

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

INSIDE INFORMATION

MAJOR PV GLASS SALES AND PURCHASE FRAMEWORK AGREEMENT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board is pleased to announce that, the Sales and Purchase Framework Agreement was entered into between the Company and certain of its wholly-owned subsidiaries and Chint New Energy and certain of its wholly-owned subsidiaries on 6 April 2023 for the supply and sale of Photovoltaic Rolled Glass (for using in solar modules) between the Sellers and the Purchasers from 1 July 2023 to 31 December 2025. The maximum sales volume of PV Glass under the Sales and Purchase Framework Agreement is estimated to be an aggregate of approximately 378 million square meters.

As the Sales and Purchase Framework Agreement and the transactions contemplated thereunder are of a revenue nature in the ordinary and usual course of business of the Group under Rule 14.04(1)(g) of the Listing Rules, it does not constitute as a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company should note that the Sales and Purchase Framework Agreement is subject to certain conditions precedent. Furthermore, the effect on the performance of the Company depends on, among others, the actual quantity delivered, the actual price of the PV Glass under the specific purchaser orders to be signed by the parties and the revenue recognition under the China Accounting Standards for Business Enterprises. The Sales and Purchase Framework Agreement may also be delayed, amended or terminated due to force majeure or any other reasons. Accordingly, Shareholders and potential investors of the Company shall exercise caution when dealing in the Shares of the Company.

INTRODUCTION

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board is pleased to announce that, the Sales and Purchase Framework Agreement was entered into between the Company and certain of its wholly-owned subsidiaries and Chint New Energy and certain of its wholly-owned subsidiaries on 6 April 2023 for the supply and sale of Photovoltaic Rolled Glass (for using in solar modules) between the Sellers and the Purchasers from 1 July 2023 to 31 December 2025. The maximum sales volume of PV Glass under the Sales and Purchase Framework Agreement is estimated to be an aggregate of approximately 378 million square meters.

PRINCIPAL TERMS OF THE SALES AND PURCHASE FRAMEWORK AGREEMENT

The principal terms of the Sales and Purchase Framework Agreement are set out below:

- Date:** 6 April 2023
- Parties:**
- (1) the Company, Anhui Flat Solar Glass Co., Ltd., Zhejiang Jiafu Glass Co., Ltd., Flat (Vietnam) Company Limited, Flat (Hong Kong) Limited and Flat (Nantong) Solar Glass Co., Ltd., as the Sellers
 - (2) Chint New Energy, Haining Chint Solar Energy Technology Co., Ltd., Yancheng Chint New Energy Technology Co., Ltd., Yancheng Chint Solar Energy Technology Co., Ltd., Jiuquan Chint New Energy Technology Co., Ltd., Jiuquan Chint Solar Energy Technology Co., Ltd., Yueqing Chint Solar Energy Technology Co., Ltd., Yanchi Hetai New Energy Co., Ltd., Yiwu Chint Solar Energy Technology Co., Ltd., Hangzhou Chint Import and Export Trading Co., Ltd., Hangzhou Rongtai Import and Export Trading Co., Ltd., Haining Zhengneng International Trade Co., Ltd., Hangzhou Chint Jinxiu Photovoltaic Technology Co., Ltd., Dalian Chint Solar Energy Technology Co., Ltd., Fengyang Chint Solar Energy Technology Co., Ltd., Songyuan Xinneng Photovoltaic Technology Co., Ltd. and M.L.T. Solar Energy Products Co., Ltd., as the Purchasers
- Duration:** 1 July 2023 to 31 December 2025
- Total sales quantity:** The total sales volume of PV Glass from July 2023 to December 2025 is estimated to be approximately 378 million square meters according to the Sales and Purchase Framework Agreement. The actual total sales quantity will depend on the specific purchase orders to be entered into between the Sellers and the Purchasers which shall set out the specific rights and obligations of the relevant parties.

- Estimated contract sum:** Purchase price for glass of each and every specification shall be negotiated by both parties through friendly consultation on a win-win basis with reference to prevailing market prices. Taking into consideration the market penetration rate of the double-glass modules, and based on the average price of 3.2mm PV Glass as RMB25.5 per square meter (including tax) and the average price of 2.0 mm PV Glass as RMB18.5 per square meter (including tax) as published by Sublime China Information Co., Ltd.* (卓創週報) dated 30 March 2023 in its weekly report, the Board estimated that the total contract sum under the Sales and Purchase Framework Agreement, would be approximately RMB8,051 million (including tax).
- Breach of contract:** If either party fails to perform in accordance with the terms agreed in the Sales and Purchase Framework Agreement, the defaulting party shall bear the corresponding liabilities for breaching as agreed thereunder.
- Conditions precedent:** The Sales and Purchase Framework Agreement shall be effective on the date when it is signed and sealed by both parties.

REASONS AND BENEFITS OF THE TRANSACTION

Benefiting from the rapid growth of the global photovoltaic industry, the Company has expanded its production capacity and production scale in recent years in order to better promote its marketing of PV Glass products and further improve its business performance. The Sales and Purchase Framework Agreement will benefit the marketing of the Company's large-sized and thin PV Glass products, increase the sales of its PV Glass products, and further improve the Company's operating results.

INFORMATION OF THE COMPANY AND THE GROUP

The Company is a joint stock company established in the PRC with limited liability, the H Shares of which are listed on the main board of the Stock Exchange (stock code: 6865) and the A Shares of which are listed on the Shanghai Stock Exchange (stock code: 601865).

