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XINYI ELECTRIC STORAGE HOLDINGS LIMITED

信義儲電控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 08328)

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

CONTINUING CONNECTED TRANSACTIONS SALES FRAMEWORK AGREEMENTS

XYS SALES FRAMEWORK AGREEMENT

The XES Board and the XYG Board jointly announce that the XYG Sales Framework Agreement was entered into on 8 April 2021, pursuant to which the XES Group has agreed to sell to the XYG Group, and the XYG Group has agreed to purchase from the XES Group, (a) lithium battery packs; (b) direct-current lithium battery systems; (c) uninterruptible power supply lithium battery systems; (d) lithium battery energy storage systems; and (e) other lithium battery products as part of their ordinary course of businesses for a term commencing from the Effective Date and expiring on 31 December 2023.

XYG SALES FRAMEWORK AGREEMENT

The XES Board also announces that the XYG Sales Framework Agreement was entered into on 8 April 2021, pursuant to which the XES Group has agreed to sell to the XYG Group, and the XYG Group has agreed to purchase from the XES Group, (a) lithium battery packs; (b) direct-current lithium battery systems; (c) uninterruptible power supply lithium battery systems; (d) lithium battery energy storage systems; and (e) other lithium battery products as part of their ordinary course of businesses for a term commencing from the Effective Date and expiring on 31 December 2023.

IMPLICATIONS UNDER THE GEM LISTING RULES FOR XINYI ELECTRIC STORAGE

As of the date of this joint announcement, the XES Controlling Shareholders and their respective associates are interested in 59.72% of the share capital of Xinyi Glass and 25.97% of the share capital of Xinyi Solar (disregarding the indirect interest being held through Xinyi Glass). Xinyi Glass is also interested in 22.86% of the share capital of Xinyi Solar. The XES Controlling Shareholders thus control and exercise more than 30% voting power at general meetings of each of Xinyi Glass and Xinyi Solar. Accordingly, Xinyi Glass, Xinyi Solar and each of their respective subsidiaries are connected persons of Xinyi Electric Storage under Chapter 20 of the GEM Listing Rules.

Pursuant to Rule 20.80(1) of the GEM Listing Rules, the XYS Annual Caps and the XYG Annual Caps shall be aggregated as they were entered into by Xinyi Electric Storage with parties connected with one another. As the aggregated maximum Annual Caps exceeds HK\$10,000,000 and one or more of the applicable percentage ratios for the aggregated maximum Annual Caps is greater than 5.0% for Xinyi Electric Storage, the entering into of each of the Sales Framework Agreements constitutes a continuing connected transaction for Xinyi Electric Storage under Chapter 20 of the GEM Listing Rules. Each of the Sales Framework Agreements, the transactions contemplated thereunder and Annual Caps will be subject to the reporting, announcement, annual review, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

The XES EGM will be convened at which ordinary resolutions will be proposed to the independent shareholders of Xinyi Electric Storage to consider and if appropriate, approve the entering into of the Sales Framework Agreements, the transactions contemplated thereunder and the Annual Caps. Any vote of the independent shareholders of Xinyi Electric Storage at the XES EGM will be taken by poll.

For the purpose of seeking the approval of the independent shareholders of Xinyi Electric Storage, a circular containing, inter alia, (a) details of the Sales Framework Agreements; (b) a letter from the XES Independent Board Committee; (c) a letter of advice from the XES Independent Financial Adviser to advise the XES Independent Board Committee and the independent shareholders of Xinyi Electric Storage; and (d) a notice of the XES EGM will be despatched to the shareholders of Xinyi Electric Storage as soon as practicable, but in any event not later than 29 April 2021.

IMPLICATIONS UNDER THE LISTING RULES FOR XINYI SOLAR

As of the date of this joint announcement, various XYS Directors, namely Dr. LEE Yin Yee, B.B.S., Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.* and Mr. LI Man Yin and their respective associates are interested in more than 30% in aggregate of the issued share capital of Xinyi Electric Storage. Accordingly, Xinyi Electric Storage is a connected person of Xinyi Solar under Chapter 14A of the Listing Rules and the transactions with the XES Group under the XYS Sales Framework Agreement constitute continuing connected transactions for Xinyi Solar.

