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Guangxin Aluminium (HK) Limited
香港廣新鋁業有限公司

(Incorporated in Hong Kong with limited liability)



**XINGFA ALUMINIUM
HOLDINGS LIMITED**

興發鋁業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 98)

**JOINT ANNOUNCEMENT
IRREVOCABLE UNDERTAKING RELATING TO
CONDITIONAL MANDATORY CASH OFFERS BY
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED
FOR AND ON BEHALF OF
GUANGXIN ALUMINIUM (HK) LIMITED
FOR ALL THE ISSUED SHARES IN
XINGFA ALUMINIUM HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY
GUANGXIN ALUMINIUM (HK) LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)
AND FOR THE CANCELLATION OF
ALL THE OUTSTANDING SHARE OPTIONS OF
XINGFA ALUMINIUM HOLDINGS LIMITED**

Financial adviser to the Offeror

華泰金融控股(香港)有限公司
HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Financial adviser to the Company

BALLAS
C A P I T A L

Reference is made to the joint announcement (the “**Joint Announcement**”) jointly issued by Guangxin Aluminium (HK) Limited (the “**Offeror**”) and Xingfa Aluminium Holdings Limited (the “**Company**”) dated 13 February 2019 in relation to, *inter alia*, the conditional mandatory cash offers to be made by Huatai Financial Holdings (Hong Kong) Limited for and on behalf of the Offeror for all the issued Shares in the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) and for the cancellation of all the outstanding Share Options of the Company. Unless otherwise defined herein, capitalized terms used in this joint announcement shall have the same meanings as those defined in the Joint Announcement.

On 20 February 2019, the Offeror received (1) the irrevocable undertaking dated 19 February 2019 executed in favour of the Offeror by Lesso Group Holdings Limited (“**Lesso Group**”) and (2) the irrevocable undertaking dated 20 February 2019 executed in favour of the Offeror by Sure Keen Limited (“**Sure Keen**”) (collectively, the “**Irrevocable Undertakings**”). As at the date of this joint announcement, Lesso Group and Sure Keen collectively hold a total of 158,043,000 Shares (the “**Relevant Shares**”), (representing approximately 37.81% of the entire issued share capital of the Company). Pursuant to the Irrevocable Undertakings, each of Lesso Group and Sure Keen has unconditionally and irrevocably undertaken that:

1. it will not tender any of the Relevant Shares held by it for acceptance of the Share Offer; and
2. it will not dispose any of the Relevant Shares held by it.

The undertakings given under the Irrevocable Undertakings will cease to be binding on Lesso Group or Sure Keen (as applicable) upon the close or lapse of the Offers.

Since Lesso Group and Sure Keen will not tender any of the Relevant Shares pursuant to the Irrevocable Undertakings:

- (a) Assuming no outstanding Share Options are exercised and the Share Offer is accepted in full, the total cash consideration payable by the Offeror under the Offers would decrease from approximately HK\$1,639,122,800 to approximately HK\$754,082,000.
- (b) Assuming all outstanding Share Options are exercised in full and the Share Offer is accepted in full (including all Shares issued and allotted as a result of the exercise of the Share Options), the total cash consideration payable by the Offeror under the Offers will decrease from approximately HK\$1,661,945,600 to approximately HK\$776,904,800.

Using the higher figure from the above scenarios, the maximum total consideration payable by the Offeror under the Offers decreases from approximately HK\$1,661,945,600 to approximately HK\$776,904,800.

WARNING: Shareholders, Optionholders and potential investors of the Company should note that the Offers are conditional upon the fulfillment of the conditions set out in the section headed “Conditions of the Offers” in the Joint Announcement, and are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

By Order of the Board
Guangxin Aluminium (HK) Limited
ZHAO Lan
Director

By Order of the Board
Xingfa Aluminium Holdings Limited
LIU Libin
Chairman

Hong Kong, 21 February 2019

As at the date of this joint announcement, the Board comprises Mr. LIU Libin, Mr. LIAO Yuqing, Ms. ZHANG Li, Mr. LAW Yung Koon, Mr. WANG Zhihua and Mr. LUO Jianfeng as executive Directors; Mr. ZUO Manlun and Ms. XIE Jingyun as non-executive Directors; and Mr. CHEN Mo, Mr. HO Kwan Yiu, Mr. LAM Ying Hung Andy, and Mr. LIANG Shabin as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the board of directors of the Offeror comprises Mr. ZOU Bin, Mr. LIU Libin and Ms. ZHAO Lan.

As at the date of this joint announcement, the board of directors of Guangxin Holdings comprises Mr. HUANG Ping (chairman), Ms. WU Xiaohui (general manager), Mr. ZHANG Xiuzhong (chairman of workers union), Ms. XIA Saiqiu (professional external director) and Mr. LI Kerang (professional external director).

The directors of each of the Offeror and Guangxin Holdings jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the Group and the Directors) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Group and the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

In the case of inconsistency, the English text of this joint announcement shall prevail over the Chinese text.