from the Closing Date, Xinyi Solar will not, except for the Top-up Subscription Shares and save pursuant to (a) the terms of any employee share option scheme of Xinyi Solar publicly announced by Xinyi Solar or (b) bonus or scrip dividend or similar arrangements which provide for the allotment of Xinyi Solar Shares in lieu of the whole or part of a dividend on Xinyi Solar Shares in accordance with its articles of association:-

- (i) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Share(s) or any interest in Xinyi Solar Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to Xinyi Solar Shares or interest in Xinyi Solar Shares; or
- (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above; or
- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above,

unless with the prior written consent of the Sole Placing Agent.

Termination

The Placing Agreement contains provisions granting the Sole Placing Agent the right to terminate the Placing Agreement on the occurrence of certain events. Completion of the Top-up Subscription is subject to fulfillment of the conditions precedent set forth in the Top-up Subscription Agreement.

The Placing Agreement may be terminated at any time prior to 4:00 p.m. (Hong Kong time) on the Closing Date if:-

- (a) there develops, occurs or comes into force:-
 - (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations in any relevant jurisdiction which in the opinion of the Sole Placing Agent has or is likely to have a material adverse effect on the financial position of Xinyi Solar and/or of the Xinyi Solar Group as a whole; or
 - (ii) any significant change (whether or not permanent) in local, national or international monetary, economic, financial, political or military conditions which in the opinion of the Sole Placing Agent is or would be materially adverse to the success of the Placing; or
 - (iii) any significant change (whether or not permanent) in local, national or international securities market conditions or currency exchange rates or foreign exchange rates or foreign exchange controls which in the sole judgement of the Sole Placing Agent is or would be materially adverse to the success of the Placing; or makes it impracticable or inadvisable or inexpedient to proceed therewith; or
 - (iv) a general moratorium on commercial banking activities in Hong Kong, the United States, the PRC, the United Kingdom, the European Union (or any member thereof) or Singapore declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the United States, the PRC, the European Union (or any member thereof), Singapore or the United Kingdom; or
 - (v) a change or development involving a prospective change in taxation which constitutes a material adverse effect on the Xinyi Solar Group as a whole or the Placing Shares or the transfer thereof; or
 - (vi) any outbreak or escalation of hostilities or act of terrorism or the declaration of a national emergency or war involving Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof) or Singapore; or
 - (vii) any suspension of dealings in the Xinyi Solar Shares for any period whatsoever (other than as a result of the Placing); or
 - (viii) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange, the Singapore Stock Exchange, the London Stock Exchange, the New York Stock Exchange, or the NASDAQ Stock Market due to exceptional financial circumstances or otherwise at any time prior to the Closing Date; or

- (b) any breach of any of the representations, warranties and undertakings by Xinyi Solar, Xinyi Glass and/or the Vendor set forth in the Placing Agreement comes to the knowledge of the Sole Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Closing Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations, warranties and undertakings untrue or incorrect in any material respect and any such breach or failure is material or (in the opinion of the Sole Placing Agent) is or would materially and adversely affect the financial position or business of Xinyi Solar and/or of the Xinyi Solar Group as a whole or is or would be materially adverse to the success of the Placing, or there has been a breach of, or failure to perform, any other provision of this Agreement on the part of any of Xinyi Solar, the Vendor and/or Xinyi Glass;
- (c) any breach of any of the representations, warranties and undertakings by Xinyi Solar and/or the Vendor set forth in the Top-up Subscription Agreement comes to the knowledge of the Sole Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Closing Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations, warranties and undertakings untrue or incorrect in any material respect and any such breach or failure is material or (in the opinion of the Sole Placing Agent) is or would materially and adversely affect the financial position or business of Xinyi Solar and/or of the Xinyi Solar Group as a whole or is or would be materially adverse to the success of the transaction contemplated by the Subscription Agreement, or there has been a breach of, or failure to perform, any other provision of the Subscription Agreement on the part of either Xinyi Solar and/or the Vendor; or
- (d) there is any such adverse change, or development involving a prospective adverse change in the general affairs, condition, results of operations or prospects, management, business, stockholders' equity or in the financial or trading position of Xinyi Solar and/or of the Xinyi Solar Group as a whole which in the opinion of the Sole Placing Agent is adverse to the success of the Placing;

