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福萊特玻璃集團股份有限公司

Flat Glass Group Co., Ltd.

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 6865)

ANNOUNCEMENT ON THE REPURCHASE PLAN OF PART OF A SHARES BY WAY OF CENTRALISED PRICE BIDDING

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Flat Glass Group Co., Ltd. (the “**Company**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Listing Rules.

IMPORTANT NOTICE:

- Use of the shares proposed to be repurchased: To be used for the implementation of share incentive or employee stock ownership scheme of the Company as and when appropriate in the future.
- Total amount of funds for the repurchase: No less than RMB300 million (inclusive) and no more than RMB600 million (inclusive).
- Repurchase period: No more than 6 months from the date on which the Board considered and approved the plan for the repurchase of part of the Company’s A shares.
- Repurchase price: No more than RMB30 per share (inclusive). Such price shall not exceed 150% of the average trading price of the Company’s shares for the 30 trading days prior to the Board’s approval of the resolution on the repurchase of shares.
- Source of funds for the repurchase: Self-owned funds of the Company.

- Whether the relevant shareholders have plans to decrease their shareholdings: Upon enquiry, as at the date of disclosure of this announcement, the controlling shareholders, de facto controllers and shareholders holding more than 5% of the shares of the Company, the Directors, supervisors and senior management have no plans to decrease their shareholdings in the Company in the next three or six months. If the above shareholders or persons intend to implement any plans to increase or decrease their shareholdings in the future, the Company will discharge its information disclosure obligations in a timely manner in accordance with the relevant regulations.
- Relevant risk warnings:
 1. The risk of failure to implement the repurchase plan in the event of the share price of the Company consistently exceeding the price cap set out in the repurchase plan during the repurchase period;
 2. The risk of the repurchase plan being altered or terminated in accordance with relevant rules in the event of significant changes in the production and operations, financial position and external objective conditions of the Company;
 3. The risk of failure to effectively implement the repurchase plan in the event of the occurrence of significant events having a material impact on the trading price of the Company's shares or other events such as the decision of the Board of the Company to terminate the repurchase plan.

The Company will make decisions to repurchase and implement accordingly at the appropriate timing according to the market conditions within the repurchase period, and discharge its information disclosure obligations according to the progress of the repurchase of shares in a timely manner. Investors are advised to pay attention to investment risks.

I. CONSIDERATION AND IMPLEMENTATION PROCEDURES OF THE REPURCHASE PLAN

(I) Proposal of the share repurchase plan and consideration by the Board

Based on the Company's confidence in its sustainable development and high recognition of the Company's value, and with the aim to safeguard the interests of general investors, Mr. Ruan Hongliang, the de facto controller of the Company and chairman of the Board, proposes that the Company repurchase part of the Company's A shares with its own funds through the trading system of the Shanghai Stock Exchange by way of centralised price bidding, and use part of the repurchased A shares as and when appropriate in the future for the purpose of share incentive or employee stock ownership scheme. For details, please refer to the Indicative Announcement of Flat Glass Group Co., Ltd. on the Receipt of Proposal from the de facto Controller and Chairman of the Board of Directors to Repurchase Part of the Company's A Shares (《福萊特玻璃集團股份有限公司關於收到實際控制人、董事長提議回購公司部分A股股份的提示性公告》) (Announcement No.: 2024-010) disclosed by the Company on the website of the Shanghai Stock Exchange on 9 February 2024.

On 23 February 2024, the Company convened the 50th meeting of the sixth session of the Board, at which the Resolution in relation to the Plan for the Repurchase of Part of A Shares by way of Centralised Price Bidding (《關於以集中競價交易方式回購部分A股股份方案的議案》) was considered and approved, with the voting result as follows: votes for: 8; votes against: 0; votes abstained: 0.

The aforesaid timing and procedures of the consideration by the Board and other matters comply with the relevant provisions such as the Self-Regulatory Supervision Guidelines for Listed Companies on the Shanghai Stock Exchange No. 7 – Repurchase of Shares (Revised in December 2023) (《上海證券交易所上市公司自律監管指引第7號-回購股份(2023年12月修訂)》) and the Articles of Association of the Company.

(II) Consideration of the share repurchase plan by the general meeting

Pursuant to Articles 27 and 30 of the Articles of Association of the Company, the plan for the repurchase of part of A shares is within the scope of authority for the Board's consideration and can be implemented upon consideration and approval by the Board with more than two-thirds of the Directors present, and it is not required to be submitted to the general meeting of the Company for consideration.

