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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)

INSIDE INFORMATION MAJOR PV GLASS SALES CONTRACT

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 Board has approved that, the Company and JA Solar entered into the Sales Contract on 30 July 2021 for the supply and sale of an aggregate of approximately 230,000,000 square meters of Photovoltaic Rolled Glass (for using in solar modules) between the Sellers and the Purchasers from 1 August 2021 to 31 July 2024.

As the Sales Contract and the transactions contemplated under the Sales Contract 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 Contract 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 signed by the parties and the revenue recognition under the China Accounting Standards for Business Enterprises. The Sales Contract 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). This announcement sets out certain information from the overseas regulatory announcement for the information of the potential investors and Shareholders of the Company.

The Board is pleased to announce that the Board has approved that, the Company and JA Solar entered into the Sales Contract on 30 July 2021 for the supply and sale of an aggregate of approximately 230,000,000 square meters of Photovoltaic Rolled Glass (for using in solar modules) between the Sellers and the Purchasers from 1 August 2021 to 31 July 2024.

PRINCIPAL TERMS OF THE SALES CONTRACT

The principal terms of the Sales Contract are set out below:

Date:	30 July 2021
Parties:	(1) the Company (2) JA Solar
Duration:	1 August 2021 to 31 July 2024
Total sales quantity:	Approximately 230,000,000 square meters of Photovoltaic Rolled Glass (for using in solar modules)
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 RMB22 per square meter (including tax) and the average price of 2.0mm PV Glass as RMB18 per square meter (including tax) as published by Sublime China Information Co., Ltd.* (卓創週報) dated 29 July 2021 in its weekly report, the Board estimated that the total sum will be approximately RMB4.618 billion (including tax).
Breach of contract:	If either party fails to perform in accordance with the terms agreed in the agreement, the defaulting party shall bear the corresponding liabilities for breaching as agreed in the agreement.
Conditions precedent:	The Sales Contract 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 Contract 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 and the A Shares of which are listed on the Shanghai Stock Exchange.

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 JA SOLAR

JA Solar is a company whose A shares are listed on the Shenzhen Stock Exchange (stock code: 002459). Founded in 2005, JA Solar is a manufacturer of high-performance photovoltaic products. With 12 manufacturing bases and 13 overseas sales branches across the world, JA Solar's business covers the manufacturing of silicon wafers, cells, modules and photovoltaic power stations. JA Solar's products are available in 135 countries and regions and are used extensively in ground-mounted power plants, commercial & industrial rooftop PV systems and residential rooftop PV systems.

To the best of the Directors' knowledge, JA Solar, 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 Contract and the transactions contemplated under the Sales Contract 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 Contract 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 signed by the parties and the revenue recognition under the China Accounting Standards for Business Enterprises. The Sales Contract 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)
“Anhui Flat Glass”	Anhui Flat Photovoltaic Glass Co., Ltd.* (安徽福萊特光伏玻璃有限公司), a wholly-owned subsidiary of the Company in the PRC
“Board”	the board of Directors of the Company
“Company”	福萊特玻璃集團股份有限公司 (Flat Glass Group Co., Ltd.*), 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
“JA Solar”	JA Solar Energy Technology Co., Ltd* (晶澳太陽能科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002459) and an independent third party
“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”	JA Solar and its associated companies, namely JA Solar (Yangzhou) New Energy Co., Ltd.* (晶澳(揚州)新能源有限公司), JA Solar (Hefei) PV Technology Co., Ltd.* (合肥晶澳太陽能科技有限公司), JA Solar (Xingtai) PV Technology Co., Ltd.*(晶澳(邢臺)太陽能有限公司), JA Solar (Shanghai) PV Technology Co., Ltd.* (上海晶澳太陽能科技有限公司), JA Solar International Limited, JA Solar (Yiwu) PV Technology Co., Ltd.*(義烏晶澳太陽能科技有限公司), JA Solar (Vietnam) Co., Ltd.*
“PV Glass” or “Photovoltaic Rolled Glass”	photovoltaic processed glass
“RMB”	Renminbi, the lawful currency of the PRC
“Sales Contract”	the sales contract entered into between the Company and JA Solar dated 30 July 2021
“Sellers”	the Company, and Anhui Flat Glass, Zhejiang Jiafu and Flat (Vietnam) Company Limited, each a wholly-owned subsidiary of the Company
“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
“Zhejiang Jiafu”	Zhejiang Jiafu Glass Co., Ltd.* (浙江嘉福玻璃有限公司), a wholly-owned subsidiary of the Company in the PRC

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

Jiaxing, Zhejiang Province, the People’s Republic of China
30 July 2021

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.*