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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)



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 UNDER
GENERAL MANDATE**

**DISCLOSEABLE TRANSACTIONS
IN RELATION TO THE PLACING AND
TOP-UP SUBSCRIPTION**



as Sole Placing Agent for the Placing

PLACING AND TOP-UP SUBSCRIPTION

On 27 October 2015 before trading hours, the Vendor, Xinyi Glass, Xinyi Solar and the Sole Placing Agent entered into the Placing and Subscription Agreement, pursuant to which (i) the Vendor has agreed to appoint the Sole Placing Agent and Sole Placing Agent has agreed to act as sole agent for the Vendor to procure purchasers to purchase on a best commercial efforts basis a maximum number of 168,800,000 Placing Shares at the Placing Price of HK\$3.22 per Placing Share; and (ii) the Vendor has agreed to subscribe for up to 168,800,000 new Xinyi Solar Shares at the Top-up Subscription Price following completion of the Placing. The Top-up Subscription Price is equal to the Placing Price.

The maximum number of 168,800,000 Placing Shares represent (i) 2.6% of the existing number of Xinyi Solar Shares in issue as of the date of this joint announcement and (ii) 2.5% of the enlarged number of Xinyi Solar Shares in issue as enlarged by the issue of 168,800,000 Top-up Subscription Shares. The maximum number of 168,800,000 Top-up Subscription Shares represent (i) 2.6% of the existing number of Xinyi Solar Shares in issue as of the date of this joint announcement and (ii) 2.5% of the enlarged number of Xinyi Solar Shares in issue as enlarged by the issue of 168,800,000 Top-up Subscription Shares.

The Placing is unconditional, and completion of which is expected to be on or before 29 October 2015, being the second Business Day following the date of the Placing and Subscription Agreement 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 and Subscription 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\$543.5 million and HK\$537.0 million, respectively, which are intended to be used as capital expenditure of solar farm projects and solar glass production capacity expansion and general working capital of Xinyi Solar Group.

The maximum number of 168,800,000 Top-up Subscription Shares will be 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 and Subscription Agreement contains provisions granting the Sole Placing Agent the right to terminate the Placing and Subscription 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 Placing and Subscription Agreement.

WARNING: As the Placing and Subscription Agreement may or may not complete, and the Placing Shares and the Top-up Subscription Shares may or may not be 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 will be 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 and Subscription Agreement, the Vendor will dispose of a maximum of 168,800,000 Xinyi Solar Shares, its shareholding percentage in Xinyi Solar will be reduced from 27.0% to 24.4% immediately upon completion of the Placing. Pursuant to the Placing and Subscription Agreement, the Vendor will subscribe for a maximum of 168,800,000 new Xinyi Solar Shares and following completion of which, its shareholding percentage will be increased from 24.4% to 26.4%.

On the basis that (i) the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Placing and the 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 the 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 but exempt from the shareholders' approval requirement under the Listing Rules.

The Placing and Subscription Agreement

Date

27 October 2015 (before trading hours)

Parties

- (i) the Vendor as the vendor and the subscriber
- (ii) Xinyi Glass as the guarantor for the Vendor
- (iii) Xinyi Solar as the issuer
- (iv) Citigroup Global Markets Limited as the Sole Placing Agent

THE PLACING

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 maximum number of 168,800,000 Placing Shares represent (i) 2.6% of the existing number of Xinyi Solar Shares in issue as of the date of this joint announcement and (ii) 2.5% of the enlarged number of Xinyi Solar Shares in issue as enlarged by the issue of 168,800,000 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 not be any connected persons of Xinyi Solar or Xinyi Glass.

Placing Price

The Placing Price of HK\$3.22 per Placing Share represents:

- i. a discount of 8.8% to the closing price of HK\$3.53 per Share as quoted on the Stock Exchange on the Last Trading Day;
- ii. a discount of 6.1% to the average closing price of HK\$3.43 per 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\$3.22 per 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 29 October 2015, being the second Business Day following the date of the Placing and Subscription Agreement or such other date as the Vendor and the Sole Placing Agent may agree in writing.