As the XYS Annual Caps represent more than 0.1% but less than 5.0% of the applicable percentage ratios under the Listing Rules for Xinyi Solar and are expected to exceed HK\$3.0 million, the XYS Sales Framework Agreement and the transactions contemplated thereunder for Xinyi Solar will be subject to the reporting, announcement and annual review requirements but will be exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

IMPLICATIONS UNDER THE LISTING RULES FOR XINYI GLASS

Based on the latest available financial information of Xinyi Glass as of and for the year ended 31 December 2020, the transaction amounts involved under the XYG Sales Framework Agreement fall within the de minimis threshold for Xinyi Glass under Chapter 14A of the Listing Rules.

XYS SALES FRAMEWORK AGREEMENT

The XES Board and the XYS Board jointly announce that the XYS Sales Framework Agreement was entered into on 8 April 2021, pursuant to which the XES Group has agreed to sell to the XYS Group, and the XYS Group has agreed to purchase from the XES Group, (a) lithium battery packs; (b) direct-current lithium battery systems; (c) uninterruptible power supply lithium battery systems; (d) lithium battery energy storage systems; and (e) other lithium battery products as part of their ordinary course of businesses for a term commencing from the Effective Date and expiring on 31 December 2023.

XYG SALES FRAMEWORK AGREEMENT

The XES Board also announces that the XYG Sales Framework Agreement was entered into on 8 April 2021, pursuant to which the XES Group has agreed to sell to the XYG Group, and the XYG Group has agreed to purchase from the XES Group, (a) lithium battery packs; (b) direct-current lithium battery systems; (c) uninterruptible power supply lithium battery systems; (d) lithium battery energy storage systems; and (e) other lithium battery products as part of their ordinary course of businesses for a term commencing from the Effective Date and expiring on 31 December 2023.

SALES FRAMEWORK AGREEMENTS

The purpose of entering into of the Sales Framework Agreements is to provide a mutually agreed contractual framework for the sales and purchase transactions of rechargeable battery packs and energy storage systems. The terms of the XYS Sales Framework Agreement and the XYG Sales Framework Agreement are identical except for the transaction amounts under each of the agreements.

The following sets forth a summary of the principal terms of the Sales Framework Agreements:

- Date:** 8 April 2021 (after trading hours).
- Parties:** *For the XYS Sales Framework Agreement:*
- (a) Xinyi Solar, as the purchaser; and
 - (b) Xinyi Electric Storage, as the supplier.
- For the XYG Sales Framework Agreement:*
- (a) Xinyi Glass (Hong Kong), as the purchaser; and
 - (b) Xinyi Electric Storage, as the supplier.
- Term:** From the Effective Date to 31 December 2023.
- Subject matter:**
- (a) Lithium battery packs;
 - (b) direct-current lithium battery systems;
 - (c) uninterruptible power supply lithium battery systems;

(d) lithium battery energy storage systems; and

(e) other lithium battery products,

which are produced according to the technical specifications and requirements of the purchasers.

After-sale service:

The XES Group will provide repair and replacement services free of charge on quality issues during the following warranty period:

(a) lithium battery packs: five years;

(b) direct-current lithium battery systems: one year to three years;

(c) uninterruptible power supply lithium battery systems: one year to three years;

(d) lithium battery energy storage systems (i) three years for the core equipment such as power conversion systems and batteries and (ii) one year for other equipment and accessories; and

(e) other lithium battery products: case-by-case basis pursuant to terms of the purchase order.

Condition precedent:

Approval by the independent shareholders of Xinyi Electric Storage at the XES EGM by way of poll.

Payment:

The purchase will be conducted by way of purchase orders which set forth the detailed information on the products to be ordered, including the product models, technical specifications, quantity, unit price, payment terms and delivery terms.

For (a) lithium battery packs, the purchase prices will be payable within 15 days after delivery.

