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福萊特玻璃集團股份有限公司

F at G a G C ., Ltd.

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

(St ₹ c de: 6865)

DISCLOSEABLE TRANSACTIONS
PURCHASE OF WEALTH MANAGEMENT PRODUCTS

PURCHASE OF WEALTH MANAGEMENT PRODUCTS

During the Relevant Period, the Group purchased certain wealth management products which were mostly structured deposit products from Bank of China and ICBC with variable returns linked to the performance of certain linked indices which were foreign exchanges with no guarantee on the yield return.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for the purchase of certain wealth management products from Bank of China under the BOC Wealth Management Products Subscription Agreements, when aggregated, exceed 5% but are less than 25%, the transactions under the BOC Wealth Management Products Subscription Agreements, on an aggregate basis, constitute discloseable transaction(s) of the Company and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

As one or more of the applicable percentage ratios for the purchase of certain wealth management products from ICBC under the ICBC Wealth Management Products Subscription Agreements, when aggregated, exceed 5% but are less than 25%, the transactions under the ICBC Wealth Management Products Subscription Agreements, on an aggregate basis, constitute discloseable transaction(s) of the Company and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

With the mistaken beliefs that the wealth management products, mostly structured deposit products, were equivalent to bank deposits maintained by the Group in the ordinary course of business and not considered as acquisitions of assets which fall within the definition of "transaction" under Chapter 14 of the Listing Rules, the Company only disclosed such transactions by way of overseas regulatory announcements at the time of purchase of the wealth management products as mentioned in this announcement which did not comply with the applicable reporting and announcement requirements under the Listing Rules. The Board will adopt remedial measures to strengthen the relevant internal control procedures to prevent the occurrence of similar incidents in the future.

INTRODUCTION

During the Relevant Period, the Group purchased certain wealth management products which were mostly structured deposit products from Bank of China and ICBC with variable returns linked to the performance of certain linked indices which were foreign exchanges with no guarantee on the yield return.

As one or more of the applicable percentage ratios for the purchase of certain wealth management products from Bank of China under the BOC Wealth Management Products Subscription Agreements, when aggregated, exceed 5% but are less than 25%, the transactions under the BOC Wealth Management Products Subscription Agreements, on an aggregate basis, constitute discloseable transaction(s) of the Company and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

As one or more of the applicable percentage ratios for the purchase of certain wealth management products from ICBC under the ICBC Wealth Management Products Subscription Agreements, when aggregated, exceed 5% but are less than 25%, the transactions under the ICBC Wealth Management Products Subscription Agreements, on an aggregate basis, constitute discloseable transaction(s) of the Company and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

PURCHASE OF THE WEALTH MANAGEMENT PRODUCTS FROM BANK OF CHINA

Details of the wealth management products, mostly structured deposit products, purchased by Anhui Flat Glass from Bank of China during the Relevant Period are set out below:

No.	Subscription agreement	Subscription date	Maturity date	Product type	Subscription amount *(RMB)*	Structure of the product	Expected annualized rate of return	Product risk level (as assessed by the bank)
1.	BOC Wealth Management Products Subscription Agreement I	22 June 2020	27 July 2020	Structured deposit product	390,000,000	Principal-guaranteed with variable return linked to the spot exchange rates of AUD against USD	1.30% or 3.18%	Low (PR1 rating)
2.	BOC Wealth Management Products Subscription Agreement II	23 June 2020	28 July 2020	Principal-guaranteed finance product	396,000,000	Principal-guaranteed with fixed return	2.80%	Low (PR1 rating)

N.	Subject matter	Subscription date	Maturity date	Product type	Subscription amount *(RMB)*	Term of investment	Expected annualized rate of return (term annualized rate of return)
3.	BOC Wealth Management						

