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## **JOINT ANNOUNCEMENT**

### **CONNECTED TRANSACTIONS SALE AND PURCHASE OF THE EQUITY INTEREST IN JINZHAI WIND POWER**

On 23 December 2025 (after trading hours), the Equity Transfer Agreement has been entered into whereby XYG (Wuhu) and XES Anhui Power have conditionally agreed to sell, and XYE (Fanchang) has conditionally agreed to purchase, the Equity Interest.

#### **Implications under the Listing Rules for XYG, XYE and YYS**

##### **XYG**

The Controlling Shareholders and their respective family members (as defined under the Listing Rules) can control the composition of a majority of the YYS Board. Accordingly, YYS and its subsidiaries (including XYE and XYE (Fanchang)) are majority-controlled companies (as defined under the Listing Rules) held by the Controlling Shareholders and their respective family members and hence, they are associates of the Controlling Shareholders and connected persons of XYG. The Equity Transfer Agreement constitutes a connected transaction for XYG under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio calculated in relation to the disposal under the Equity Transfer Agreement pursuant to Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## *XYE*

The Controlling Shareholders and their respective associates of XYE are in aggregate interested in more than 30% of the XYG Shares in issue and more than 30% of the XES Shares in issue. Accordingly, each of XYG (Wuhu) and XES Anhui Power is a connected person of XYE and the Equity Transfer Agreement constitutes a connected transaction for XYE under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio calculated in relation to the acquisition under the Equity Transfer Agreement pursuant to Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## *XYS*

As XYE is a non-wholly owned subsidiary of YYS, the Equity Transfer Agreement also constitutes a connected transaction for YYS under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio calculated in relation to the acquisition under the Equity Transfer Agreement pursuant to Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **Implications under the GEM Listing Rules for XES**

The Controlling Shareholders and their respective associates of XES are in aggregate interested in more than 30% of the XYE Shares in issue. Accordingly, XYE (Fanchang) is a connected person of XES and the Equity Transfer Agreement constitutes a connected transaction for XES under Chapter 20 of the GEM Listing Rules.

Given that the highest applicable percentage ratio calculated in relation to the disposal under the Equity Transfer Agreement pursuant to Rule 19.07 of the GEM Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

On 23 December 2025 (after trading hours), the Equity Transfer Agreement has been entered into whereby XYG (Wuhu) and XES Anhui Power have conditionally agreed to sell, and XYE (Fanchang) has conditionally agreed to purchase, the Equity Interest.

## **PRINCIPAL TERMS OF THE EQUITY TRANSFER AGREEMENT**

The following sets forth a summary of the principal terms and conditions of the Equity Transfer Agreement:

Date:	23 December 2025 (after trading hours)
Parties:	<p>(i) XYG (Wuhu) (as the vendor of 82.0% of the Equity Interest);</p> <p>(ii) XES Anhui Power (as the vendor of 18.0% of the Equity Interest); and</p> <p>(iii) XYE (Fanchang) (as the purchaser)</p>
Subject matter / Equity Interest:	The transaction involves the sale and purchase of the equity interest of Jinzhai Wind Power, which is the owner and operator of a wind farm situated at Jinzhai City, Anhui Province with the approved power generating capacity of 64 MW. The operation of the wind farm is subject to the Wind Farm Management Agreement.
Consideration and payment terms:	<p>The total consideration is RMB62.0 million (subject to adjustment), among which XYG (Wuhu) and XES Anhui Power shall receive RMB50.8 million and RMB11.2 million, respectively, which shall be payable in cash by XYE (Fanchang) or any member of the XYE Group in the following manner:</p> <p>(i) <i>First instalment:</i> RMB55.8 million, representing 90% of the total consideration, shall be payable upon the date of Completion; and</p>

- (ii) *Second instalment being the warranty payment:* RMB6.2 million (subject to adjustment, if applicable), representing 10% of the total consideration, shall be payable upon the fulfilment of all of the following: (a) the transfer of the Equity Interest has been registered under the name of XYE (Fanchang) for a full twelve months; (b) all financial documents and materials relating to the wind farm operated by Jinzhai Wind Power have been fully transferred; (c) all rectification issues listed in the Equity Transfer Agreement have been completed; and (d) no major quality incidents or other circumstances affecting the performance of the Equity Transfer Agreement have occurred.

