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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)

CONTINUING CONNECTED TRANSACTIONS – (1) 2025 HENAN TENANCY AGREEMENTS; AND (2) 2025 JIANGXI TENANCY AGREEMENTS

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 29 December 2023 in connection with the Existing CCT Agreements. Given that the Existing CCT Agreements expired on 31 December 2024, the Board announces that the following subsidiaries of the Company entered into the tenancy agreements as follows.

(i) Henan Xingfa, an indirect wholly-owned subsidiary of the Company, and Henan Jingxing entered into the 2025 Henan Tenancy Agreements; and

(ii) Jiangxi Xingfa, an indirect wholly-owned subsidiary of the Company, and Jiangxi Jingxing entered into the 2025 Jiangxi Tenancy Agreements.

IMPLICATIONS UNDER THE LISTING RULES

(1) 2025 Henan Tenancy Agreements

As at the date of this announcement, Henan Jingxing is an indirect non-wholly owned subsidiary of China Lesso, a substantial Shareholder, and therefore, Henan Jingxing is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2025 Henan Tenancy Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio relating to the Annual Cap for the continuing connected transactions contemplated under the 2025 Henan Tenancy Agreements, either standalone or when aggregated with the 2025 Jiangxi Tenancy Agreements, exceeds 0.1% but is less than 5%, the continuing connected transactions contemplated under the 2025 Henan Tenancy Agreements are subject to the reporting, announcement and annual review requirements but exempt from circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(2) 2025 Jiangxi Tenancy Agreements

As at the date of this announcement, Jiangxi Jingxing is an indirect non-wholly owned subsidiary of China Lesso, a substantial Shareholder, and therefore, Jiangxi Jingxing is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2025 Jiangxi Tenancy Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio relating to the Annual Cap for the continuing connected transactions contemplated under the 2025 Jiangxi Tenancy Agreements, either standalone or when aggregated with the 2025 Henan Tenancy Agreements, exceeds 0.1% but is less than 5%, the continuing connected transactions contemplated under the 2025 Jiangxi Tenancy Agreements are subject to the reporting, announcement and annual review requirements but exempt from circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

Details of each of the 2025 Henan Tenancy Agreements and the 2025 Jiangxi Tenancy Agreements are set out below.

(1) 2025 HENAN TENANCY AGREEMENTS

Date: 1 January 2025 and 1 July 2025 respectively

Parties: **(i) Landlord:** Henan Xingfa

(ii) Tenant: Henan Jingxing

Subject matter: Henan Xingfa has agreed to lease the production plant and related facilities located at Property Henan to Henan Jingxing.

Use: The welding, assembling, recycling and maintenance of aluminium panels which are applied as construction materials and the sale of such aluminium panels.

Term: A term covering the period from 1 January 2025 to 30 September 2025, structured as two sequential agreements covering:

(i) 1 January 2025 to 30 June 2025 (both dates inclusive); and

(ii) 1 July 2025 to 30 September 2025 (both dates inclusive).

Rent: (i) For the period from 1 January 2025 to 30 June 2025: A monthly rent of RMB234,316.74 (equivalent to approximately HK$257,748) (tax exclusive).

(ii) For the period from 1 July to 30 September 2025): A monthly rent of RMB193,381 (equivalent to approximately HK$212,719) (tax exclusive).

The monthly rent under the 2025 Henan Tenancy Agreements were arrived at after arm's length negotiations between the parties thereto with reference to the prevailing market rents at similar locations.

Historical figures

For the three years ended 31 December 2022, 2023 and 2024, the rental amount (tax exclusive) of property leased by the Group to Henan Jingxing was approximately RMB2,958,946 (equivalent to approximately 3,254,840), RMB3,171,888 (equivalent to approximately HK$3,489,076) and RMB3,018,452 (equivalent to approximately HK$3,320,297).

Annual Cap

The Annual Cap for the transactions contemplated under the 2025 Henan Tenancy Agreements for the Year 2025 will be RMB1,986,043 (equivalent to approximately HK$2,184,647) (tax exclusive).

The above Annual Cap is arrived at by aggregating the monthly rent for the periods as specified above (tax exclusive).