For (b) direct-current lithium battery systems; (c) uninterruptible power supply lithium battery systems; and (d) lithium battery energy storage systems,

(a) 30% of the purchase prices will be payable within 10 days immediately after the date of the acceptance of the purchase order;

- (b) 40% of the purchase prices will be payable within 10 days after the purchaser being satisfied of the result of the preliminary inspection on quality; and
- (c) 30% of the purchase prices will be payable within 10 days after the final inspection on the quality of the products and the receipt of the full amount value add tax invoice by the purchaser.

For (e) other lithium battery products, the purchase prices will be payable in accordance with such payment schedule to be mutually agreed by the parties.

PRICING BASIS

The selling prices are to be determined between Xinyi Electric Storage and Xinyi Solar (*under the XYS Sales Framework Agreement*) and Xinyi Glass (Hong Kong) (*under the XYG Sales Framework Agreement*) on arm's length basis and on normal commercial terms, which shall be no less favourable than the prices for comparable products offered by Xinyi Electric Storage to independent third parties, or by independent third parties to Xinyi Solar or Xinyi Glass (Hong Kong) (as the case may be).

Given that products under the Sales Framework Agreements are tailor-made according to the required technical specifications and capacity of the products, there is no fixed or standard unit price, or published reference price. In determining the selling prices, the XES Group will charge on a "cost-plus" basis. Based on the required technical specifications and capacity of the products, the XES Group will assess the scope of the relevant order and prepare a cost estimate, which mainly includes the materials cost, labour cost, and delivery and installation cost, with respect to the supply of the products. Such cost estimate will be used as the basis of the selling price of the products. The selling prices will be determined with reference to the production costs incurred by the XES Group plus a markup in the range of 18% to 35%. The percentage will be determined with reference to (a) the average profit margin earned in supplying the products of similar type and features to independent third parties; (b) the additional costs in producing the products in accordance with the specific technical requirements and advanced features; (c) customers' view; and (d) competitors' pricing information (if available). The selling prices and markup percentage under the Sales Framework Agreements are subject to review by the management of the relevant department of the XES Group and the XYS Group (*under the XYS Sales Framework Agreement*) and the XYG Group (*under the XYG Sales Framework Agreement*) on a regular basis.

HISTORICAL TRANSACTION AMOUNTS AND ANNUAL CAPS

The table below sets forth the historical transaction amounts paid/payable by the XYS Group and the XYG Group to the XES Group in respect of the battery packs and energy storage systems for the three years ended 31 December 2020:

	Year ended 31 December		
	2018	2019	2020
	<i>RMB'</i>	<i>RMB'</i>	<i>RMB'</i>
	<i>million</i>	<i>million</i>	<i>million</i>
Processing and supply of battery packs and energy storage systems by the XES Group to the XYS Group	2.5	2.0	0.6
Processing and supply of battery packs and energy storage systems by the XES Group to the XYG Group	40.2	24.8	1.2
Total	42.7	26.8	1.8

The table below sets forth the Annual Caps:

	For the period from the Effective Date to 31 December			Year ending 31 December		
	2021	2022	2023	2021	2022	2023
	<i>RMB'</i>	<i>RMB'</i>	<i>RMB'</i>	<i>RMB'</i>	<i>RMB'</i>	<i>RMB'</i>
	<i>million</i>	<i>million</i>	<i>million</i>	<i>million</i>	<i>million</i>	<i>million</i>
XYS Annual Caps	30.0	82.0	74.0			
XYG Annual Caps	7.5	6.0	5.0			
Total	37.5	88.0	79.0			

In estimating the Annual Caps, the XES Directors, the XYS Directors and the XYG Directors have considered, among others, the current market prices of battery packs and energy storage systems, the expected purchase volume of battery packs and energy storage systems as may be required under the Sales Framework Agreements and the historical prices and profit margins of Xinyi Electric Storage for sales of similar products to independent third parties.

If the transaction amount under any of the Sales Framework Agreements is expected to be more than the relevant Annual Caps or there is any material change to any of the terms of the Sales Framework Agreements, Xinyi Energy Storage and Xinyi Solar, as appropriate, will comply with the applicable requirements under the GEM Listing Rules and the Listing Rules, as and when appropriate.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE SALES FRAMEWORK AGREEMENTS

Part of the ordinary course of business of the XES Group is the production and sales of different types of battery packs and energy storage systems, and it has production facilities in Zhangjiagang, Jiangsu Province, the PRC. The XES Group has the required production capacity and technologies to produce such battery packs and energy storage systems as required by its customers, including the XYS Group and the XYG Group. The XES Board considers that the Sales Framework Agreements will provide a steady business flow to the XES Group.

