

*Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus dated 11 September 2018 (the “**Prospectus**”) issued by Xin Yuan Enterprises Group Limited (信源企業集團有限公司) (the “**Company**”).*

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*This announcement is for information purposes only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for shares or other securities of the Company. Potential investors should read the Prospectus issued by the Company for detailed information about the Company and the Global Offering described below before deciding whether or not to invest in the Offer Shares.*

*This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer or a solicitation to purchase or subscribe for securities in the United States or any other jurisdiction. The Offer Shares have not been and will not be registered under the United States Securities Act of 1933 as amended from time to time (the “**U.S. Securities Act**”) or any state securities law in the United States and may not be offered or sold, pledged or transferred within the United States. There is not and it is not currently intended for there to be any public offering of securities of the Company in the United States.*

*In connection with the Global Offering, China Industrial Securities International Capital Limited, as stabilising manager (the “**Stabilising Manager**”), its affiliates or any person acting for it, on behalf of the Underwriters, may effect transactions with a view to stabilising or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilising Manager, its affiliates or any person acting for it, to conduct any such stabilising action, which, if commenced, will be done at the sole and absolute discretion of the Stabilising Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilising activity is required to be brought to an end on the 30th day after the last day for lodging of applications under the Hong Kong Public Offering. Such stabilising action, if commenced, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong), as amended, made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). The details of the intended stabilising action are set forth in the section headed “Structure of the Global Offering” in the Prospectus.*

*Potential investors should be aware that stabilising action cannot be taken to support the price of the Shares for longer than the stabilisation period which begins on the Listing Date and is expected to expire on Wednesday, 17 October 2018, being the 30th day after the last day for the lodging of the applications under the Hong Kong Public Offering. After this day, no further stabilising action may be taken, demand for the Shares, and therefore the price of the Shares, could fall.*

# Xin Yuan Enterprises Group Limited

信源企業集團有限公司

(incorporated in the Cayman Islands with limited liability)

## GLOBAL OFFERING

Number of Offer Shares under the : 100,000,000 Shares (subject to the  
Global Offering Over-allotment Option)

Number of Hong Kong Offer Shares : 10,000,000 Shares (subject to  
reallocation)

Number of International Offer Shares : 90,000,000 Shares (subject to  
reallocation and the Over-allotment  
Option)

Offer Price : Not more than HK\$1.76 per Offer  
Share and expected to be not less  
than HK\$1.29 per Offer Share, plus  
brokerage fee of 1%, SFC transaction  
levy of 0.0027% and Stock Exchange  
trading fee of 0.005% (payable in full  
on application in Hong Kong dollars  
and subject to refund)

Nominal value : US\$0.01 per Share

Stock code : 1748

### Sole Sponsor



### Joint Global Coordinators



### Joint Bookrunners



### Joint Lead Managers



Application has been made by the Company to the Listing Committee for the granting of the approval for the listing of, and permission to deal in, the Shares in issue and the Offer Shares to be issued pursuant to the Global Offering (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option and the exercise of any options which may be granted under the Share Option Scheme). Assuming that the Global Offering becomes unconditional at or before 8:00 a.m. on Wednesday, 26 September 2018, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Wednesday, 26 September 2018. In the event that the Over-allotment Option is exercised, an announcement will be made by the Company on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.xysgroup.com](http://www.xysgroup.com). The Shares will be traded in board lots of 2,000 Shares each.

The Global Offering comprises the Hong Kong Public Offering of initially 10,000,000 Shares (subject to reallocation) and the International Offering of initially 90,000,000 Shares (subject to reallocation and the Over-allotment Option), representing 10% and 90% of the total number of Offer Shares initially being offered under the Global Offering, respectively. The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering will be subject to reallocation as described in the section headed “*Structure of the Global Offering*” in the Prospectus. In particular, the Joint Global Coordinators may, at their sole discretion, reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In accordance with Guidance Letter HKEx-GL91-18 issued by the Stock Exchange, if such reallocation is done other than pursuant to Practice Note 18 of the Listing Rules, the maximum total number of Offer Shares that may be reallocated to the Hong Kong Public Offering following such reallocation shall be not more than double the initial allocation to the Hong Kong Public Offering (i.e. 20,000,000 Offer Shares), and the final Offer Price shall be fixed at the bottom end of the indicative Offer Price range (i.e. HK\$1.29 per Offer Share) stated in the Prospectus.