Conditions and Completion: Completion is conditional upon the satisfaction of the following conditions:

- (i) the representations and warranties made by the vendors in the Equity Transfer Agreement are true, complete and accurate as of the date of the Equity Transfer Agreement and up to the date of Completion, and the vendors have fulfilled all commitments required to be performed on or before the date of Completion as specified in the foregoing documents, with no breach of any provision of the Equity Transfer Agreement;
- (ii) all internal and external approvals (including shareholder approvals of Jinzhai Wind Power) required for the execution, delivery, and performance of the Equity Transfer Agreement by all parties hereto have been obtained;
- (iii) the vendors confirm that the core equipment (wind turbines, converters, main transformers) has no material quality defects;
- (iv) the vendors have provided all original administrative permits for the wind farm, and all such documents remain valid; and

- (v) the vendors have disclosed all pending matters concerning the wind farm (including but not limited to equipment warranty disputes, power trading contract disputes, and environmental complaints), provided solutions and obtained written confirmation from the purchaser.

Subject to the fulfilment of the above conditions, Completion is expected to take place on 31 December 2025 or the business day preceding 31 December 2025, or such other time as may be mutually agreed upon in writing by the parties thereto.

## **BASIS OF DETERMINATION OF THE CONSIDERATION AND VALUATION**

### **Overall information**

The amount of the cash consideration was determined on an arm's length basis following negotiations between the parties on normal commercial terms, having considered (i) the registered capital of Jinzhai Wind Power paid by each of XYG (Wuhu) and XES Anhui Power in the amount of RMB10.0 million and RMB2.2 million, respectively; (ii) the appraised value of Jinzhai Wind Power as of 31 October 2025 in the amount of RMB62.0 million, as set forth in a valuation report prepared by an independent professional valuer; and (iii) the factors described in the paragraphs under "Reasons for and benefits of entering into the Equity Transfer Agreement" below.

The XYE Directors confirm that the total consideration for the Equity Interest will be settled by the XYE Group's internal financial resources.

### **Valuation method used by the valuer and its reasons**

The valuer, which is an Independent Third Party and appointed by XYE, has used the discounted cash flow approach in determining the appraised value of Jinzhai Wind Power. The valuer considered that the market approach is not applicable as there are insufficient relevant comparable transactions to form a reliable basis for its opinion of value. The cost approach is also not applicable as the valuation of Jinzhai Wind Power is conducted on a going concern basis and hence, the cost of reproducing and replacing its assets is inappropriate as such method ignores the future economic benefits of the business as a whole.

The cash flow approach provides an indication of value by converting projected cash flows to a single current value. Under this approach, the value of a business entity is determined by reference to the value of its income, cash flow or cost savings generated by the business entity. The value of a business entity can be measured by the present worth of the economic benefits to be received over the life of the business entity. Based on this valuation approach, it estimates the future economic benefits and discounts these benefits to the present value using a discount rate that reflects the risks associated with realising those benefits. Alternatively, the value of a business can also be calculated by capitalising the economic benefits to be received in the next period at an appropriate capitalisation rate. This is subject to the assumption that the business entity will maintain stable economic benefits and growth rate.

### **Assumptions of the valuation**

The principal assumptions made by the valuer are as follows:

- (1) **Financial model:** The free cash flow to the firm (“**FCFF**”) model has been utilised in this valuation. FCFF represents the amount of cash available to both debt and equity holders after all operating expenses, taxes, change in net working capital and capital expenditure. Its opinion of value was obtained by applying the financial projections prepared and provided by XYE, which cover a period of about 13 years up to 2037.
- (2) **Comparable search:** In searching for the comparable companies, the selection criteria have been adopted as follows:
  - Publicly listed with liquid market trading and sufficient information;
  - Principal place of business based in the PRC; and
  - Major revenue generated from wind farm operation.

As sourced from Bloomberg, on best effort basis, the valuer shortlisted seven comparable companies listed either in Hong Kong or in the PRC.

- (3) **Discount rate:** A discount rate represents the total expected rate of return that an investor would demand on the purchase price of an ownership interest in an asset given the level of risk inherent in that ownership interest. In this valuation, the discount rate applied to the cash flow streams attributable to Jinzhai Wind Power is the weighted average cost of capital (“**WACC**”).

