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## **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)**

### **GRANT OF SHARE OPTIONS**

This announcement is made pursuant to Rule 17.06A of the Rules (“**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

The board (“**Board**”) of directors (“**Directors**”) of Xingfa Aluminium Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) announces that on 15 October 2018, the Company has granted to 52 eligible persons (“**Grantees**”), subject to acceptance by the Grantees, share options (“**Options**”) to subscribe for an aggregate of 4,180,000 ordinary shares of HK\$0.01 each in the share capital of the Company (“**Shares**”) in accordance with the share option scheme of the Company which is effective for 10 years from 5 January 2018 (“**Share Option Scheme**”). Details of the Options are set out below:

Date of grant : 15 October 2018 (“**Date of Grant**”)

Exercise price of the Options : HK\$5.460 per Share, which is higher than (i) the closing price of HK\$5.270 per Share as stated in the Stock Exchange’s daily quotation sheet on the Date of Grant; (ii) the average closing price of HK\$5.456 per Share as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of HK\$0.01 per Share

- Total number of Shares to be issued upon exercise of the Options in full : 4,180,000 Shares
- Closing price of the Shares on the Date of Grant : HK\$5.270 per Share
- Validity period of the Options : 5 years from the Date of Grant
- Vesting and exercise period of the Options : Subject to the exercise conditions set out below,
- (i) one-third of the Options will be vested on the Grantees on the second anniversary date of the Date of Grant and become exercisable until the date before the fifth anniversary date of the Date of Grant;
  - (ii) one-third of the Options will be vested on the Grantees on the third anniversary date of the Date of Grant and become exercisable until the date before the fifth anniversary of the Date of Grant; and
  - (iii) one-third of the Options will be vested on the Grantees on the fourth anniversary date of the Date of Grant and become exercisable until the date before the fifth anniversary date of the Date of Grant.
- Exercise conditions : The exercise of the Options is conditional upon:
- (i) the fulfilment of certain requirements on the Company as set out in the respective offer letters, including, among others, Guangdong Xingfa Aluminium Co., Ltd. and its subsidiaries having achieved the financial performance target, the auditor expressing no disclaimer or adverse opinion in the annual financial report of the Group, there being no relevant institutions, supervisory boards or audit departments for state-owned assets investors raising major objections to the annual financial report of the Group and there being no significant breaches by the Company or punishment of the Company by relevant government authorities; and

- (ii) the fulfilment of certain requirements on the Grantee as set out in the respective offer letters, including, among others, there being no serious dereliction of duty by the Grantee, there being no breach of any rules or regulations or constitution of the Company by the Grantee, there being no corruption or other violations and misconducts by the Grantee which caused damage to the Company and there being no situations where the Grantee fails to perform his/her duties up to the required standard or fails to pass the assessments of the Group

Consideration for the grant of the Options : HK\$1.00 to be paid by each Grantee upon acceptance of the Options granted

As at the Date of Grant, the Company had 418,000,000 Shares in issue.

Among the Options granted, (i) Options entitling the holders thereof to subscribe for an aggregate of 613,000 Shares were granted to three executive Directors; and (ii) the remaining Options entitling the holders thereof to subscribe for an aggregate of 3,567,000 Shares were granted to 49 employees of the Group.

Details of the number of Options granted by the Company to the Grantees are as follows:

<b>Grantee</b>	<b>Capacity</b>	<b>Number of underlying Shares</b>
Mr. LIU Libin	Chairman and executive Director	229,000
Ms. ZHANG Li	Chief financial officer of the Group and executive Director	192,000
Mr. WANG Zhihua	Executive Director	192,000
Employees of the Group		<u>3,567,000</u>
<b>Total</b>		<b><u><u>4,180,000</u></u></b>

The grant of the Options to each of the executive Directors has been approved by the independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules. Save as disclosed above, none of the Grantees is a Director, chief executive or substantial shareholder of the Company or any of their respective associate(s) (as defined in the Listing Rules).

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

15 October 2018

As at the date of this announcement, the directors of the Company are as follows:

<i>Executive Directors:</i>	Mr. LIU Libin ( <i>Chairman</i> ) Mr. LIAO Yuqing ( <i>Chief Executive Officer</i> ) Ms. ZHANG Li ( <i>Chief Financial Officer</i> ) Mr. LAW Yung Koon Mr. WANG Zhihua Mr. LUO Jianfeng
<i>Non-executive Directors:</i>	Mr. LU Chaoying Mr. ZUO Manlun
<i>Independent non-executive Directors:</i>	Mr. CHEN Mo Mr. HO Kwan Yiu Mr. LAM Ying Hung, Andy Mr. LIANG Shibin