then and in any such case, the Sole Placing Agent may terminate the Placing Agreement without liability to any of Xinyi Solar, the Vendor and/or Xinyi Glass by giving notice in writing to Xinyi Solar, the Vendor and Xinyi Glass, which notice may be given at any time prior to 4:00 p.m. (Hong Kong time) on the Closing Date.

The Sole Placing Agent may at any time by notice in writing to Xinyi Solar, the Vendor and Xinyi Glass to terminate the Placing Agreement if any of the Placing Shares are not delivered by or on behalf of the Vendor in accordance with the Placing Agreement.

The respective directors of Xinyi Glass and Xinyi Solar are not aware of the occurrence of any such events as of the date of this joint announcement.

THE TOP-UP SUBSCRIPTION

The Top-up Subscription Agreement

Date

10 March 2015 (after trading hours)

Parties

- (i) Xinyi Solar as the issuer. To the best of the knowledge, information and belief of each of the directors of Xinyi Glass, other than the common directorship and common shareholders in Xinyi Glass and Xinyi Solar, Xinyi Solar and its ultimate beneficial owner are third parties independent of Xinyi Glass and its connected persons.
- (ii) the Vendor as the subscriber
- (iii) Xinyi Glass as the guarantor for the Vendor

The Subscriber

The Vendor is a wholly-owned subsidiary of Xinyi Glass, a substantial shareholder of Xinyi Solar, and as of the date of this joint announcement held 1,778,709,301 Xinyi Solar Shares, representing 29.255% of the existing number of Xinyi Solar Shares in issue.

The Top-up Subscription Price

The Top-up Subscription Price, being HK\$2.30 for each Top-up Subscription Share, is equal to the Placing Price, which was determined on arm's length basis between Xinyi Solar and the Vendor with reference to the Placing Price.

Number of Top-up Subscription Shares

The number of Top-up Subscription Shares to be subscribed by the Vendor pursuant to the Top-up Subscription Agreement is equal to the number of Placing Shares. The 500,000,000 Top-up Subscription Shares represent (i) 8.22% of the existing number of Xinyi Solar Shares in issue as of the date of this joint announcement and (ii) 7.60% of the enlarged number of Xinyi Solar Shares in issue as enlarged by the allotment and issue of the 500,000,000 Top-up Subscription Shares. The total consideration for the Top-up Subscription will be HK\$1,150.0 million. The aggregate nominal value of the Top-up Subscription Shares will be HK\$50.0 million.

Xinyi Solar General Mandate

The allotment and issue of the Top-up Subscription Shares is not subject to the Xinyi Solar Shareholders' approval. The Top-up Subscription Shares will be allotted and issued pursuant to the Xinyi Solar General Mandate. A total of 380,000,000 Xinyi Solar Shares out of the 1,140,000,000 new Shares granted under the Xinyi Solar General Mandate was allotted and issued on 7 August 2014. As of the date of this joint announcement, the Xinyi Solar General Mandate has not been fully utilised since it was granted and the remaining number of new Xinyi Solar Shares that could be allotted and issued by Xinyi Solar under the Xinyi Solar General Mandate is 760,000,000 Xinyi Solar Shares. The 500,000,000 Top-up Subscription Shares to be allotted and issued pursuant to the Subscription Agreement will utilise a substantial part of the Xinyi Solar General Mandate.

Application for listing

Xinyi Solar will submit an application to the Stock Exchange for the listing of, and permission to deal in, the Top-up Subscription Shares in due course.

Ranking of Top-up Subscription Shares

The Top-up Subscription Shares, when allotted and issued and fully paid, will rank *pari passu* in all respects among themselves and with the other Xinyi Solar Shares in issue at the time of allotment and issue of the Top-up Subscription Shares or to be allotted and issued by Xinyi Solar on or prior to the completion of the Top-up Subscription.