The WACC is comprised of two components, namely cost of debt and cost of equity. It is calculated by taking the relative weights of each component of the capital structure. It is computed based on the formula below:

$$WACC = W_e \times R_e + W_d \times R_d \times (1 - T)$$

$R_e$  = cost of equity

$R_d$  = cost of debt

$W_e$  = portion of equity value to enterprise value

$W_d$  = portion of debt value to enterprise value

$T$  = corporate tax rate

The cost of equity is developed through the application of the capital asset pricing model (“**CAPM**”) with reference to the required rates of return demanded by investors for similar projects. The CAPM states that an investor requires excess returns to compensate for any risk that is correlated to the risk in the return from the stock market but requires no excess return for other risks. Risks that are correlated to the risk in the return from the stock market are referred to as systematic and measured by a parameter called beta, whereas other risks are referred to as non-systematic. A major requirement in generating the cost of equity is to identify companies that are comparable to the subject business in terms of business nature and associated risks.

The cost of equity is the sum of the risk-free rate return, the equity risk premium required by investors to compensate for the systematic risk assumed with adjustments for increment for risk differentials of the subject business versus those of the comparable companies, if applicable, such as size premium and company specific risk premium.

$$R_e = R_f + \beta \times R_m + \text{Other risk premium}$$

$R_f$  = risk free rate

$\beta$  = estimated beta

$R_m$  = equity risk premium

- (4) **Surplus assets and liabilities:** After estimating the net present value of the future cash flows, the valuer has adjusted it by the surplus assets and liabilities based on the financial information of Jinzhai Wind Power as of 31 October 2025 provided by XYE, including net cash/(debt), net non-operating assets/(liabilities) and dividend payable.
- (5) **Discount for lack of marketability (“DLOM”):** The concept of marketability deals with the liquidity of an ownership interest, that is how quickly and easily it can be converted to cash if the owner chooses to sell. The DLOM reflects the fact that there is no ready market for shares in privately held companies which are typically not readily marketable compared to similar interest in public companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly held company. The DLOM of 20.40% was adopted in this valuation, based on the 2024 edition of the Stout Restricted Stock Study Companion Guide issued by Stout Risius Ross, LLC.

### **Valuation conclusion**

The valuer is of the opinion that the market value of the Equity Interest as of 31 October 2025 was RMB62.0 million.

### **INFORMATION OF JINZHAI WIND POWER**

Jinzhai Wind Power is a company established in the PRC with limited liability. As of the date of this joint announcement, the Equity Interest is owned by XYG (Wuhu) and XES Anhui Power as to 82.0% and 18.0%, respectively. Jinzhai Wind Power is principally engaged in the operation of wind farm for electricity generation in the PRC located at Jinzhai City, Anhui Province with the first grid-connected wind farm project since 2017.



The audited net profit (both before and after taxation and extraordinary items) of Jinzhai Wind Power for the two years ended 31 December 2024 and the unaudited net profit (both before and after taxation and extraordinary items) of Jinzhai Wind Power for the six months ended 30 June 2025 are as follows:

	<b>Year ended 31 December</b>		<b>Six months ended 30 June</b>
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
Net profit before taxation and extraordinary items	45,084	30,612	23,452
Net profit after taxation and extraordinary items	33,813	22,944	17,589

The audited net asset value of Jinzhai Wind Power as of 31 December 2024 was RMB229.6 million and the unaudited net asset value of Jinzhai Wind Power as of 30 June 2025 was RMB247.2 million.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY TRANSFER AGREEMENT**

Jinzhai Wind Power has been a non-wholly owned subsidiary of XYG for more than a decade. Its core asset is a hill-top wind farm located at Jinzhai City, Anhui Province. The wind farm comprises 32 wind turbines with approved capacity of 64 MW, supplying electricity to Anhui Province, the PRC. The wind farm commenced operations prior to the incorporation and listing of XYE on the Stock Exchange.