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the Annual Cap for the 2025 Henan Tenancy Agreements is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Reasons for and benefits of the 2025 Henan Tenancy Agreements

In view of the stable rental income generated under the 2024 Henan Tenancy Agreement as well as the rental income under the 2025 Henan Tenancy Agreements and the rent and terms under the 2025 Henan Tenancy Agreements will not be more favourable to Henan Jingxing than those offered to independent tenants, the Directors (including the independent non-executive Directors) consider that entering into the 2025 Henan Tenancy Agreements is in the interests of the Company and its Shareholders as a whole.

(2) 2025 JIANGXI TENANCY AGREEMENTS

Date: 31 December 2025

Parties: **(i) Landlord:** Jiangxi Xingfa

(ii) Tenant: Jiangxi Jingxing

Subject matter: Jiangxi Xingfa has agreed to lease the production plant and related facilities located at Property Jiangxi to Jiangxi Jingxing.

Use: The manufacturing of aluminium panels.

Term: A fixed term of one year commencing from 1 January 2025 to 31 December 2025 (both dates inclusive).

Rent: (i) For the period from 1 January 2025 to 30 June 2025: A monthly rent of RMB339,368 (equivalent to approximately HK$373,305) (tax exclusive).

(ii) For the period from 1 July 2025 to 31 December 2025: A monthly rent of RMB313,157 (equivalent to approximately HK$344,473) (tax exclusive).

The monthly rent under the 2025 Jiangxi Tenancy Agreements were arrived at after arm's length negotiations between the parties thereto with reference to the prevailing market rents at similar locations.

Historical figures

For the years ended 31 December 2022, 2023 and 2024, the rental amount (tax exclusive) of property leased by the Group to Jiangxi Jingxing was approximately RMB4,296,528 (equivalent to approximately HK$4,726,180), RMB4,296,527 (equivalent to approximately HK$4,726,179) and RMB4,296,527 (equivalent to approximately HK$4,726,179).

Annual Cap

The Annual Cap for the transactions contemplated under the 2025 Jiangxi Tenancy Agreements for the Year 2025 will be RMB3,915,150 (equivalent to approximately HK$4,306,665) (tax exclusive).

The above Annual Cap is arrived at by aggregating the monthly rent for the periods as specified above.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the Annual Cap for the 2025 Jiangxi Tenancy Agreements is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Reasons for and benefits of the 2025 Jiangxi Tenancy Agreements

In view of the stable rental income generated under the 2024 Jiangxi Tenancy Agreement as well as the rental income expected to be generated under the 2025 Jiangxi Tenancy Agreements and the rent and terms under the 2025 Jiangxi Tenancy Agreements will not be more favourable to Jiangxi Jingxing than those offered to independent tenants, the Directors (including the independent non-executive Directors) consider that entering into the 2025 Jiangxi Tenancy Agreements is in the interests of the Company and its Shareholders as a whole.

Internal Controls – 2025 Tenancy Agreements

The relevant management personnel from the sales department of the Group will undertake the following internal control measures (item (1) to item (3)) to monitor the rents and terms of the transactions contemplated under the 2025 Tenancy Agreements and ensure that the rents and terms offered by the respective Landlords to the Tenants thereunder will be no more favourable than rents and terms offered to independent tenants and that the related Annual Caps are not exceeded:

(1) monitoring the prevailing market rents at similar locations of each of Property Henan and Property Jiangxi on a quarterly basis;

(2) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the rents under the 2025 Tenancy Agreements to ensure that they shall be no more favourable than those offered by the Group to independent tenants;

(3) a monthly financial report which contains information on all connected transactions carried out by the Group, including the continuing connected transactions under the 2025 Tenancy Agreements, will be submitted to the Board;

(4) the independent non-executive Directors will review and confirm that the rents and terms under the 2025 Tenancy Agreements are fair and reasonable to the Group and in the interests of the Shareholders and the Group as a whole, on terms no more favourable than rents and terms offered to independent tenants on an annual basis; and

(5) the auditors of the Company will review the rents and terms under the 2025 Tenancy Agreements and the Annual Caps of such continuing connected transactions in compliance with the annual reporting and review requirements under the Listing Rules on an annual basis.

INFORMATION ON THE PARTIES

(i) The Group

The Group is principally engaged in (i) the manufacturing and sale of aluminium products; and (ii) sale of completed properties.

(ii) China Lesso

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, China Lesso is a company incorporated in the Cayman Islands with limited liability and is interested in approximately 26.11% of the issued shares of the Company through Lesso Group Holdings Limited, its direct wholly-owned subsidiary. Accordingly, China Lesso is a substantial Shareholder.