Conditions precedent of the Top-up Subscription

Completion of the Top-up Subscription is conditional upon (a) completion of the Placing having occurred pursuant to the Placing Agreement and (b) the Stock Exchange granting the listing of and permission to deal in the Top-up Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of the definitive share certificate(s) representing the Top-up Subscription Shares).

Completion of Top-up Subscription

Subject to the fulfillment of the above conditions, completion of the Top-up Subscription is expected to take place on the second Business Day after the date on which the last of the conditions referred above are fulfilled, provided that it will take place on a date no later than a date falling 14 days after the date of the Placing Agreement and the Top-up Subscription Agreement, that is, on or before 25 March 2015.

In the event that the completion of the Top-up Subscription does not take place by 25 March 2015, the Top-up Subscription may be terminated and neither of the parties shall have any claim against the other for costs, damages, compensation or otherwise in respect of the Top-up Subscription provided that Xinyi Solar shall reimburse the Vendor any legal fees and out-of-pocket expenses which the Vendor shall be obliged to pay in connection with the Top-up Subscription.

WARNING: As the Placing Agreement and the Top-up Subscription Agreement may or may not complete, and the Placing Shares and the Top-up Subscription Shares may or may not be allotted and issued or listed, Xinyi Solar Shareholders and potential investors are advised to exercise caution when dealing in the Xinyi Solar Shares.

REASONS FOR THE PLACING AND TOP-UP SUBSCRIPTION FOR XINYI SOLAR AND USE OF PROCEEDS FOR XINYI SOLAR

Upon the full subscription of the Top-up Subscription Shares, the gross proceeds for the allotment and issue of the Top-up Subscription Shares will be HK\$1,150.0 million. After taking into account the estimated expenses in relation to the Placing and Top-up Subscription, the estimated net proceeds from the Top-up Subscription will be HK\$1,135.5 million, representing a net price of HK\$2.27 for each Top-up Subscription Share. The net proceeds from the Top-up Subscription are intended to be used as capital expenditure of solar farm projects and solar glass production plant in Malaysia and general working capital of Xinyi Solar Group.

The directors of Xinyi Solar consider that the Placing and the Top-up Subscription will provide Xinyi Solar with an opportunity to raise further capital for Xinyi Solar while broadening its shareholders' base and capital base. The directors of Xinyi Solar (including the independent non-executive directors of Xinyi Solar) consider that the Placing Agreement and the Top-up Subscription Agreement were entered into under normal commercial terms following arm's length negotiations between Xinyi Solar and the Sole Placing Agent and that the terms of the Placing Agreement and the Top-up Subscription Agreement are fair and reasonable and in the interests of Xinyi Solar and the Xinyi Solar Shareholders as a whole.

REASONS FOR THE TOP-UP SUBSCRIPTION FOR XINYI GLASS

From the perspective of Xinyi Glass, the Placing will facilitate the raising of funds by Xinyi Solar of which Xinyi Glass (through the Vendor) is a substantial shareholder whereas, the Top-up Subscription is part of the arrangement to facilitate the Placing, pursuant to which Xinyi Glass would not incur any cost. The Top-up Subscription will also enable Xinyi Glass to restore its investment in Xinyi Solar to the same level (in terms of the number of Xinyi Solar Shares held) immediately prior to the Placing. The directors of Xinyi Glass (including the independent non-executive directors of Xinyi Glass) are of the view that the Top-up Subscription is on normal commercial terms and that terms of the Top-up Subscription are fair and reasonable and are in the interests of Xinyi Glass and its shareholders as a whole.