As the principal business of the XYG Group is the production and sales of glass products and the principal business of the XES Group is provision of automobile glass repair and replacement services in Hong Kong, the production and sales of electric storage products and photovoltaic films in the PRC and the provision of engineering, procurement and construction services for solar energy projects, the proposed arrangement will reduce the separate operational team maintained by the XYG Group and the XES Group, respectively for the management of the wind farm owned by Jinzhai Wind Power and hence could effectively reduce cost and expenditure on non-core business of the XYG Group and the XES Group, respectively. On the other hand, as the principal business of the XYE Group is the operation of solar power farm projects and the XYE Group is also exploring projects in other renewable energy segments, the acquisition of Jinzhai Wind Power would further diversify its portfolio of renewable energy generation projects in the PRC and thus expand its renewable energy business in the area of wind energy.

## **Opinion of the XYG Board**

Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, an executive XYG Director, is currently the non-executive XES Director and the executive XYE Director and has interests in the XES Shares in issue and the XYE Shares in issue, Mr. NG Ngan Ho, a non-executive XYG Director, is currently the executive XES Director and has interest in the XES Shares in issue and the XYE Shares in issue, Mr. LEE Shing Kan, M.H., an executive XYG Director, is currently the non-executive XES Director, and each of Dr. LEE Yin Yee, S.B.S., Datuk Wira TUNG Ching Bor *D.C.S.M.*, Mr. LI Ching Leung, Mr. LI Ching Wai and Mr. SZE Nang Sze has interests in the XES Shares in issue and the XYE Shares in issue, each of them has abstained from voting on the resolutions relating to the Equity Transfer Agreement at the relevant XYG Board meeting.

Excluding the XYG Directors who have abstained from voting, the XYG Directors (including all independent non-executive XYG Directors) are of the opinion that it is in the interest of the XYG Group to enter into the Equity Transfer Agreement and that the transactions contemplated thereunder have been entered into (a) on normal commercial terms after arm's length negotiations and (b) on terms that are fair and reasonable and in the interest of XYG and its shareholders as a whole. However, such transactions are not conducted in the ordinary or usual course of business of the XYG Group due to its nature.

## **Opinion of the XES Board**

As Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, a non-executive XES Director, is currently the executive XYE Director and the executive XYG Director and has interests in the XYE Shares in issue and the XYG Shares in issue, Mr. NG Ngan Ho, an executive XES Director, is currently the non-executive XYG Director and has interests in the XYE Shares in issue and the XYG Shares in issue, and Mr. LEE Shing Kan, M.H., a non-executive XES Director, is currently the executive XYG Director, each of them has abstained from voting on the resolutions relating to the Equity Transfer Agreement at the relevant XES Board meeting.

Excluding the XES Directors who have abstained from voting, the XES Directors (including all independent non-executive XES Directors) are of the opinion that it is in the interest of the XES Group to enter into the Equity Transfer Agreement and that the transactions contemplated thereunder have been entered into (a) on normal commercial terms after arm's length negotiations and (b) on terms that are fair and reasonable and in the interest of XES and its shareholders as a whole. However, such transactions are not conducted in the ordinary or usual course of business of the XES Group due to its nature.

## **Opinion of the XYE Board**

As Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, the vice chairman of the XYE Board and an executive XYE Director, is currently the chairman of the XES Board and a non-executive XES Director and the chief executive officer of XYG and an executive XYG Director and has interests in the XYG Shares in issue and the XES Shares in issue, he has abstained from voting on the resolutions on the Equity Transfer Agreement in the relevant XYE Board meeting.

Excluding the XYE Director who has abstained from voting, the XYE Directors (including all independent non-executive XYE Directors) are of the opinion that it is in the interest of the XYE Group to enter into the Equity Transfer Agreement and that the transactions contemplated thereunder have been entered into (a) on normal commercial terms after arm's length negotiations and (b) on terms that are fair and reasonable and in the interest of XYE and its shareholders as a whole. However, such transactions are not conducted in the ordinary or usual course of business of the XYE Group due to its nature.

## **Opinion of the XYS Board**

As Dr. LEE Yin Yee, S.B.S., the chairman of the XYS Board and a non-executive XYS Director, is currently the chairman of the XYG Board and an executive XYG Director and has interests in the XYG Shares in issue and the XES Shares in issue, Tan Sri Datuk TUNG Ching Sai *P.S.M, D.M.S.M, J.P.*, the vice-chairman of the XYS Board and a non-executive XYS Director, is currently an executive XYG Director and the chairman of the XES Board and a non-executive XES Director and has interests in the XYG Shares in issue and the XES Shares in issue, and Mr. LI Man Yin, an executive XYS Director, has interests in the XYG Shares in issue and the XES Shares in issue, each of them has abstained from voting on the resolutions on the Equity Transfer Agreement in the relevant XYS Board meeting.