The XYS Group and the XYG Group currently use loading machines for transportation and transfer of a wide range of glass products. These machines are electric powered and equipped with chargeable battery systems. Battery packs can be used to replace less environmental-friendly and less durable lead acid power supply systems in their loading machines. In addition, uninterruptible supply power systems can provide immediate backup power in their respective production facilities in case of power disruption from local power grids. On the other hand, in response to the PRC government policy for the renewable energy generation facilities to equip with energy storage systems, the XYS Group also plans to install energy storage systems in the solar farm projects developed and constructed by it. Hence, environmental-friendly and cost-efficient lithium battery packs, direct-current lithium battery systems, uninterruptible power supply lithium battery systems and lithium battery energy storage systems are required. The XYS Board considers that it would be appropriate and commercially viable for them to source part of those required electric products and systems from the XES Group as the XES Group has been developed with the required production technology and production facilities that can provide in-time supply of these products upon such acceptable terms and conditions and assurance on product specifications and quality.

In light of the foregoing, the Sales Framework Agreements have been entered into for the purpose of providing a framework for the ongoing purchases from the XES Group.

INFORMATION ON XINYI ELECTRIC STORAGE, XINYI SOLAR AND XINYI GLASS

Xinyi Electric Storage is an investment holding company. The XES Group is principally engaged in the business of the provision of automobile glass repair and replacement services in Hong Kong, the production and sales of lithium battery products, production and sales of as well as provision of contract processing services for different types of battery packs and energy storage systems. In addition, the XES Group is also engaged in the provision of engineering, procurement and construction services for solar energy projects.

Xinyi Solar is an investment holding company. The XYS Group is principally engaged in the production and sales of solar glass products, which are carried out internationally, through its production facilities in the PRC and Malaysia. In addition, the XYS Group is also engaged in the development and operation of solar farm projects and the engineering, procurement and construction services.

Xinyi Glass (Hong Kong) is a wholly-owned subsidiary of Xinyi Glass and an investment holding and trading company. Xinyi Glass is an investment holding company. The XYG Group is principally engaged in the production and sales of a wide range of glass products, including automobile glass, architectural glass, float glass and other glass products for different commercial and industrial applications.

INTERNAL CONTROL MEASURES ADOPTED BY XINYI ELECTRIC STORAGE

The XES Group has established the following internal control measures to monitor the transactions contemplated under the Sales Framework Agreements:

- (a) The senior management and relevant departments of the XES Group will review and assess whether the terms set forth in a specific purchase order are consistent with each of the Sales Framework Agreements, no less favourable than those offered to independent third parties, and adhere to the respective pricing basis of the transactions by implementing the following checking procedures:
 - (i) collate updated information on the prevailing market prices of the products from time to time to ensure the selling prices are no less favourable to those offered to independent third parties. Market prices will be obtained through, among other things, recent transactions of the XES Group with independent third parties, pricing information obtained through enquiry with other industry players and researches on industry websites; and

- (ii) review the profit margin is in the expected range and in alignment with the margin for sale to independent third parties to ensure the selling price is calculated on a cost-plus basis and the markup percentage is commensurate with the complexity and technical specifications of the product.
- (b) Specifically assigned personnel from the relevant departments of the XES Group will monitor the actual transaction amounts on a regular basis to ensure that the Annual Caps would not be exceeded and due compliance with the respective pricing basis of the transactions.
- (c) The finance department of the XES Group will monitor the transaction amounts contemplated under each of the Sales Framework Agreements on a regular basis and will prepare a summary of the transaction amounts on a monthly basis.
- (d) The internal audit function will review and conduct sample checks on the sale amounts under each of the Sales Framework Agreements, which constitute continuing connected transactions for Xinyi Electric Storage during the course of its annual review to ensure that the pricing basis and internal control procedures under each of the Sales Framework Agreements are complied with.
- (e) The independent non-executive XES Directors will review the continuing connected transactions on an annual basis and report their opinion to the XES Board.
- (f) The auditors of Xinyi Electric Storage will conduct annual review on the transactions contemplated by the Sales Framework Agreements and report their findings and conclusions to the XES Board.