FUND RAISING ACTIVITIES BY XINYI SOLAR SINCE LISTING AND THE PREVIOUS PLACING AND PREVIOUS TOP-UP SUBSCRIPTION

Reference is made to the joint announcement of Xinyi Glass and Xinyi Solar dated 30 July 2014. On 30 July 2014 before trading hours, the Vendor, Xinyi Glass, Xinyi Solar and a placing agent entered into a placing agreement, pursuant to which the Vendor placed 380,000,000 Xinyi Solar Shares at a placing price of HK\$2.07 for each placing share. On 30 July 2014 before trading hours, Xinyi Glass, Xinyi Solar and the Vendor entered into a top-up subscription agreement, pursuant to which, the Vendor subscribed 380,000,000 Xinyi Solar Shares at a subscription price of HK\$2.07 per subscription shares following completion of the Previous Placing. The gross proceeds from the Previous Top-up Subscription was approximately HK\$786.6 million. The net-proceeds from the Previous Top-up Subscription was approximately HK\$778.2 million which was intended to be used for capital expenditure of solar farm projects and general working capital of Xinyi Solar and its subsidiaries. The entire amount of the net proceeds from the Previous Top-up Subscription was used for capital expenditure of solar farm projects conducted by Xinyi Solar.

Save as disclosed above, Xinyi Solar had not carried out any equity fund raising exercise in the twelve months period immediately preceding the date of this joint announcement.

The applicable percentage ratios (as defined in the Listing Rules) of each of the Previous Placing and the Previous Subscription are less than 5% and therefore did not constitute any notifiable transaction under Chapter 14 of the Listing Rules for Xinyi Glass. Saved as disclosed herein, Xinyi Glass has not conducted any other acquisition or disposal of Xinyi Solar Shares in the past twelve months before the date of this joint announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF XINYI SOLAR

The following table illustrates the shareholding structure of Xinyi Solar (i) as of the date of this joint announcement; (ii) immediately after completion of the Placing but before the Top-up Subscription; and (iii) immediately after completion of the Placing and the Top-up Subscription, on the assumptions that there will be no other change to the issued share capital of Xinyi Solar from the date of this joint announcement until the completion of the Top-up Subscription save for the allotment and issue of the new Xinyi Solar Shares as a result of the Top-up Subscription:-

Name of the Xinyi Solar Shareholders	As of the date of this joint announcement		Immediately after completion of the Placing but before the Top-up Subscription		Immediately after completion of the Placing and the Top-up Subscription	
	<i>No. of Xinyi Solar Shares</i>		<i>No. of Xinyi Solar Shares</i>		<i>No. of Xinyi Solar Shares</i>	
		%		%		%
The Vendor	1,778,709,301	29.255	1,278,709,301	21.031	1,778,709,301	27.032
Xinyi Glass Holdings Limited	12,500,000	0.206	12,500,000	0.206	12,500,000	0.190
Realbest Investment Limited (<i>Note 1</i>)	725,209,552	11.928	725,209,552	11.928	725,209,552	11.021
High Park Technology Limited (<i>Note 2</i>)	266,766,456	4.388	266,766,456	4.388	266,766,456	4.054
Copark Investment Limited (<i>Note 3</i>)	246,932,579	4.061	246,932,579	4.061	246,932,579	3.753
Telerich Investment Limited (<i>Note 4</i>)	251,595,089	4.138	251,595,089	4.138	251,595,089	3.824
Perfect All Investments Limited (<i>Note 5</i>)	79,041,911	1.300	79,041,911	1.300	79,041,911	1.201
Goldbo International Limited (<i>Note 6</i>)	116,580,868	1.918	116,580,868	1.918	116,580,868	1.772
Goldpine Limited (<i>Note 7</i>)	105,630,781	1.737	105,630,781	1.737	105,630,781	1.605
Linkall Investment Limited (<i>Note 8</i>)	77,853,912	1.280	77,853,912	1.280	77,853,912	1.183
Herosmart Holdings Limited (<i>Note 9</i>)	77,853,911	1.280	77,853,911	1.280	77,853,911	1.183
Full Guang Holdings Limited (<i>Note 10</i>)	73,190,000	1.204	73,190,000	1.204	73,190,000	1.113
Other individual Xinyi Solar Shareholders who are related to the above or Xinyi Solar Director (<i>Note 11</i>)	148,698,000	2.446	148,698,000	2.446	148,698,000	2.260
Sub-total	3,960,562,360	65.141	3,460,562,360	56.917	3,960,562,360	60.191
Public Xinyi Solar Shareholders	2,119,437,640	34.859	2,119,437,640	34.859	2,119,437,640	32.210
Places under the Placing	—	—	500,000,000	8.224	500,000,000	7.599
Total	6,080,000,000	100.00	6,080,000,000	100.00	6,580,000,000	100.00

