

Ximei Resources Holding Limited
 IPO Offering Summary

Issuer	: Ximei Resources Holding Limited (the “Company”)
Listing	: Main Board of The Stock Exchange of Hong Kong Limited
Stock Code	: 9936.HK
Type of Transaction	: IPO
Sole Sponsor	: Cinda International Capital Limited
Joint Global Coordinators	: Cinda International Capital Limited Sun International Securities Limited
Joint Bookrunners & Joint Lead Managers	: Cinda International Capital Limited Sun International Securities Limited Orient Securities (Hong Kong) Limited
Co-Lead Managers	: Nobleseed Securities Limited Tiger Faith Securities Limited
Total Number of Global Offering Shares	: 75,000,000 Shares (subject to the Over-Allotment Option)
Initial Offer Structure	: 10% Hong Kong Offer Shares (total of 7,500,000 New Shares under “Hong Kong Offer Shares”, subject to reallocation) 90% International Placing Shares (total of 67,500,000 New Shares under “International Placing Shares”, subject to reallocation and the Over-allotment Option)
Indicative Offer Size	: HK\$ 167.25mil - HK\$ 216.75mil (Pre-shoe) HK\$ 192.34mil - HK\$ 249.26mil (Post-shoe)
Indicative Market Cap	: HK\$ 669.00mil - HK\$ 867.00mil (Pre-shoe) HK\$694.09mil - HK\$ 899.51mil (Post-shoe)
Over-allotment Option	: Up to 11,250,000 additional Shares (representing 15% of the Offer Shares initially available under the Global Offering)
Offer Price Range	: HK\$2.23- HK\$2.89 per Share
Transaction Cost	: Brokerage 1% SFC transaction levy 0.0027% HKEx trading fee 0.005%
Board Lot	: 2,500 Shares
Business	: The Company is a producer of tantalum- and niobium-based metallurgical products in China. Tantalum- and niobium-based metallurgical products are essential in the downstream manufacture of many products used in high-tech industries, such as special alloy, chemical, electronic ceramics, aeronautics, aerospace, high-end electronics, defence and hard alloy. The Company’s principal products are tantalum pentoxide and niobium pentoxide. The Company also produces and sells potassium heptafluorotantalate. The Company processes products into varying purity levels and specifications in order to meet the requirements for different end products. In addition, the Company sells processed products such as tantalum bars, tantalum carbide, niobium bars and niobium powder, which are produced by engaging third-party metallurgy companies to process the pentoxide

products and potassium heptafluorotantalate we produce, or purchased from third-party metallurgy companies. Moreover, the company provides services for processing tantalum ores and niobium ores supplied by customers into pentoxide products and potassium heptafluorotantalate. According to the CIC Report, the Company is one of the 15 major market players in the tantalum and niobium metallurgy industry in China in 2018, and was the largest producer of tantalum and niobium hydrometallurgical products in China for FY2016, FY2017 and FY2018 in terms of total annual production volume for external sales.

Use of Proceeds

: approximately 68.8% (approximately HK\$101.5 million) will be used to extend production to downstream products, such as tantalum powder and tantalum bars;

- approximately 28.9% (approximately HK\$42.7 million) will be used on the construction of the new production facilities to produce tantalum powder and tantalum bar;
- approximately 36.0% (approximately HK\$53.1 million) will be used on acquiring and installing the relevant machinery and equipment to be used to produce tantalum powder and tantalum bars; and
- approximately 3.9% (approximately HK\$5.7 million) will be used for other expenses relating to set up new production facilities.

approximately 17.9% (approximately HK\$26.5 million) will be used to finance the expected cost for purchasing the raw materials, chemicals and utilities needed for five of its upcoming research and development projects commencing in 2020

approximately 3.5% (approximately HK\$5.2 million) will be used for strengthening its sales network in Europe and our sourcing channels in Brazil; and

- approximately 2.8% (approximately HK\$4.2 million) will be used for setting up an office in the United Kingdom for strengthening its sales network, developing relationship with customers and expanding its customer base in Europe and hiring one supervisor and four sales representatives to focus on the European market; and
- approximately 0.7% (approximately HK\$1.0 million) will be used for setting up an office in Brazil to secure stable raw materials supply from small and medium size local mines and to hire three employees to liaise with suppliers in Brazil.

approximately 9.8% (approximately HK\$14.4 million) will be used as working capital and for general corporate purposes.

Expected Timetable

:	Hong Kong Offer:	26 Feb 2020 (Wed) – 2 March 2020 (Mon)
	International Placing Bookbuilding*:	26 Feb 2020 (Wed) – 2 March 2020 (Mon)
	Price Determination:	2020 (Mon)
	Result Announcement:	3 March 2020 (Tue)
	Listing:	11 March 2020 (Wed) 12 March 2020 (Thu)

*** The Joint Bookrunners reserve the right to adjust the period for International Placing Bookbuilding.**

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