Excluding the XYS Directors who have abstained from voting, the XYS Directors (including all independent non-executive XYS Directors) are of the opinion that the Equity Transfer Agreement and the transactions contemplated thereunder have been entered into (a) on normal commercial terms after arm's length negotiations and (b) on terms that are fair and reasonable and in the interest of XYS and its shareholders as a whole. However, such transactions are not conducted in the ordinary or usual course of business of the XYS Group due to its nature.

## **FINANCIAL IMPACT OF THE EQUITY TRANSFER AGREEMENT**

### **XYG**

As of the date of this joint announcement, XYG is interested in 82.0% of Jinzhai Wind Power, which is classified as a subsidiary in the consolidated financial statements of XYG. Upon Completion, XYG will cease to have any interest in Jinzhai Wind Power, and hence Jinzhai Wind Power will cease to be a subsidiary of XYG.

Subject to completion of the audited financial statements, it is expected that XYG would record a gain of RMB33.6 million, representing the proportion of the consideration for the Equity Interest to be received by XYG less the proportion of the book value of Jinzhai Wind Power.

The net proceeds from the disposal are intended to be used by XYG as general working capital.

### **XES**

As of the date of this joint announcement, XES is interested in 18.0% of Jinzhai Wind Power, which is classified as a financial asset at fair value through other comprehensive income. Upon Completion, XES will cease to have any interest in Jinzhai Wind Power, and hence Jinzhai Wind Power will cease to be a financial asset of XES.

Subject to completion of the audited financial statements, it is expected that XES would record a gain of RMB8.8 million, representing the proportion of the consideration for the Equity Interest to be received by XES less the cost of investment in Jinzhai Wind Power, which would not be transferred to profit or loss and may be transferred within equity.

The net proceeds from the disposal are intended to be used by XES as general working capital.

### **XYE**

Upon completion of the transaction, XYE will be interested in 100% equity interest of Jinzhai Wind Power and Jinzhai Wind Power will be accounted as a wholly-owned subsidiary of XYE and its financial results will be consolidated with the XYE Group.

### **XYS**

As XYE is a non-wholly owned subsidiary of YYS, upon completion of the transaction, Jinzhai Wind Power will be accounted as a non-wholly owned subsidiary of YYS and its financial results will be consolidated with the YYS Group.

## **GENERAL INFORMATION ON THE PARTIES**

XYG is an investment holding company and a company listed on the Main Board (stock code: 00868). The XYG Group is principally engaged in the production and sales of a wide range of glass products, including automobile glass, architectural glass and float glass for different commercial and industrial applications. XYG (Wuhu) is a wholly-owned subsidiary of XYG and is engaged in manufacturing of float glass and architectural glass in the PRC.

XES is an investment holding company and a company listed on GEM (stock code: 08328). 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 electric storage products and photovoltaic films in the PRC. In addition, the XES Group is also engaged in the provision of engineering, procurement and construction services for solar energy projects. XES Anhui Power is a wholly-owned subsidiary of XES and is engaged in the research of electric storage products, provision of engineering, procurement and construction services of photovoltaic power stations and trading of forklifts in the PRC.

XYE is an investment holding company and a company listed on the Main Board (stock code: 03868). The XYE Group is a leading non-State owned solar farm owner and operator in the PRC in terms of the approved capacity of the utility-scale ground-mounted solar farm projects in operation owned by the XYE Group and under its management. The XYE Group is also exploring projects in other renewable energy segments. As of the date of this joint announcement, XYE and its subsidiaries are non-wholly owned subsidiaries of XYS. XYE (Fanchang) is a wholly-owned subsidiary of XYE and is engaged in the management and operation of solar farm in the PRC.

XYS is an investment holding company and a company listed on the Main Board (stock code: 00968). The XYS Group is principally engaged in the production and sale 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 of solar farms projects.