APPROVAL BY THE BOARDS OF DIRECTORS

Xinyi Electric Storage

As Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, the non-executive XES Director, is concurrently an executive XYG Director and a non-executive XYS Director and has interests in the share capital of Xinyi Glass and Xinyi Solar, Mr. NG Ngan Ho, an executive XES Director, is concurrently a non-executive XYG Director and has interests in the share capital of Xinyi Glass and Xinyi Solar, and Mr. LEE Shing Kan, a non-executive XES Director, is concurrently an executive XYG Director, each of them has abstained from voting on the resolutions for considering and approving the entering into of the Sales Framework Agreements and the transactions contemplated thereunder and the Annual Caps in the relevant XES Board meeting.

Having excluded the above persons which have material interests in the entering into of the Sales Framework Agreements, the transactions contemplated thereunder and the Annual Caps, the XES Board (excluding the independent non-executive XES Directors whose view will be contained in the circular to be despatched to the shareholders of Xinyi Electric Storage after considering the advice of the XES Independent Financial Adviser) is of the opinion that:

- (i) the Sales Framework Agreements and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable;
- (ii) the Annual Caps are fair and reasonable; and
- (iii) the Sales Framework Agreements and the transactions contemplated thereunder are and will be conducted in the ordinary and usual course of business of the XES Group and in the interest of Xinyi Energy Storage and its shareholders as a whole.

Xinyi Solar

As each of the following XYS Directors, namely Dr. LEE Yin Yee, B.B.S., 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 Electric Storage, each of them has abstained from voting on the resolutions for considering and approving the entering into of the XYS Sales Framework Agreement, the transactions contemplated thereunder and the XYS Annual Caps in the relevant XYS Board meeting.

Having excluded the above persons which have material interests in the entering into of the XYS Sales Framework Agreement, the transactions contemplated thereunder and the XYS Annual Caps, the XYS Board (including the independent non-executive XYS Directors) is of the opinion that:

- (i) the XYS Sales Framework Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable;
- (ii) the XYS Annual Caps are fair and reasonable; and
- (iii) the XYS Sales Framework Agreement and the transactions contemplated thereunder are and will be conducted in the ordinary and usual course of business of the XYS Group and in the interest of Xinyi Solar and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES AND THE GEM LISTING RULES

Xinyi Electric Storage

Continuing connected transactions

As of the date of this joint announcement, the XES Controlling Shareholders and their respective associates are interested in 59.72% of the share capital of Xinyi Glass and 25.97% of the share capital of Xinyi Solar (disregarding the indirect interest being held through Xinyi Glass). Xinyi Glass is also interested in 22.86% of the share capital of Xinyi Solar. The XES Controlling Shareholders thus control and exercise more than 30% voting power at general meetings of each of Xinyi Glass and Xinyi Solar. Accordingly, Xinyi Glass, Xinyi Solar and each of their respective subsidiaries are connected persons of Xinyi Electric Storage under Chapter 20 of the GEM Listing Rules.

Pursuant to Rule 20.80(1) of the GEM Listing Rules, the XYS Annual Caps and the XYG Annual Caps shall be aggregated as they were entered into by Xinyi Electric Storage with parties connected with one another. As the aggregated maximum Annual Caps exceeds HK\$10,000,000 and one or more of the applicable percentage ratios for the aggregated maximum Annual Caps is greater than 5.0% for Xinyi Electric Storage, the entering into of each of the Sales Framework Agreements constitutes a continuing connected transaction for Xinyi Electric Storage under Chapter 20 of the GEM Listing Rules. Each of the Sales Framework Agreements, the transactions contemplated thereunder and Annual Caps will be subject to the reporting, announcement, annual review, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Approval of the independent shareholders of Xinyi Electric Storage

The XES EGM will be convened at which ordinary resolutions will be proposed to the independent shareholders of Xinyi Electric Storage to consider and if appropriate, approve the entering into of the Sales Framework Agreements, the transactions contemplated thereunder and the Annual Caps. Any vote of the independent shareholders of Xinyi Electric Storage at the XES EGM will be taken by poll.