II. MAJOR CONTENTS OF THE REPURCHASE PLAN

(I) Purpose of the Company's repurchase of shares

Based on the Company's confidence in its future sustainable development and recognition of the Company's value, and with the aim to safeguard the interests of general investors and enhance investors' confidence in the Company, while improving the Company's long-term incentive mechanism and promoting the long-term and sustainable development of the Company, it is proposed that the Company repurchase part of the Company's A shares with its own funds through the trading system of the Shanghai Stock Exchange by way of centralised price bidding, and use part of the repurchased A shares as and when appropriate in the future for the purpose of share incentive or employee stock ownership scheme.

(II) Type of shares proposed to be repurchased

Renminbi-denominated ordinary shares (A shares) issued by the Company.

(III) Method of the proposed share repurchase

The repurchase will be implemented through centralised price bidding under the trading system of the Shanghai Stock Exchange.

(IV) Repurchase period, commencement and ending dates

1. The repurchase period shall be not more than 6 months from the date on which the Board considered and approved the repurchase plan. The Company will, pursuant to the resolution of the Board, authorise the management to make decisions to repurchase and implement accordingly at the appropriate timing according to the market conditions within the repurchase period.
2. The repurchase period shall expire in advance upon occurrence of any of the following circumstances:
 - (1) If the amount of funds used for the repurchase reaches the maximum limit within the repurchase period, the repurchase plan shall be deemed to be completed and the repurchase period shall expire in advance on that date;
 - (2) If the amount of funds used for the repurchase reaches the lower limit of the total amount of funds for the proposed repurchase within the repurchase period, the repurchase period shall expire in advance on the date of the management's decision on the termination of the repurchase plan;
 - (3) If the Board resolves to terminate the repurchase plan, the repurchase period shall expire in advance on the date of the Board's resolution on the termination of the repurchase plan.
3. The Company shall not repurchase its shares during the following periods:
 - (1) From the date of occurrence of major events that may have material impact on the trading price of the Company's securities and its derivatives or during the decision-making process, to the date such events are disclosed pursuant to the laws;
 - (2) Other circumstances stipulated by the China Securities Regulatory Commission (the "CSRC") and the Shanghai Stock Exchange.
4. During the implementation of the repurchase plan, if the shares of the Company are suspended from trading for more than 10 consecutive trading days due to the contemplation of major events, the implementation of the repurchase plan will be postponed by the Company correspondingly after the resumption of trading of the shares and disclosure will be made in a timely manner.

(V) Use and number of shares proposed to be repurchased, proportion to the Company's total share capital and total amount of funds

	Number of shares proposed to be repurchased (shares)	Proportion to the Company's total share capital (%)	Total amount of funds for the proposed repurchase (RMB0'000)	Implementation period of the repurchase
Use of the repurchase				
To be used for share incentive or employee stock ownership scheme	10,000,000– 20,000,000	0.4253–0.8506	30,000–60,000	Not more than 6 months from the date of the Board's consideration and approval of the repurchase plan

Part of the repurchased A shares will be used for share incentive or employee stock ownership scheme as and when appropriate in the future. If the Company fails to complete the use of repurchased shares within three years from the date of the announcement of the implementation results of the share repurchase and changes in shares, the unused repurchased shares will be cancelled. If the relevant national policies are adjusted, the repurchase plan shall be implemented in accordance with the adjusted policies. The specific number and amount of the repurchased shares are subject to the actual number of the repurchased shares and the total amount used at the expiry of the repurchase period.

(VI) Price for the repurchase

The price for the repurchase will be no more than RMB30 per share (inclusive) and the maximum limit of the price shall not exceed 150% of the average trading price of the Company's shares in the 30 trading days prior to the Board's approval of the resolution on the repurchase.

During the implementation period of the repurchase plan, if the Company implements any ex-entitlement and ex-dividend events such as payment of dividend, capitalization of capital reserve fund, distribution of bonus shares, share subdivision or reduction of the number of shares, the Company will adjust the price for the repurchased shares correspondingly pursuant to the relevant requirements of the CSRC and the stock exchanges on which the Company's shares are listed.

(VII) Source of funds for the repurchase

The source of funds for the repurchase shall be the self-owned funds of the Company.