Lock up undertakings

Each of the Vendor and Xinyi Glass has undertaken to the Sole Placing Agent that (except for the sale of the Placing Shares pursuant to the Placing and Subscription Agreement), from the date of the Placing and Subscription Agreement and for a period of 180 days from the Closing Date, it will not and will procure Xinyi Automobile Glass (BVI) Company Limited, a wholly-owned subsidiary of Xinyi Glass and the sole shareholder of the Vendor, not

to:-

- (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 Xinyi Glass or the Vendor or any securities convertible into or exercisable or exchangeable for or substantially similar to any such Xinyi Solar Shares or interests (whether any such transaction is to be settled by delivery of Xinyi Solar Shares or such other securities, in cash or otherwise); 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 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 issue of new Xinyi Solar Shares by Xinyi Solar

Pursuant to the Placing and Subscription Agreement, Xinyi Solar undertakes to the Sole Placing Agent that from the date of the Placing and Subscription Agreement and for a period of 180 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 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 of Xinyi Solar 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 Xinyi Solar 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 and Subscription Agreement may be terminated by the Sole Placing Agent 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 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 or London declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong, 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 involving Hong Kong or the PRC or the declaration by Hong Kong or the PRC of a national emergency or war; 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 or the London Stock Exchange 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 and 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 and Subscription Agreement and prior to the Closing Date which if it had occurred or arisen before the date of the Placing and Subscription 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 transactions contemplated by the Placing and the Subscription Agreement, or there has been a breach of, or failure to perform, any other provision of the Placing and the Subscription Agreement on the part of any of Xinyi Solar, the Vendor and/or Xinyi Glass;

(c) 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.

The Sole Placing Agent may terminate the Placing and Subscription Agreement at any time if any of the Placing Shares are not delivered by or on behalf of the Vendor in accordance with the Placing and Subscription Agreement.

The respective directors of Xinyi Glass and Xinyi Solar are not aware of the occurrence of the above mentioned events which may trigger the termination of the Placing and the Subscription Agreement as of the date of this joint announcement.

THE TOP-UP SUBSCRIPTION

The Subscriber

The Vendor is a wholly-owned subsidiary of Xinyi Glass, a controlling shareholder of Xinyi Solar, and as of the date of this joint announcement held 1,778,709,301 Xinyi Solar Shares, representing 27.0% of the existing number of Xinyi Solar Shares in issue.

The Top-up Subscription Price

The Top-up Subscription Price, being HK\$3.22 per 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 Placing and Subscription Agreement is equal to the number of Placing Shares. The maximum number of 168,800,000 Top-up Subscription Shares represent (i) 2.6% of the existing number of Xinyi Solar Shares in issue as of the date of this joint announcement and (ii) 2.5% of the enlarged number of Xinyi Solar Shares in issue as enlarged by the issue of 168,800,000 Top-up Subscription Shares. The total consideration for the Top-up Subscription will be HK\$543.5 million.

General Mandate to issue the Top-up Subscription Shares

The issue of the Top-up Subscription Shares is not subject to the Xinyi Solar Shareholders' approval. The Top-up Subscription Shares will be issued pursuant to the Xinyi Solar General Mandate, subject to the limit of up to 1,316,000,000 Xinyi Solar Shares (representing 20.0% of the number of Xinyi Solar Shares in issue on the date on which the Xinyi Solar General Mandate was granted). As at the date of this joint announcement, the Xinyi Solar General Mandate has not been utilised.

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 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 issue and allotment of the Top-up Subscription Shares or to be 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 and Subscription 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 and Subscription Agreement, that is, on or before 10 November 2015.

In the event that the completion of the Top-up Subscription does not take place by 10 November 2015, the obligations and liabilities of the Vendor and Xinyi Solar under the Top-up Subscription shall be null and void and neither of them 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 Placing and the Top-up Subscription.

WARNING: As the Placing and Subscription Agreement may or may not complete, and the Top-up Subscription Shares may or may not be 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 maximum of 168,800,000 Top-up Subscription Shares, the gross proceeds for the issue of the Top-up Subscription Shares will be HK\$543.5 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\$537.0 million, representing a net price of HK\$3.18 per 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 capacity expansion 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 and Subscription Agreement was 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 and Subscription Agreement are fair and reasonable and in the interests of Xinyi Solar and the Xinyi Solar Shareholders as a whole.

REASONS FOR THE PLACING AND 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 IN THE PAST TWELVE MONTHS

Reference is made to the joint announcement of Xinyi Glass and Xinyi Solar dated 11 March 2015. On 10 March 2015 after trading hours, the Vendor, Xinyi Glass, Xinyi Solar and a placing agent entered into a placing agreement, pursuant to which the Vendor placed 500,000,000 Xinyi Solar Shares at a 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 a top-up subscription agreement, pursuant to which, the Vendor subscribed for 500,000,000 Xinyi Solar Shares at a subscription price of HK\$2.30 per subscription share following completion of the Previous Placing. The gross proceeds from the Previous Top-up Subscription were HK\$1,150.0 million. The net-proceeds from the Previous Top-up Subscription were approximately HK\$1,137.0 million which was 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 entire amount of the net proceeds from the Previous Top-up Subscription have been used as originally intended.

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.