The Group is one of the largest photovoltaic glass manufacturers globally and in the PRC, in terms of photovoltaic raw glass and processed photovoltaic glass. The Group also manufactures and sells float glass, household glass and architectural glass.

INFORMATION OF CHINT NEW ENERGY

Under the CHINT Group, Chint New Energy is an intelligent manufacturing enterprise focusing on PV cells and modules. Founded in 2006, it is one of the earliest private enterprises in China to set foot in the PV field. Committed to being the most competitive PV modules supplier worldwide, Chint New Energy sets its mission to create a sustainable and net-zero carbon world with solar power. Focusing on R&D, production and sales of high-efficiency crystalline silicon PV cells and PV modules, Chint New Energy has continuously launched the ASTRO series high-efficiency, high-performance modules, which focus on big-size wafer bifacial and monofacial series. ASTRO series can meet the needs to be applied in all scenarios such as large-scale above-ground power stations, commercial & industrial distributed power stations and residential power stations.

To the best of the Directors' knowledge, Chint New Energy, its ultimate beneficial owners and associates are all third parties independent of the Group and its connected persons (as defined under the Listing Rules).

LISTING RULES IMPLICATION

As the Sales and Purchase Framework Agreement and the transactions contemplated thereunder are of a revenue nature in the ordinary and usual course of business of the Group under Rule 14.04(1)(g) of the Listing Rules, it does not constitute as a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company should note that the Sales and Purchase Framework Agreement is subject to certain conditions precedent. Furthermore, the effect on the performance of the Company depends on, among others, the actual quantity delivered, the actual price of the PV Glass under the specific purchaser orders to be signed by the parties and the revenue recognition under the China Accounting Standards for Business Enterprises. The Sales and Purchase Framework Agreement may also be delayed, amended or terminated due to force majeure or any other reasons. Accordingly, Shareholders and potential investors of the Company shall exercise caution when dealing in the Shares of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“A Share(s)”	RMB-denominated ordinary share(s) of the Company which are issued and subscribed for in RMB in the PRC and are listed on the Shanghai Stock Exchange (stock code: 601865)
“Board”	the board of Directors of the Company
“Chint New Energy”	Chint New Energy Technology Co., Ltd.* (正泰新能科技有限公司)

“Company”	Flat Glass Group Co., Ltd.* (福萊特玻璃集團股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares and A Shares of which are listed on the main board of the Stock Exchange and Shanghai Stock Exchange, respectively
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB0.25 each, which are subscribed for and traded in Hong Kong dollars, and listed on the Stock Exchange (stock code: 6865)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, and for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Purchasers”	Chint New Energy and its subsidiaries, namely Haining Chint Solar Energy Technology Co., Ltd.* (海寧正泰太陽能科技有限公司), Yancheng Chint New Energy Technology Co., Ltd.* (鹽城正泰新能源科技有限公司), Yancheng Chint Solar Energy Technology Co., Ltd.* (鹽城正泰太陽能科技有限公司), Jiuquan Chint New Energy Technology Co., Ltd.* (酒泉正泰新能源科技有限公司), Jiuquan Chint Solar Energy Technology Co., Ltd.* (酒泉正泰太陽能科技有限公司), Yueqing Chint Solar Energy Technology Co., Ltd.* (樂清正泰太陽能科技有限公司), Yanchi Hetai New Energy Co., Ltd.* (鹽池縣賀泰新能源有限公司), Yiwu Chint Solar Energy Technology Co., Ltd.* (義烏正泰太陽能科技有限公司), Hangzhou Chint Import and Export Trading Co., Ltd.* (杭州錚泰進出口貿易有限公司), Hangzhou Rongtai Import and Export Trading Co., Ltd.* (杭州嶸泰進出口貿易有限公司), Haining Zhengneng International Trade Co., Ltd.* (海寧正能國際貿易有限公司), Hangzhou Chint Jinxiu Photovoltaic Technology Co., Ltd.* (杭州正泰錦綉光伏科技有限公司), Dalian Chint Solar Energy Technology Co., Ltd.* (大連正泰太陽能科技有限公司), Fengyang Chint Solar Energy Technology Co., Ltd.* (鳳陽正泰太陽能科技有限公司), Songyuan Xinneng Photovoltaic Technology Co., Ltd.* (松原市新能光伏科技有限公司) and M.L.T. Solar Energy Products Co., Ltd.

“PV Glass” or “Photovoltaic Rolled Glass”	photovoltaic processed glass
“RMB”	Renminbi, the lawful currency of the PRC
“Sales and Purchase Framework Agreement”	the sales and purchase framework agreement dated 6 April 2023 entered into between the Company and Chint New Energy for the supply and sale of PV Glass from 1 July 2023 to 31 December 2025
“Sellers”	the Company and its wholly-owned subsidiaries, namely Anhui Flat Solar Glass Co., Ltd.* (安徽福莱特光伏玻璃有限公司), Zhejiang Jiafu Glass Co., Ltd.* (浙江嘉福玻璃有限公司), Flat (Vietnam) Company Limited* (福莱特(越南)有限公司), Flat (Hong Kong) Limited* (福莱特(香港)有限公司) and Flat (Nantong) Solar Glass Co., Ltd.* (福莱特(南通)光伏玻璃有限公司)
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Jiaxing, Zhejiang Province, the People’s Republic of China
6 April 2023

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

** If there is any inconsistency between the English name and the Chinese name, the Chinese name shall prevail.*