No.	Subscription agreement	Subscription date	Maturity date	Product type	Subscription amount *(RMB)*	Type	Expected annualized rate of return	Product risk level (term bank)
10.	BOC Wealth Management Products Subscription Agreement X	20 January 2021	27 April 2021	Structured deposit product	400,000,000	Principal-guaranteed with variable return linked to the spot exchange rates of EUR against USD	1.50% to 3.80%	Low (PR1 rating)
11.	BOC Wealth Management Products Subscription Agreement XI	21 January 2021	7 May 2021	Structured deposit product	100,000,000	Principal-guaranteed with variable return linked to the spot exchange rates of EUR against USD	1.50% to 3.80%	Low (PR1 rating)

Other than the details of the wealth management products described above, the other principal terms of the BOC Wealth Management Products Subscription Agreements are set out below:

Parties: (1) Anhui Flat Glass as the subscriber; and

(2) Bank of China as the issuer.

Term of investment: The term of investment varied from 32 days to 102 days.

Payment of principal and investment return: The principal amount and the investment return generated will be returned or paid on the maturity date (as the case may be). Such amounts will be transferred to the agreed account of Anhui Flat Glass on the maturity date, or the next business day if the maturity date is a non-business day, with the term of investment extended correspondingly.

Redemption of wealth management products: During the term of investment, Anhui Flat Glass has no right of early redemption before the maturity date of the wealth management products.

Sources of funding: Idle funds from the proceeds of issuance of convertible bonds and non-public issuance of A Shares on the Shanghai Stock Exchange.

PURCHASE OF THE WEALTH MANAGEMENT PRODUCTS FROM ICBC

Details of the wealth management products which were all structured deposit products purchased by Anhui Flat Glass or the Company from ICBC during the Relevant Period are set out below:

No.	Subscription agreement	Subscriber	Subscription date	Maturity date	Product type	Subscription amount *(RMB)*	Term of investment	Expected annualized rate of return	Product risk level (determined by the bank)
1.	ICBC Wealth Management Products Subscription Agreement I	Anhui Flat Glass	8 January 2021	18 February 2021	Structured deposit product	100,000,000	Principal-guaranteed with variable return linked to the central parity rates of USD against JPY	1.05% or 3.15%	Low (PR1 rating)
2.	ICBC Wealth Management Products Subscription Agreement II	Company	22 January 2021	28 April 2021	Structured deposit product	200,000,000	Principal-guaranteed with variable return linked to the central parity rates of USD against JPY	1.30% or 3.72%	Low (PR1 rating)
3.	ICBC Wealth Management Products Subscription Agreement III	Anhui Flat Glass	22 January 2021	28 April 2021	Structured deposit product	400,000,000	Principal-guaranteed with variable return linked to the central parity rates of USD against JPY	1.30% or 3.72%	Low (PR1 rating)

Other than the details of the wealth management products described above, the other principal terms of the ICBC Wealth Management Products Subscription Agreements are set out below:

Parties: (1) Anhui Flat Glass or the Company as the subscriber; and

(2) ICBC as the issuer.

Term of investment: The term of investment varied from 41 days to 91 days.

Payment of principal and investment return: The principal amount and the investment return generated will be returned or paid on the maturity date (as the case may be). Such amounts will be transferred to the agreed account of Anhui Flat Glass or the Company (as the case may be) on the maturity date, or extended to the next business day if the maturity date is a non-business day, with the term of investment extended correspondingly.

Redemption of wealth management products:	During the term of investment, Anhui Flat Glass or the Company (as the case may be) has no right of early redemption before the maturity date of the wealth management products.
Source of funding:	Idle funds from the proceeds of issuance of convertible bonds and non-public issuance of A Shares on the Shanghai Stock Exchange.

REASONS FOR AND BENEFITS OF THE PURCHASE OF WEALTH MANAGEMENT PRODUCTS

The Directors noted that the Group had idle funds from the proceeds of issuance of convertible bonds and non-public issuance of A Shares on the Shanghai Stock Exchange. In order to reasonably utilize such idle funds, enhance the efficiency in the utilization of such funds and to bring return to the Shareholders, after taking into account the normal operation funding needs and the liquidity requirements of the Group, the Directors decided to use some of the idle funds to purchase wealth management products from Bank of China and ICBC.