The principal business activity of China Lesso is investment holding. The principal business activities of China Lesso Group are the manufacture and sale of building materials and home improvement products; sale of products and provision of services relating to new energy business; the provision of renovation and installation works, environmental engineering and other related services, financial services and property rental and other related services.

(iii) Henan Xingfa

Henan Xingfa, a limited company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company, is principally engaged in the manufacture and sale of aluminium profiles.

(iv) Henan Jingxing

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, Henan Jingxing, a limited company incorporated in the PRC and an indirect non-wholly owned subsidiary of China Lesso, is principally engaged in the manufacture and sale of aluminium panels.

(v) Jiangxi Xingfa

Jiangxi Xingfa, a limited company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company, is principally engaged in the manufacture and sale of aluminium profiles.

(vi) Jiangxi Jingxing

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, Jiangxi Jingxing, a limited company incorporated in the PRC and an indirect non-wholly owned subsidiary of China Lesso, is principally engaged in the manufacture and sale of aluminium panels.

By virtue of the aforesaid relationships between the Company and the parties, each of China Lesso, Henan Jingxing and Jiangxi Jingxing is a connected person of the Company under the Listing Rules.

VIEWS OF THE DIRECTORS

2025 Tenancy Agreements

The Directors (including the independent non-executive Directors) are of the view that (i) the 2025 Tenancy Agreements are entered into in the ordinary course of business of the Group; and (ii) the terms of the 2025 Tenancy Agreements are on normal commercial terms and are fair and reasonable to the Group and in the interests of the Shareholders and the Group as a whole. The Directors (including the independent non-executive Directors) also confirm that the related Annual Caps set out in this announcement are fair and reasonable and in the interests of the Company and the Shareholders taken as a whole.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, in respect of the 2025 Henan Tenancy Agreements and the 2025 Jiangxi Tenancy Agreements, (i) Mr. LUO Jianfeng, an executive Director nominated by China Lesso and an executive director of China Lesso; and (ii) Mr. ZUO Manlun, a non-executive Director nominated by China Lesso and the chief executive officer of China Lesso, may be deemed to have a material interest in the 2025 Tenancy Agreements. Accordingly, each of Mr. LUO Jianfeng and Mr. ZUO Manlun had abstained from voting on the resolutions of the Board to approve the 2025 Tenancy Agreements and the transactions contemplated thereunder as well as their respective Annual Caps.

IMPLICATIONS UNDER THE LISTING RULES

(1) 2025 Henan Tenancy Agreements

As at the date of this announcement, Henan Jingxing is an indirect non-wholly owned subsidiary of China Lesso, a substantial Shareholder, and therefore, Henan Jingxing is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2025 Henan Tenancy Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio relating to the Annual Cap for the continuing connected transactions contemplated under the 2025 Henan Tenancy Agreements, either standalone or when aggregated with the transactions contemplated under the 2025 Jiangxi Tenancy Agreements, exceeds 0.1% but is less than 5%, the continuing connected transactions contemplated under the 2025 Henan Tenancy Agreements are subject to the reporting, announcement and annual review requirements but exempt from circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(2) 2025 Jiangxi Tenancy Agreements

As at the date of this announcement, Jiangxi Jingxing is an indirect non-wholly owned subsidiary of China Lesso, a substantial Shareholder, and therefore, Jiangxi Jingxing is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2025 Jiangxi Tenancy Agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio relating to the Annual Cap for the continuing connected transactions contemplated under the 2025 Jiangxi Tenancy Agreements, either standalone or when aggregated with the transactions contemplated under the 2025 Henan Tenancy Agreements, exceeds 0.1% but is less than 5%, the continuing connected transactions contemplated under the 2025 Jiangxi Tenancy Agreements are subject to the reporting, announcement and annual review requirements but exempt from circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

"2024 Henan Tenancy Agreement"	the tenancy agreement dated 29 December 2023 and entered into between Henan Xingfa, as landlord, and Henan Jingxing, as tenant, in respect of the leasing of Property Henan for a term of one year from 1 January 2024 to 31 December 2024 (both dates inclusive)
"2024 Jiangxi Tenancy Agreement"	the tenancy agreement dated 29 December 2023 and entered into between Jiangxi Xingfa, as landlord, and Jiangxi Jingxing, as tenant, in respect of the leasing of Property Jiangxi for a term of one year from 1 January 2024 to 31 December 2024 (both dates inclusive)
"2025 Henan Tenancy Agreements"	two sequential tenancy agreements dated 1 January 2025 and 1 July 2025 respectively, entered into between Henan Xingfa, as landlord, and Henan Jingxing, as tenant, in respect of the leasing of Property Henan for a term of nine months from 1 January 2025 to 30 September 2025 (both dates inclusive)