As the XES Controlling Shareholders have material interests in the Sales Framework Agreements, each of the XES Controlling Shareholders will be required to abstain from voting at the XES EGM. Save for this and to the best knowledge, information and belief of XES Directors, as of the date of this joint announcement, no other shareholder of Xinyi Electric Storage has a material interest in the Sales Framework

Agreements and therefore no other shareholder of Xinyi Electric Storage is required to abstain from voting on the proposed resolutions approving the entering into of the Sales Framework Agreements, the transactions contemplated thereunder and the Annual Caps.

Establishment of the XES Independent Board Committee

The XES Independent Board Committee has been established to advise and give recommendation to the independent shareholders of Xinyi Electric Storage on the entering into of the Sales Framework Agreements, the transactions contemplated thereunder and the Annual Caps. Ballas Capital Limited has been appointed as the XES Independent Financial Adviser to advise the XES Independent Board Committee and the independent shareholders of Xinyi Electric Storage in this regard.

Despatch of shareholders' circular

For the purpose of seeking the approval of the independent shareholders of Xinyi Electric Storage, a circular containing, inter alia, (a) details of the Sales Framework Agreements; (b) a letter from the XES Independent Board Committee; (c) a letter of advice from the XES Independent Financial Adviser to advise the XES Independent Board Committee and the independent shareholders of Xinyi Electric Storage; and (d) a notice of the XES EGM will be despatched to the shareholders of Xinyi Electric Storage as soon as practicable, but in any event not later than 29 April 2021.

Xinyi Solar

As of the date of this joint announcement, various XYS Directors, namely Dr. LEE Yin Yee, B.B.S., Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.* and Mr. LI Man Yin and their respective associates are interested in more than 30% in aggregate of the issued share capital of Xinyi Electric Storage. Accordingly, Xinyi Electric Storage is a connected person of Xinyi Solar under Chapter 14A of the Listing Rules and the transactions with the XES Group under the XYS Sales Framework Agreement constitute continuing connected transactions for Xinyi Solar.

As the XYS Annual Caps represent more than 0.1% but less than 5.0% of the applicable percentage ratios under the Listing Rules for Xinyi Solar and are expected to exceed HK\$3.0 million, the XYS Sales Framework Agreement and the transactions contemplated thereunder for Xinyi Solar will be subject to the reporting, announcement and annual review requirements but will be exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Xinyi Glass

Based on the latest available financial information of Xinyi Glass as of and for the year ended 31 December 2020, the transaction amounts involved under the XYG Sales Framework Agreement fall within the de minimis threshold for Xinyi Glass under Chapter 14A of the Listing Rules.

DEFINITIONS USED IN THIS JOINT ANNOUNCEMENT

Unless the context requires otherwise, the capitalised terms used in this joint announcement have the following meanings:

“Annual Caps”	the XYG Annual Caps and the XYS Annual Caps;
“associate(s)”	has the meaning ascribed to it under the Listing Rules and GEM Listing Rules;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules and GEM Listing Rules;
“Effective Date”	the date on which (i) the entering into of the XYG Sales Framework Agreement, the transactions contemplated thereunder and the XYG Annual Caps, and (ii) the entering into of the XYS Sales Framework Agreement, the transactions contemplated thereunder and the XYS Annual Caps, are approved by the independent shareholders of Xinyi Electric Storage at the XES EGM respectively;
“GEM”	The GEM of The Stock Exchange of Hong Kong Limited;
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