Saved as disclosed herein, Xinyi Glass has not conducted any other acquisition or disposal of Xinyi Solar Shares in the past twelve months immediately preceding 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 (1) a maximum number of 168,800,000 Xinyi Solar Shares have been placed by the Sole Placing Agent under the Placing and the Vendor shall subscribe for 168,800,000 Xinyi Solar Shares upon completion of the Top-up Subscription; and (2) there will be no other change to the share capital of Xinyi Solar from the date of this joint announcement until the completion of the Top-up Subscription save for the issue of the new Xinyi Solar Shares as a result of the Top-up Subscription:-

Name of Xinyi Solar Shareholders	As of the date of this joint announcement		Approximate shareholding immediately after completion of the Placing but before the Top-up Subscription		Approximate shareholding immediately after completion of the Placing and the Top-up Subscription	
	Xinyi Solar Shares	%	Xinyi Solar Shares	%	Xinyi Solar Shares	%
The Vendor	1,778,709,301	27.0	1,609,909,301	24.4	1,778,709,301	26.4
Xinyi Glass Holdings Limited	12,500,000	0.2	12,500,000	0.2	12,500,000	0.2
Realbest Investment Limited (Note 1)	725,209,552	11.0	725,209,552	11.0	725,209,552	10.7
High Park Technology Limited (Note 2)	266,766,456	4.1	266,766,456	4.1	266,766,456	4.0
Copark Investment Limited (Note 3)	246,932,579	3.7	246,932,579	3.7	246,932,579	3.7
Telerich Investment Limited (Note 4)	251,595,089	3.8	251,595,089	3.8	251,595,089	3.7
Perfect All Investments Limited (Note 5)	79,041,911	1.2	79,041,911	1.2	79,041,911	1.2
Goldbo International Limited (Note 6)	116,580,868	1.8	116,580,868	1.8	116,580,868	1.7
Goldpine Limited (Note 7)	105,630,781	1.6	105,630,781	1.6	105,630,781	1.6
Linkall Investment Limited (Note 8)	77,853,912	1.2	77,853,912	1.2	77,853,912	1.1
Herosmart Holdings Limited (Note 9)	77,853,911	1.2	77,853,911	1.2	77,853,911	1.1
Full Guang Holdings Limited (Note 10)	73,190,000	1.1	73,190,000	1.1	73,190,000	1.1
Other individual Xinyi Solar Shareholders who are related to the above or Xinyi Solar Directors (Note 11)	<u>170,858,000</u>	<u>2.6</u>	<u>170,858,000</u>	<u>2.6</u>	<u>170,858,000</u>	<u>2.5</u>
Total for the controlling shareholders and directors of Xinyi Solar	<u>3,982,722,360</u>	<u>60.5</u>	<u>3,813,922,360</u>	<u>57.9</u>	<u>3,982,722,360</u>	<u>59.0</u>
Public Shareholders						
Places under the Placing	—	—	168,800,000	2.6	168,800,000	2.5
Other public Shareholders	<u>2,597,277,640</u>	<u>39.5</u>	<u>2,597,277,640</u>	<u>39.5</u>	<u>2,597,277,640</u>	<u>38.5</u>
Total	<u>6,580,000,000</u>	<u>100.0</u>	<u>6,580,000,000</u>	<u>100.0</u>	<u>6,748,800,000</u>	<u>100.0</u>

Notes:-

1. Realbest Investment Limited is wholly-owned by Mr. LEE Yin Yee, B.B.S., 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, B.B.S. as to 33.98%, Mr. TUNG Ching Bor as to 12.50%, Mr. TUNG Ching Sai as to 19.91%, Mr. LEE Sing Din (father of Mr. LEE Yau Ching) 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. Mr. LEE Yin Yee, B.B.S. is interested in 44,048,000 Xinyi Solar Shares, Mr. LEE Sing Din is interested in 19,770,000 Solar Shares, Mr. TUNG Ching Bor is interested in 23,000,000 Xinyi Solar Shares, Mr. TUNG Ching Sai is interested in 67,880,000 Xinyi Solar Shares, Mr. NG Ngan Ho is interested in 2,200,000 Xinyi Solar Shares, Mr. LI Man Yin is interested in 2,960,000 Xinyi Solar Shares and Mr. LI Ching Leung is interested in 5,800,000 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, upon completion of the Placing and the Top-up Subscription, Xinyi Glass is expected to incur a deemed gain on dilution of interest in an associate of over HK\$80 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\$543.5 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. As at the date of this joint announcement, the Xinyi Solar Group operated four solar farms in the PRC with the aggregate installed capacity of 320 MW and had six solar farms in the PRC with the aggregate installed capacity of 614MW under construction and development.