"2025 Jiangxi Tenancy Agreements"	the tenancy agreement and the supplemental tenancy agreement both dated 31 December 2025 and entered into between Jiangxi Xingfa, as landlord, and Jiangxi Jingxing, as tenant, in respect of the leasing of Property Jiangxi for a term of one year from 1 January 2025 to 31 December 2025 (both dates inclusive)
"2025 Tenancy Agreements"	collectively, the 2025 Henan Tenancy Agreements and the 2025 Jiangxi Tenancy Agreements
"Annual Cap(s)"	the maximum aggregate annual transaction values in respect of the continuing connected transactions contemplated under (1) the 2025 Henan Tenancy Agreements; and (2) the 2025 Jiangxi Tenancy Agreements (as the case may be)
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"China Lesso"	China Lesso Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2128). As at the date of this announcement, China Lesso is interested in approximately 26.11% equity interest of the Company through its direct wholly-owned subsidiary
"China Lesso Group"	China Lesso, its subsidiaries and/or any company in the issued share capital of which China Lesso and/or any of its subsidiaries taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other threshold as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings from time to time
"Company"	Xingfa Aluminium Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Existing CCT Agreements"	collectively, the 2024 Henan Tenancy Agreement and the 2024 Jiangxi Tenancy Agreement

"Group"	the Company and its subsidiaries from time to time
"Henan Jingxing"	河南省景興鋁模板製造有限公司 (unofficial English translation being Henan Province Jingxing Aluminium Panel Manufacturing Co., Ltd.), a company incorporated in the PRC with limited liability and an indirect non-wholly owned subsidiary of China Lesso
"Henan Xingfa"	廣東興發鋁業(河南)有限公司 (unofficial English translation being Guangdong Xingfa Aluminium (Henan) Co., Ltd.), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Jiangxi Jingxing"	江西省景興鋁模板製造有限公司 (unofficial English translation being Jiangxi Province Jingxing Aluminium Panel Manufacturing Co., Ltd.), a limited liability company established in the PRC and an indirect non-wholly owned subsidiary of China Lesso
"Jiangxi Xingfa"	廣東興發鋁業(江西)有限公司 (unofficial English translation being Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd.), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
"Landlords"	collectively, Henan Xingfa and Jiangxi Xingfa
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"Property Henan"	中國河南省沁陽市沁北工業集聚區 (unofficial English translation being Qinbei Industrial District, Qinyang City, Henan Province, the PRC)
"Property Jiangxi"	中國江西省宜春經濟技術開發區經發大道21號 (unofficial English translation being No. 21, Jingfa Road, Yichun Economic Development Zone, Jiangxi Province, the PRC)
"RMB"	Renminbi, the lawful currency of the PRC

"Share(s)"	shares of the Company of HK$0.01 each
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Codes on Takeovers and Mergers of Hong Kong
"Tenants"	collectively, Henan Jingxing and Jiangxi Jingxing
"Year 2025"	a period of one year from 1 January 2025 to 31 December 2025 (both dates inclusive)
"%"	per cent.

For the purpose of illustration only, the amounts denominated in RMB have been translated into HK$ using the exchange rate of RMB1:HK$1.10. Such translation should not be construed as a representation that the amounts quoted could have been or could be or will be converted at the stated rate or at any other rates at all.

On behalf of the Board
Xingfa Aluminium Holdings Limited
WANG Li
Chairman

31 December 2025

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

Executive Directors:	Mr. WANG Li *(Chairman)* Mr. LIAO Yuqing *(Chief Executive Officer)* Ms. ZHENG Jianhua *(Chief Financial Officer)* Mr. LAW Yung Koon Mr. WANG Zhihua Mr. LUO Jianfeng
Non-executive Directors:	Mr. ZUO Manlun Mr. WANG Lei
Independent non-executive Directors:	Mr. CHEN Mo Mr. HO Kwan Yiu Mr. LAM Ying Hung, Andy Mr. WEN Xianjun