Notes:-

1. Realbest Investment Limited is wholly-owned by Mr. LEE Yin Yee, M.H., an executive director of Xinyi Glass and a non-executive director of Xinyi Solar.

2. High Park Technology Limited is wholly-owned by Mr. TUNG Ching Bor, an executive director of Xinyi Glass.
3. Copark Investment Limited is wholly-owned by Mr. TUNG Ching Sai, an executive director of both Xinyi Glass and Xinyi Solar.
4. Telerich Investment Limited is wholly-owned by Mr. LEE Sing Din, the father of Mr. LEE Yau Ching, who is an executive director of Xinyi Solar.
5. Perfect All Investments Limited is wholly-owned by Mr. LI Man Yin, an executive director of Xinyi Solar.
6. Goldbo International Limited is wholly-owned by Mr. LI Ching Wai, a non-executive director of Xinyi Glass.
7. Goldpine Limited is wholly-owned by Mr. SZE Nang Sze, a non-executive director of Xinyi Glass.
8. Linkall Investment Limited is wholly-owned by Mr. NG Ngan Ho, a non-executive director of Xinyi Glass.
9. Herosmart Holdings Limited is wholly-owned by Mr. LI Ching Leung, a non-executive director of Xinyi Glass.
10. Full Guang Holdings Limited is owned by Mr. LEE Yin Yee, M.H. as to 33.98%, Mr. TUNG Ching Bor as to 12.50%, Mr. TUNG Ching Sai as to 19.91%, Mr. LEE Sing Din as to 11.85%, Mr. LI Ching Wai as to 5.56%, Mr. NG Ngan Ho as to 3.70%, Mr. LI Man Yin as to 3.70%, Mr. SZE Nang Sze as to 5.09% and Mr. LI Ching Leung as to 3.70%.
11. These Xinyi Solar Shareholders include the personal or spouse interest of Mr. LEE Yin Yee, M.H. (32,912,000 Xinyi Solar Shares), Mr. TUNG Ching Bor (23,000,000 Xinyi Solar Shares), TUNG Ching Sai (66,256,000 Xinyi Solar Shares), LI Man Yin (1,960,000 Xinyi Solar Shares), Mr. NG Ngan Ho (2,200,000 Xinyi Solar Shares), Mr. LI Ching Leung (2,400,000 Xinyi Solar Shares), Mr. LEE Sing Din (19,770,000 Xinyi Solar Shares) and Mr. CHEN Xi (200,000 Xinyi Solar Shares).

FINANCIAL EFFECTS OF THE PLACING AND THE TOP-UP SUBSCRIPTION ON XINYI GLASS AND ITS SUBSIDIARIES

Based on the adjusted net asset value of Xinyi Solar as at 31 December 2014 as disclosed in the audited consolidated balance sheet of Xinyi Solar as of 31 December 2014 as disclosed in the announcement of Xinyi Solar dated 1 March 2015, upon completion of the Top-up Placing and the Top-up Subscription, Xinyi Glass is expected to incur a deemed gain on dilution of share in an associate over HK\$100 million. It should be noted that the actual deemed gain in relation thereto to be recorded by Xinyi Glass will depend on the adjusted fair value of identifiable assets and liabilities of Xinyi Solar as at the date of completion of the Placing and the Top-up Subscription. The gross proceeds from the Placing in the amount of HK\$1,150.0 million will be entirely used for subscription of the Top-up Subscription Shares.