Based on the unaudited consolidated balance sheet of Xinyi Solar as at 30 June 2015, Xinyi Solar had an unaudited consolidated equity attributable to equity holders of Xinyi Solar of HK\$4,880.9 million, unaudited consolidated total assets of HK\$8,535.1 million and unaudited consolidated total liabilities of HK\$3,645.2 million. The following information is extracted from the interim results announcement of Xinyi Solar for the six months ended 30 June 2015 published on 28 July 2015 and the audited consolidated financial statements of Xinyi Solar for the two years ended 31 December 2014:-

	For the six months ended 30 June 2015	For the year ended 31 December	
	2015	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	2,053.7	2,410.0	1,967.5
Profit before taxation	690.1	571.6	370.5
Net profit after taxation attributable to equity holders of Xinyi Solar	601.0	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 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 and Subscription Agreement, the Vendor will dispose of a maximum number of 168,800,000 Xinyi Solar Shares, its shareholding percentage in Xinyi Solar will be reduced from 27.0% to 24.4% immediately upon completion of the Placing.

Pursuant to the Top-up Subscription Agreement, the Vendor will subscribe for a maximum number of 168,800,000 new Xinyi Solar Shares and following completion of which, its shareholding percentage will be increased from 24.4% to 26.4%. On the basis that (i) the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Placing and the 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 the 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 but 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 a.m. and 5 p.m.) on which banks generally are open for business in Hong Kong
“Closing Date”	being the second Business Day following the date of the Placing and Subscription Agreement 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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	26 October 2015, being the last full trading day immediately before the time at which the Placing and Subscription Agreement was signed
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Placing”	the placing of a maximum number of 168,800,000 existing Xinyi Solar Shares beneficially owned by the Vendor pursuant to the terms and conditions of the Placing and Subscription Agreement
“Placing and Subscription Agreement”	the agreement dated 27 October 2015 entered into among Xinyi Solar, the Vendor, Xinyi Glass and the Sole Placing Agent in relation to the Placing and Top-up Subscription
“Placing Price”	HK\$3.22 per Placing Share

“Placing Share(s)”	up to 168,800,000 existing Xinyi Solar Shares beneficially owned by the Vendor to be placed pursuant to the terms and conditions of the Placing and Subscription 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 500,000,000 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 10 March 2015, details of which are disclosed in the joint announcement of Xinyi Glass and Xinyi Solar dated 11 March 2015
“Previous Top-up Subscription”	the subscription by the Vendor for 500,000,000 Xinyi Solar Shares pursuant to the terms of a subscription agreement entered into among, the Vendor, Xinyi Glass and Xinyi Solar on 10 March 2015, details of which are disclosed in the joint announcement of Xinyi Glass and Xinyi Solar dated 11 March 2015
“Sole Placing Agent”	Citigroup Global Markets Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Top-up Subscription”	the subscription by the Vendor for the Top-up Subscription Shares pursuant to the terms of the Placing and Subscription Agreement
“Top-up Subscription Price”	HK\$3.22 per Top-up Subscription Share, which is the same as the Placing Price
“Top-up Subscription Share(s)”	up to 168,800,000 new Xinyi Solar Shares to be issued to the Vendor pursuant to the Placing and 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 29 May 2015
“Xinyi Solar Group”	Xinyi Solar and its subsidiaries
“Xinyi Solar Share(s)”	share(s) of par value HK\$0.10 each in the share capital of Xinyi Solar
“Xinyi Solar Directors”	director(s) of Xinyi Solar
“Xinyi Solar Shareholder(s)”	holder(s) of the Xinyi Solar Shares
“%”	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, B.B.S.
Chairman

Hong Kong, 27 October 2015

As of the date of this joint announcement, the executive directors of Xinyi Solar are Mr. TUNG Ching Sai, Mr. LEE Yau Ching, Mr. LI Man Yin, and Mr. CHEN Xi, the non-executive directors of Xinyi Solar are Mr. LEE Yin Yee, B.B.S. (Chairman of the board of directors of Xinyi Solar) and Mr. LEE Shing Put, and the independent non-executive directors of Xinyi Solar are 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 executive directors of Xinyi Glass are Mr. LEE Yin Yee, B.B.S., Mr. TUNG Ching Bor, Mr. TUNG Ching Sai and Mr. LEE Shing Kan, the non-executive directors of Xinyi Glass are Mr. NG Ngan Ho, Mr. LI Ching Wai, Mr. SZE Nang Sze and Mr. LI Ching Leung, and the independent non-executive directors of Xinyi Glass are Mr. LAM Kwong Siu, S.B.S., Mr. WONG Chat Chor Samuel, Mr. WONG Ying Wai, G.B.S., JP., Mr. TRAN Chuen Wah, John and Mr. TAM Wai Hung, David.

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.