Under the International Underwriting Agreement, the Company is expected to grant the International Underwriters, exercisable by the Joint Global Coordinators (for themselves and on behalf of the International Underwriters), the Over-allotment Option, which is exercisable starting from the Listing Date and is expected to expire on the 30th day after the last day of lodging applications under the Hong Kong Public Offering to require the Company to issue up to 15,000,000 additional Offer Shares, representing not more than 15% of the Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Offering.

Subject to the granting of the approval for listing of, and permission to deal in, the Shares on the Stock Exchange as well as the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made to enable the Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisers for details of the settlement arrangement as such arrangements may affect their rights and interests.

The Offer Price will not be more than HK\$1.76 per Offer Share and is currently expected to be not less than HK\$1.29 per Offer Share unless otherwise announced. Applicants for the Hong Kong Offer Shares are required to pay, on application, the maximum Offer Price of HK\$1.76 per Offer Share plus brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%.

If the Offer Price as finally determined is less than HK\$1.76 per Offer Share, appropriate refund payments (including the brokerage fee, SFC transaction levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants without interest. Further details are set out in the paragraph headed “13. Refund of Application Monies” in the section headed “How to Apply for Hong Kong Offer Shares” in the Prospectus.

**Applications for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus, the relevant Application Forms and the designated website ([www.hkeipo.hk](http://www.hkeipo.hk)) in relation to the HK eIPO White Form.**

Applicants who would like the Hong Kong Offer Shares to be allotted in their own names should either (i) complete and sign the **WHITE** Application Form or (ii) submit applications online through the designated website of the **HK eIPO White Form** Service Provider at [www.hkeipo.hk](http://www.hkeipo.hk) through the **HK eIPO White Form** service. Applicants who would like the Hong Kong Offer Shares to be allotted in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Form or (ii) give **electronic application instructions** to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Form, may be obtained during normal business hours from 9:00 a.m. on Tuesday, 11 September 2018 until 12:00 noon on Monday, 17 September 2018 (or such later date as described in the section headed “*How to Apply for Hong Kong Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists*” in the Prospectus) from:

1. the following offices of the Hong Kong Underwriters:

China Industrial Securities International Capital Limited	7/F, Three Exchange Square 8 Connaught Place Central Hong Kong
Zhongtai International Securities Limited	19/F Li Po Chun Chambers 189 Des Voeux Road Central Central Hong Kong
SPDB International Capital Limited	Suites 3207-3212, 32/F One Pacific Place 88 Queensway Hong Kong
Southwest Securities (HK) Brokerage Limited	40/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
ZMF Asset Management Limited	Unit 2502, 25/F World Wide House 19 Des Voeux Road Central Central Hong Kong
ChaoShang Securities Limited	Rooms 4001-4002, 40/F China Resources Building 26 Harbour Road Wanchai Hong Kong

Yicko Securities Limited  
19/F, Tung Ning Building  
125-127 Connaught Road Central  
Hong Kong

China Sky Securities Limited  
Room 1106, 11/F  
Cosco Tower  
183 Queen's Road Central  
Hong Kong

2. any of the following branches of Bank of China (Hong Kong) Limited:

<b>District</b>	<b>Branch name</b>	<b>Branch address</b>
Hong Kong Island	Bank of China Tower Branch	1 Garden Road Hong Kong
	Causeway Bay Branch	505 Hennessy Road Causeway Bay Hong Kong
Kowloon	Telford Plaza Branch	Shop Unit, P2-P7 Telford Plaza No.33 Wai Yip Street Kowloon Bay Kowloon
	Shanghai Street (Mong Kok) Branch	611-617 Shanghai Street Mong Kok Kowloon
New Territories	Sheung Shui Branch Securities Services Centre	136 San Fung Avenue Sheung Shui New Territories
	Kwai Chung Plaza Branch	A18-20, G/F Kwai Chung Plaza 7-11 Kwai Foo Road Kwai Chung New Territories

Copies of the Prospectus, together with the **YELLOW** Application Form, may be obtained during normal business hours from 9:00 a.m. on Tuesday, 11 September 2018 until 12:00 noon on Monday, 17 September 2018 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or from your stockbroker.