GENERAL INFORMATION

The Xinyi Solar Group is a China-based solar glass manufacturer with production facilities strategically located in Wuhu and Tianjin, China. Currently, the Xinyi Solar Group offers two principal solar glass products to its customers, namely ultra-clear photovoltaic raw glass and ultra-clear photovoltaic processed glass. In addition to the solar glass products, the Xinyi Solar Group is also engaged in the downstream solar farm business. The Xinyi Solar Group has completed the construction and on-grid connection of two ground-mounted solar farms with an aggregate capacity of 250MW in Anhui Province, the PRC. The first solar farm (150MW in Jinzhai County) and the second one (100MW in Wuhu) started revenue contributions in the fourth quarter of 2014 and the first quarter of 2015, respectively.

Based on the audited consolidated balance sheet of Xinyi Solar as of 31 December 2014 as disclosed in the announcement of Xinyi Solar dated 1 March 2015, the total equity of Xinyi Solar was HK\$3,305.9 million and the total assets amounted to HK\$5,764.0 million. Hence, the total liabilities of Xinyi Solar amounted to

HK\$2,458.1 million. The following information is extracted from the audited consolidated financial statements of Xinyi Solar for the two years ended 31 December 2014:-

	Year ended 31 December	
	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	2,410.0	1,967.5
Profit before income tax	571.6	370.5
Net profit after taxation attributable to equity holders of Xinyi Solar	493.0	303.8

The Xinyi Glass Group is engaged in the production and sales of a wide range of glass products, including automobile glass, construction glass, float glass, and other glass products for different commercial and industrial applications.

IMPLICATION UNDER THE LISTING RULES

Xinyi Solar

As the Top-up Subscription Shares are to be allotted and issued by Xinyi Solar pursuant to the Xinyi Solar General Mandate, no additional approval from Xinyi Solar Shareholders will be required for the Placing and the Top-up Subscription. The Top-up Subscription would constitute a connected transaction for Xinyi Solar that is exempted from all connected transaction requirements pursuant to Rule 14A.92(4) of the Listing Rules if it is completed within 14 days from the date of the Placing Agreement.

Xinyi Glass

Pursuant to the Placing Agreement, the Vendor will dispose of 500,000,000 Xinyi Solar Shares, its shareholding percentage in Xinyi Solar will be reduced from 29.255% to 21.031% immediately upon completion of the Placing but before the Top-up Subscription. Pursuant to the Top-up Subscription Agreement, the Vendor will subscribe for 500,000,000 new Xinyi Solar Shares. Following completion of the Top-up Subscription, its shareholding percentage will be increased from 21.031% to 27.032% of the enlarged number of the Xinyi Solar Shares in issue.

On the basis that (i) the applicable percentage ratios (as defined under the Listing Rules) in respect of each Placing and Top-up Subscription exceed 5% and are below 25% and (ii) the transactions contemplated under the Placing and the Top-up Subscription, when aggregate with the Previous Placing and Previous Top-up

Subscription, respectively, would not result in a higher transaction classification under Chapter 14 of the Listing Rules, each of the Placing and the Top-up Subscription constitutes a discloseable transaction for Xinyi Glass under the Listing Rules, which is subject to the reporting and announcement requirements and exempt from the shareholders' approval requirement under the Listing Rules.

DEFINITIONS

Unless the context requires otherwise, the capitalised terms used in this joint announcement shall have the meanings as set forth below:-