“PRC”	The People’s Republic of China which for the purpose of this joint announcement does not include Hong Kong, The Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sales Framework Agreements”	the XYG Sales Framework Agreement and the XYS Sales Framework Agreement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“XES Board”	the board of directors of Xinyi Electric Storage;
“XES Controlling Shareholders”	the controlling shareholders (as such term is defined under the GEM Listing Rules) of Xinyi Electric Storage, namely, Dr. LEE Yin Yee, B.B.S., Mr. TUNG Ching Bor, Tan Sri Datuk TUNG Ching Sai <i>P.S.M, D.M.S.M, J.P.</i> , Mr. LEE Sing Din, Mr. LI Ching Wai, Mr. NG Ngan Ho, Mr. LI Man Yin, Mr. SZE Nang Sze, Mr. LI Ching Leung and their respective controlled corporations;
“XES Director(s)”	the directors of Xinyi Electric Storage;
“XES EGM”	the extraordinary general meeting to be convened by Xinyi Electric Storage for the purpose of approving the entering into of the Sales Framework Agreements, the transactions contemplated thereunder and the Annual Caps;
“XES Group”	Xinyi Electric Storage and its subsidiaries;
“XES Independent Board Committee”	an independent committee of the XES Board established with all independent non-executive XES Directors, namely Mr. WANG Guisheng, Mr. NG Wai Hung and Mr. CHAN Hak Kan, B.B.S., J.P., as members;

“XES Independent Financial Adviser”	Ballas Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed to advise the XES Independent Board Committee and the independent shareholders of Xinyi Electric Storage in respect of the entering into of the Sales Framework Agreements, the transactions contemplated thereunder and the Annual Caps;
“Xinyi Electric Storage”	Xinyi Electric Storage Holdings Limited (信義儲電控股有限公司), a company incorporated in the Cayman Islands with limited liability, all the shares of which are listed on GEM (stock code: 08328);
“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, all the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00868);
“Xinyi Glass (Hong Kong)”	Xinyi Group (Glass) Company Limited (信義集團(玻璃)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Xinyi Glass;
“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, all the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00968);
“XYG Annual Caps”	the maximum transaction amount under the XYG Sales Framework Agreement for each of the period from the Effective Date to 31 December 2021 and the two years ending 31 December 2023;
“XYG Director(s)”	the directors of Xinyi Glass;
“XYG Group”	Xinyi Glass and its subsidiaries;

“XYG Sales Framework Agreement”	the product sales framework agreement dated 8 April 2021 between Xinyi Glass (Hong Kong) and Xinyi Electric Storage for the sales of battery packs and energy storage systems by the XES Group to the XYG Group;
“XYS Annual Caps”	the maximum transaction amount under the XYG Sales Framework Agreement for each of the period from the Effective Date to 31 December 2021 and the two years ending 31 December 2023;
“XYS Board”	the board of directors of Xinyi Solar;
“XYS Director(s)”	the directors of Xinyi Solar;
“XYS Group”	Xinyi Solar and its subsidiaries;
“XYS Sales Framework Agreement”	the product sales framework agreement dated 8 April 2021 between Xinyi Solar and Xinyi Electric Storage for the sales of battery packs and energy storage systems by the XES Group to the XYG Group; and
“%”	per cent.

By order of the board of directors of
Xinyi Electric Storage Holdings Limited
Tan Sri Datuk TUNG Ching Sai
P.S.M, D.M.S.M, J.P.
Chairman

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

Hong Kong, 8 April 2021

Unless otherwise stated, the conversion of RMB into HK\$ is based on the exchange rate of HK\$1.00 = RMB0.8409 for reference only. 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 XES Board comprises two executive directors, namely Mr. NG Ngan Ho and Ms. LI Pik Yung, two non-executive directors, namely Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. (Chairman) and Mr. LEE Shing Kan, and three independent non-executive directors, namely Mr. WANG Guisheng, Mr. NG Wai Hung and Mr. CHAN Hak Kan, B.B.S., J.P..

As of the date of this joint announcement, the XYG Board comprises four executive directors, namely Dr. LEE Yin Yee, B.B.S. (Chairman), 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, for which the XES Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to Xinyi Electric Storage. The XES Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this joint announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this joint announcement misleading.

This joint announcement will be published on the website of the Stock Exchange at www.hkexnews.hk, remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting, and on the websites of Xinyi Solar at www.xinyisolar.com and Xinyi Electric Storage at www.xyglass.com.hk.