(VIII) Expected changes in the Company's shareholding structure after the repurchase

Assuming that the total amount of funds for the repurchase will not be less than RMB300 million (inclusive) and not more than RMB600 million (inclusive), and that the maximum repurchase price will be RMB30 per share, the number of shares to be repurchased will be in the range of 10,000,000 to 20,000,000 shares. Upon the completion of the repurchase, the changes in the Company's total share capital and capital structure are as follows:

Type of shares	Before repurchase		After repurchase at the lower limit of the repurchase amount		After repurchase at the upper limit of the repurchase amount	
	Number (shares)	Percentage	Number (shares)	Percentage	Number (shares)	Percentage
I. Shares subject to trading moratorium	2,260,000	0.10%	12,260,000	0.52%	22,260,000	0.95%
RMB ordinary shares (A shares)	2,260,000	0.10%	12,260,000	0.52%	22,260,000	0.95%
II. Shares not subject to trading moratorium	2,349,064,235	99.90%	2,339,064,235	99.48%	2,329,064,235	99.05%
1. RMB ordinary shares (A shares)	1,899,064,235	80.76%	1,889,064,235	80.34%	1,879,064,235	79.92%
2. Overseas listed foreign shares (H shares)	<u>450,000,000</u>	<u>19.14%</u>	<u>450,000,000</u>	<u>19.14%</u>	<u>450,000,000</u>	<u>19.14%</u>
Total number of shares	<u>2,351,324,235</u>	<u>100.00%</u>	<u>2,351,324,235</u>	<u>100.00%</u>	<u>2,351,324,235</u>	<u>100.00%</u>

Note:

1. The above changes have not taken into account the impact of other factors. The above calculation data is for reference only. The number of the repurchase of shares is subject to the actual number of shares repurchased after the implementation of the repurchase.
2. The discrepancies between the total and sums of amounts in the table above are due to rounding.

(IX) Analysis on the possible impact of the repurchase of shares on, among other things, the Company's daily operation, financial conditions, research and development, profitability, debt repayment ability, future development and maintenance of listing status

As of 30 September 2023 (unaudited), the Company's total assets amounted to RMB41,207 million, net assets attributable to equity shareholders of the Company amounted to RMB22,070 million, cash at bank and on hand amounted to RMB7,586 million. Based on the upper limit of the amount of total funds for the repurchase of RMB600 million, the proportion of the amount of funds for the repurchase is 1.46%, 2.72% and 7.91% to the aforesaid financial data respectively.

Based on the above financial data, and taking into consideration the Company's operation and development prospects, the Company is of the view that the funds to be used for the repurchase will not have material impact on the Company's daily operation, financial conditions, research and development, profitability, debt repayment ability and future development. Upon implementation of the share repurchase, there will not be a change in control over the Company, and the shareholding distribution will still meet the listing requirements and will not affect the listing status of the Company.

(X) Explanation on whether the Directors, supervisors and senior management, controlling shareholders, de facto controller and repurchase proposer of the listed company had dealt in the Company's shares within 6 months before the Board's resolution on the share repurchase, whether they have any conflicts of interest in the repurchase plan and whether there is any insider dealing, market manipulation and plans to increase or decrease their shareholdings in the Company during the repurchase period

1. It has been verified that Ms. Ruan Zeyun, one of the de facto controllers, a Director and the president of the Company, had increased her shareholding in the Company in the six months prior to the disclosure of the repurchase plan. During such period and as at the date of disclosure of this announcement, Ms. Ruan Zeyun has cumulatively increased her shareholding in the Company by a total of 1,230,000 H Shares not subject to any lock-up.

The aforesaid increase in shareholding was conducted by Ms. Ruan Zeyun on the basis of the publicly disclosed information of the listed company and her own independent judgement on the trading conditions in the secondary market, and there was no instance of trading based on insider information.

2. Save as mentioned above, other Directors, supervisors, senior management, controlling shareholders, de facto controllers and repurchase proposer of the Company have not traded in the Company's shares in the six months prior to the Board's resolution to repurchase the shares, and have not engaged in insider trading and market manipulation alone or jointly with others, and have no plan to increase or reduce their shareholdings during the repurchase period.