The **WHITE** or **YELLOW** Application Form completed in accordance with the instructions printed thereon, together with a cheque or banker's cashier order payable to "**BANK OF CHINA (HONG KONG) NOMINEES LIMITED — XIN YUAN GROUP PUBLIC OFFER**" should be deposited in the special collection boxes provided at any of the designated branches of the receiving bank referred to above at the following times:

Tuesday, 11 September 2018	—	9:00 a.m. to 5:00 p.m.
Wednesday, 12 September 2018	—	9:00 a.m. to 5:00 p.m.
Thursday, 13 September 2018	—	9:00 a.m. to 5:00 p.m.
Friday, 14 September 2018	—	9:00 a.m. to 5:00 p.m.
Saturday, 15 September 2018	—	9:00 a.m. to 1:00 p.m.
Monday, 17 September 2018	—	9:00 a.m. to 12:00 noon

Applicants applying online through the **HK eIPO White Form** service may submit applications through the designated website of the **HK eIPO White Form** Service Provider at **www.hkeipo.hk** from 9:00 a.m. on Tuesday, 11 September 2018 until 11:30 a.m. on Monday, 17 September 2018 (24 hours daily, except on the last application day) and the latest time for completing full payment of application monies in respect of such application will be 12:00 noon on Monday, 17 September 2018 or such later time as described in the section headed "*How to Apply for Hong Kong Offer Shares— 10. Effect of Bad Weather on the Opening of the Application Lists*" in the Prospectus.

CCASS Clearing/Custodian Participants can input **electronic application instructions** from 9:00 a.m. on Tuesday, 11 September 2018 until 12:00 noon on Monday, 17 September 2018 or such later time as described in the section headed "*How to Apply for Hong Kong Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists*" in the Prospectus.

Please refer to the sections headed "*Structure of the Global Offering*" and "*How to Apply for Hong Kong Offer Shares*" in the Prospectus for details of the conditions and procedures of the Hong Kong Public Offering.



The Offer Price is expected to be fixed by the Price Determination Agreement between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and the Company on the Price Determination Date. The Price Determination Date is expected to be on or about Tuesday, 18 September 2018. If, for whatever reason, the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and the Company are unable to reach any agreement on the Offer Price or enter into the Price Determination Agreement on or before Wednesday, 19 September 2018, the Global Offering will not become unconditional and will lapse.

The Company expects to announce the final Offer Price, the level of indication of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of Hong Kong Offer Shares on or before Monday, 24 September 2018 on the website of the Company at [www.xysgroup.com](http://www.xysgroup.com) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

The results of allocations and the successful applicants' Hong Kong identity card/passport/Hong Kong business registration numbers under the Hong Kong Public Offering will be made available from Monday, 24 September 2018 through a variety of channels at the times and date and in the manner specified in the section headed "*How to Apply for Hong Kong Offer Shares — 11. Publication of Results*" in the Prospectus.

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price of HK\$1.76 per Offer Share (excluding brokerage fee, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Hong Kong Public Offering are not fulfilled in accordance with "*Structure of the Global Offering — Conditions of the Global Offering*" in the Prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage fee, SFC transaction levy and the Stock Exchange trading fee, will be refunded, without interest or the cheque or banker's cashier order will not be cleared.

Any refund of your application monies will be made on or before Monday, 24 September 2018.

The Company will not issue temporary documents of title in respect of Shares or receipt for application fees received. Share certificates will only become valid at 8:00 a.m. on Wednesday, 26 September 2018 provided that the Global Offering has become unconditional and the right of termination described in the section headed "*Underwriting — Underwriting arrangements and expenses — Hong Kong Public Offering — Grounds for termination*" in the Prospectus has not been exercised.



Dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 26 September 2018. The Shares will be traded in board lots of 2,000 Shares each. The stock code of the Shares will be 1748.

By Order of the Board of Directors  
**Xin Yuan Enterprises Group Limited**  
信源企業集團有限公司  
**Ding Xiaoli**  
*Chairman*

Hong Kong, 11 September 2018

*As at the date of this announcement, Mr. Ding Xiaoli, Mr. Xu Wenjun and Mr. Ding Yuzhao are the executive Directors, and Mr. Lai Guanrong, Mr. Suen Chi Wai and Mr. Xu Jie are the independent non-executive Directors.*