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Business day”	any day (excluding Saturdays, Sundays and public holidays in Hong Kong or days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks generally are open for business in Hong Kong
“Closing Date”	being the second Business Day following the date of this joint announcement or such other date as the Vendor and the Sole Placing Agent may agree in writing
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	10 March 2015, being the last full trading day immediately before the time at which the Placing Agreement and the Top-up Subscription Agreement were signed
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Placing”	the placing of the Placing Shares beneficially owned by the Vendor pursuant to the terms and conditions of the Placing Agreement
“Placing Agreement”	the agreement dated 10 March 2015 entered into among Xinyi Solar, the Vendor, Xinyi Glass and the Sole Placing Agent in relation to the Placing
“Placing Price”	HK\$2.30 for each Placing Share
“Placing Share(s)”	500,000,000 existing Xinyi Solar Shares beneficially owned by the Vendor to be placed pursuant to the terms and conditions of the Placing Agreement
“PRC”	the People’s Republic of China excluding, for the purpose of this joint announcement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Placing”	the placing of 380,000,000 Xinyi Solar Shares beneficially owned by the Vendor pursuant to the terms and conditions of a placing agreement entered into among the Vendor, Xinyi Glass, Xinyi Solar and a placing agent on 30 July 2014, details of which are disclosed in the joint announcement of Xinyi Glass and Xinyi Solar dated 30 July 2014
“Previous Top-up Subscription”	the subscription by the Vendor for 380,000,000 Xinyi Solar Shares pursuant to the terms of a subscription agreement entered into among, the Vendor, Xinyi Glass and Xinyi Solar on 30 July 2014, details of which are disclosed in the joint announcement of Xinyi Glass and Xinyi Solar dated 30 July 2014
“Sole Placing Agent”	The Hongkong and Shanghai Banking Corporation Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Top-up Subscription”	the subscription by the Vendor for the Top-up Subscription Shares pursuant to the terms of the Top-up Subscription Agreement

“Top-up Subscription Agreement”	the agreement dated 10 March 2015 entered into among the Vendor, Xinyi Glass and Xinyi Solar in relation to the Top-up Subscription
“Top-up Subscription Price”	HK\$2.30 for each Top-up Subscription Share, which is equivalent to the Placing Price
“Top-up Subscription Share(s)”	500,000,000 new Xinyi Solar Shares to be allotted and issued to the Vendor pursuant to the Top-up Subscription Agreement
“Vendor”	Xinyi Group (Glass) Company Limited 信義集團(玻璃)有限公司, a company incorporated in Hong Kong with limited liability on 2 June 1989, a wholly-owned subsidiary of Xinyi Glass
“Xinyi Glass”	Xinyi Glass Holdings Limited 信義玻璃控股有限公司, a company incorporated in the Cayman Islands with limited liability on 25 June 2004, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 00868)
“Xinyi Glass Group”	Xinyi Glass and its subsidiaries
“Xinyi Solar”	Xinyi Solar Holdings Limited 信義光能控股有限公司, a company incorporated in the Cayman Islands with limited liability on 11 January 2011, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 00968)
“Xinyi Solar General Mandate”	the general mandate granted to the directors of Xinyi Solar by the Xinyi Solar Shareholders pursuant to an ordinary resolution passed at the annual general meeting of Xinyi Solar held on 6 June 2014
“Xinyi Solar Group”	Xinyi Solar and its subsidiaries
“Xinyi Solar Share(s)”	ordinary share(s) of par value HK\$0.10 each in the share capital of Xinyi Solar

“Xinyi Solar holder(s) of the Xinyi Solar Shares
Shareholder(s)”

“%” per cent.

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

By order of the board of directors of
Xinyi Glass Holdings Limited
LEE Yin Yee, M.H.
Chairman

Hong Kong, 11 March 2015

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

As of the date of this joint announcement, the board of directors of Xinyi Glass comprises four executive directors, namely Mr. LEE Yin Yee, M.H., Mr. TUNG Ching Bor, Mr. TUNG Ching Sai and Mr. LEE Shing Kan, four non-executive directors, namely Mr. NG Ngan Ho, Mr. LI Ching Wai, Mr. SZE Nang Sze and Mr. LI Ching Leung, and five independent non-executive directors, namely Mr. LAM Kwong Siu, S.B.S., Mr. WONG Chat Chor Samuel, Mr. WONG Ying Wai, S.B.S., JP., Mr. TRAN Chuen Wah, John and Mr. TAM Wai Hung, David as the independent non-executive directors.

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