## **IMPLICATIONS UNDER THE LISTING RULES FOR XYG, XYE AND XYS**

### **XYG**

The Controlling Shareholders and their respective family members (as defined under the Listing Rules) can control the composition of a majority of the XYS Board. Accordingly, XYS and its subsidiaries (including XYE and XYE (Fanchang)) are majority-controlled companies (as defined under the Listing Rules) held by the

Controlling Shareholders and their respective family members and hence, they are associates of the Controlling Shareholders and connected persons of XYG. The Equity Transfer Agreement constitutes a connected transaction for XYG under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio calculated in relation to the disposal under the Equity Transfer Agreement pursuant to Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **XYE**

The Controlling Shareholders and their respective associates of XYE are in aggregate interested in more than 30% of the XYG Shares in issue and more than 30% of the XES Shares in issue. Accordingly, each of XYG (Wuhu) and XES Anhui Power is a connected person of XYE and the Equity Transfer Agreement constitutes a connected transaction for XYE under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio calculated in relation to the acquisition under the Equity Transfer Agreement pursuant to Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **XYS**

As XYE is a non-wholly owned subsidiary of YYS, the Equity Transfer Agreement also constitutes a connected transaction for YYS under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio calculated in relation to the acquisition under the Equity Transfer Agreement pursuant to Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## IMPLICATIONS UNDER THE GEM LISTING RULES FOR XES

The Controlling Shareholders and their respective associates of XES are in aggregate interested in more than 30% of the XYE Shares in issue. Accordingly, XYE (Fanchang) is a connected person of XES and the Equity Transfer Agreement constitutes a connected transaction for XES under Chapter 20 of the GEM Listing Rules.

Given that the highest applicable percentage ratio calculated in relation to the disposal under the Equity Transfer Agreement pursuant to Rule 19.07 of the GEM Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

## DEFINITIONS USED IN THIS JOINT ANNOUNCEMENT

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

“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules and the Listing Rules, as appropriate;
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules and the Listing Rules, as appropriate;
“Completion”	completion of the transactions contemplated under the Equity Transfer Agreement;
“Controlling Shareholders”	Dr. LEE Yin Yee, S.B.S., Datuk Wira TUNG Ching Bor <i>D.C.S.M.</i> , Tan Sri Datuk TUNG Ching Sai <i>P.S.M.</i> , <i>D.M.S.M.</i> , <i>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;
“Equity Interest”	the entire equity interest in Jinzhai Wind Power;
“Equity Transfer Agreement”	the equity transfer agreement dated 23 December 2025 entered into between XYE (Fanchang) (as purchaser) and XYG (Wuhu) and XES Anhui Power (as vendors) in relation to the Equity Interest;
“GEM”	The Growth Enterprise Market of the Stock Exchange;



“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Jinzhai Wind Power”	Xinyi Wind Power (Jinzhai) Company Limited* (金寨信義風能有限公司), a limited liability company established in the PRC and owned as to 82.0% and 18.0% by XYG (Wuhu) and XES Anhui Power, respectively;
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Main Board”	the main board of the Stock Exchange which is independent from and operated in parallel with GEM;
“MW”	unit of energy (power), megawatt;
“PRC”	The People’s Republic of China, which for the purpose of this joint announcement and geographical reference only, 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;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed to it under the GEM Listing Rules and the Listing Rules, as appropriate;
“Wind Farm Management Agreement”	the wind farm management agreement dated 31 October 2023 entered into between Jinzhai Wind Power and a member of the XES Group for the provision of management services of the wind farm operated by Jinzhai Wind Power;
“XES”	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);



“XES Anhui Power”	Anhui Xinyi Power Source Company Limited* (安徽信義電源有限公司), a sino-foreign equity joint venture established in the PRC and a wholly-owned subsidiary of XES;
“XES Board”	the board of the XES Directors;
“XES Director(s)”	the director(s) of XES;
“XES Group”	XES and its subsidiaries;
“XES Shares”	the issued shares of XES;
“XYE”	Xinyi Energy Holdings Limited (信義能源控股有限公司), a company incorporated in the British Virgin Islands with limited liability, all the shares of which are listed on the Main Board (stock code: 03868);
“XYE Board”	the board of the XYE Directors;
“XYE Director(s)”	the director(s) of XYE;
“XYE (Fanchang)”	Xinyi Solar (Fanchang) Co., Ltd.* (信義光能(繁昌)有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of XYE;
“XYE Group”	XYE and its subsidiaries;
“XYE Shares”	the issued shares of XYE;
“XYG”	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 (stock code: 00868);
“XYG Board”	the board of the XYG Directors;
“XYG Director(s)”	the director(s) of XYG;
“XYG Group”	XYG and its subsidiaries;
“XYG Shares”	the issued shares of XYG;
“XYG (Wuhu)”	Xinyi Energy Smart (Wuhu) Company Limited* (信義節能玻璃(蕪湖)有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of XYG;