(XI) Details of the listed company's inquiry on whether the Directors, supervisors, senior management, controlling shareholders, de facto controller, repurchase proposer and shareholders holding more than 5% of shares have any plans to decrease their shareholdings in the Company in the next three or six months and so forth

Upon enquiry, as at the date of disclosure of this announcement, the Directors, supervisors, senior management, controlling shareholders, de facto controllers, repurchase proposer and shareholders holding more than 5% of the shares of the Company do not have any plan to reduce their holdings of the Company's shares in the next three or six months. If any of the above shareholders or persons intend to implement the relevant plans to increase or decrease their shareholdings in the future, the Company will fulfil its information disclosure obligations in a timely manner in accordance with the relevant regulations.

(XII) Circumstances relating to the repurchase proposed by the proposer

Mr. Ruan Hongliang, the de facto controller, the chairman and the proposer, had not traded in the Company's shares in the six months prior to the proposal, and had not engaged in insider trading and market manipulation, either alone or in conjunction with others.

Mr. Ruan Hongliang, the proposer, has no plan to increase or decrease his shareholding in the Company during the repurchase period. Should there be any shareholding increase or decrease plans in the future, the Company will fulfill its information disclosure obligations in a timely manner in accordance with relevant laws and regulations.

(XIII) Relevant arrangements for the cancellation or transfer of the repurchased shares according to laws

If the Company fails to fully utilize the repurchased shares within three years following the announcement date of the share repurchase results and changes in shares, the unused repurchased shares will be cancelled. Should there be any adjustments to relevant policies by the state, the adjusted policies will be implemented accordingly.

(XIV) Relevant arrangements for the prevention of acts prejudicing the interests of the creditors of the Company

The repurchase of shares will not affect the Company's normal operation on an on-going basis and will not lead the Company to become insolvent. In the event of cancellation, the Company will promptly perform relevant decision-making procedures as well as notify and announce creditors of the Company in accordance with the relevant provisions such as the Company Law to fully safeguard the legitimate interests of creditors, and perform its disclosure obligations in a timely manner.

(XV) Specific authorization for handling matters relating to the repurchase of shares

In order to ensure successful implementation of the repurchase, the management is authorised by the Board to handle specific matters relating to the repurchase of shares to the extent permitted by the relevant laws, regulations and normative documents as well as the framework and principles of the repurchase plan as considered and approved by the Board. The contents and scope of the authorisation include but not limited to the following:

1. set up special securities accounts for the repurchase and handle other related matters;
2. conduct the repurchase of shares during the repurchase period as and when opportune, including but not limited to the specific timing, price and volume of repurchase of shares;
3. handle the relevant approval matters, including but not limited to the drafting, revision, authorisation, signing and implementation of all necessary documents, contracts and agreements relating to the repurchase of shares;
4. if regulatory authorities change the policies for the repurchase of shares or there are any changes in the market conditions, the management of the Company is authorised to make corresponding changes on the specific plan on the repurchase of shares and other related matters, except for the matters that are required to be re-voted by the Board as stipulated in the relevant laws, regulations and the Articles of Association of the Company; and
5. handle other matters that are not listed above but necessary for the repurchase of shares according to pertinent requirements of the applicable laws, regulations and regulatory authorities. The aforesaid authorisation shall be valid from the date on which the repurchase plan is considered and approved by the Board to the date on which the matters of authorisation set out above are completed.

III. RISKS OF UNCERTAINTY OF THE REPURCHASE PLAN

The repurchase plan of the Company is subject to the following risks of uncertainty:

1. The risk of failure to implement the repurchase plan in the event of the share price of the Company consistently exceeding the price cap set out in the repurchase plan during the repurchase period;
2. The risk of the repurchase plan being altered or terminated in accordance with relevant rules in the event of significant changes in the production and operations, financial position and external objective conditions of the Company;
3. The risk of failure to effectively implement the repurchase plan in the event of the occurrence of significant events having a material impact on the trading price of the Company's shares or other events such as the decision of the Board of the Company to terminate the repurchase plan.

The Company will make decisions to repurchase and implement accordingly at the appropriate timing according to the market conditions within the repurchase period, and discharge its information disclosure obligations according to the progress of the repurchase of shares in a timely manner. Investors are advised to pay attention to investment risks.

By order of the Board of
Flat Glass Group Co., Ltd.
Ruan Hongliang
Chairman

Jiaxing, Zhejiang Province, the People's Republic of China
23 February 2024

As at the date of this announcement, the executive Directors are Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun, Mr. Wei Yezhong and Mr. Shen Qifu; the independent non-executive Directors are Ms. Xu Pan, Ms. Hua Fulan and Ms. Ng Yau Kuen Carmen.