“XYS”	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 (stock code: 00968);
“XYS Board”	the board of the YYS Directors;
“XYS Director(s)”	the director(s) of YYS;
“XYS Group”	YYS and its subsidiaries;
“XYS Shares”	the issued shares of YYS; and
“%”	per cent.

By order of the board of directors of <b>Xinyi Glass Holdings Limited</b> <b>Dr. LEE Yin Yee,</b> <b>S.B.S.</b> <i>Chairman</i>	By order of the board of directors of <b>Xinyi Electric Storage Holdings Limited</b> <b>Tan Sri Datuk</b> <b>TUNG Ching Sai</b> <i>P.S.M, D.M.S.M, J.P. Chairman</i>	By order of the board of directors of <b>Xinyi Energy Holdings Limited</b> <b>TUNG Fong Ngai</b> <i>Executive Director and Chief Executive Officer</i>	By order of the board of directors of <b>Xinyi Solar Holdings Limited</b> <b>LEE Shing Put,</b> <b>B.B.S.</b> <i>Vice Chairman and Chief Executive Officer</i>
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Hong Kong, 23 December 2025

\* *For identification purposes only*

*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 XES. 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](http://www.hkexnews.hk) on the “Latest Listed Company Information” page for at least 7 days from the date of publication, and on the websites of XYG at [www.xinyiglass.com](http://www.xinyiglass.com), XES at [www.xinyies.com](http://www.xinyies.com), XYE at [www.xinyienergy.com](http://www.xinyienergy.com) and YYS at [www.xinyisolar.com](http://www.xinyisolar.com).*

*Information on directorship of XYG, XES, XYE and YYS:*

*As of the date of this joint announcement, the XYG Board comprises four executive XYG Directors, namely Dr. LEE Yin Yee, S.B.S. (Chairman), Datuk Wira TUNG Ching Bor D.C.S.M, Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. and Mr. LEE Shing Kan, M.H., four non-executive XYG Directors, namely Mr. LI Ching Wai, Mr. LI Ching Leung, Mr. SZE Nang Sze and Mr. NG Ngan Ho, and four independent non-executive XYG Directors, namely Mr. LAM Kwong Siu, G.B.S., Mr. WONG Chat Chor Samuel, Dr. TRAN Chuen Wah, John and The Hon. Starry LEE Wai-king, G.B.S., J.P..*

*As of the date of this joint announcement, the XES Board comprises three executive XES Directors, namely Mr. NG Ngan Ho, Ms. LI Pik Yung and Mr. WANG Mohan, two non-executive XES Directors, namely Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. (Chairman) and Mr. LEE Shing Kan, M.H., and three independent non-executive XES Directors, namely Mr. WANG Guisheng, Mr. NG Wai Hung and Mr. CHAN Hak Kan, S.B.S., J.P..*

*As of the date of this joint announcement, the XYE Board comprises four executive XYE Directors, namely Mr. LEE Shing Put, B.B.S. (Chairman), Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P., Mr. TUNG Fong Ngai (Chief Executive Officer) and Mr. LEE Yau Ching, and three independent non-executive XYE Directors, namely Mr. LEUNG Ting Yuk, The Hon. IP Kwok Him, G.B.M., G.B.S., J.P., and Ms. LYU Fang.*

*As of the date of this joint announcement, the YYS Board comprises two non-executive YYS Directors, namely Dr. LEE Yin Yee, S.B.S. (Chairman) and Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. (Vice Chairman), four executive YYS Directors, namely Mr. LEE Shing Put, B.B.S. (Vice Chairman and Chief Executive Officer), Mr. LEE Yau Ching, Mr. LI Man Yin and Mr. CHU Charn Fai, and three independent non-executive YYS Directors, namely Mr. LO Wan Sing, Vincent, Mr. KAN E-ting, Martin and Ms. LEONG Chong Peng.*