The wealth management products purchased from both Bank of China and ICBC were mostly akin to RMB fixed deposits, with variable interest accruing on the principal amount of the deposits. The wealth management products purchased from Bank of China and ICBC offered potential annualized rate of investment return from approximately 1.50% to 3.80% and 1.05% to 3.72%, respectively.

The Directors (including independent non-executive Directors) consider that subject to the funding needs of normal business operations of the Group, the use of temporarily idle funds for cash management will enable the Group to increase capital efficiency and better achieve capital preservation and appreciation, and the terms of both the BOC Wealth Management Products Subscription Agreements and the ICBC Wealth Management Products Subscription Agreements are fair and reasonable and in the interests of the Shareholders as a whole.

INFORMATION ON THE GROUP AND THE BANKS

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.

Each of Bank of China and ICBC is a licensed bank incorporated under the laws of the PRC and is engaged in commercial banking business. To the best of their knowledge, information and belief and having made all reasonable enquiries, the Directors confirm that each of Bank of China and ICBC and its ultimate beneficial

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for the purchase of certain wealth management products from Bank of China under the BOC Wealth Management Products Subscription Agreements, when aggregated, exceed 5% but are less than 25%, the transactions under the BOC Wealth Management Products Subscription Agreements, on an aggregate basis, constitute discloseable transaction(s) of the Company and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

As one or more of the applicable percentage ratios for the purchase of certain wealth management products from ICBC under the ICBC Wealth Management Products Subscription Agreements, when aggregated, exceed 5% but are less than 25%, the transactions under the ICBC Wealth Management Products Subscription Agreements, on an aggregate basis, constitute discloseable transaction(s) of the Company and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules.

With the mistaken beliefs that the wealth management products, mostly structured deposit products, were equivalent to bank deposits maintained by the Group in the ordinary course of business and not considered as acquisitions of assets which fall within the definition of "transaction" under Chapter 14 of the Listing Rules, the Company only disclosed such transactions by way of overseas regulatory announcements at the time of purchase of the wealth management products as mentioned in this announcement which did not comply with the applicable reporting and announcement requirements under the Listing Rules. The Board will adopt remedial measures to strengthen the relevant internal control procedures to prevent the occurrence of similar incidents in the future.

REMEDIAL MEASURES

The Board will adopt the following measures to strengthen the relevant internal control procedures to prevent the occurrence of similar incidents in the future, including:

(a) the Company will arrange for training sessions for the Directors and senior management of the Group to refresh their knowledge on legal and compliance and to remind, the finance department in particular, to report transactions which may constitute notifiable and/or connected transactions under the Listing Rules to the Group's compliance personnel and seek professional advice if necessary to ensure that they understand the requirements under the Listing Rules and the relevant rules and regulations; and

(b) the Company will review, strengthen and continue to monitor the relevant internal control measures of the Group, including but not limited to contract signing procedures, to ensure that current and future transactions will be conducted in compliance with the applicable requirements under the Listing Rules and other relevant rules and regulations.

DEFINITIONS

In this announcement, the following terms shall have the meanings as set forth below:

"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
"Anhui Flat Glass"	安徽福萊特光伏玻璃有限公司 (Anhui Flat Glass Co., Ltd.*), a wholly-owned subsidiary of the Company in the PRC
"AUD"	Australian Dollars, the lawful currency of Australia
"Board"	the board of directors of the Company
"BOC Wealth Management Products Subscription Agreement I"	the wealth management agreement dated 22 June 2020 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 27 July 2020
"BOC Wealth Management Products Subscription Agreement II"	the wealth management agreement dated 23 June 2020 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 28 July 2020
"BOC Wealth Management Products Subscription Agreement III"	the wealth management agreement dated 29 July 2020 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 1 September 2020
"BOC Wealth Management Products Subscription Agreement IV"	the wealth management agreement dated 29 July 2020 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 2 November 2020
"BOC Wealth Management Products Subscription Agreement V"	the wealth management agreement dated 3 September 2020 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 9 November 2020
"BOC Wealth Management Products Subscription Agreement VI"	the wealth management agreement dated 4 September 2020 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 9 November 2020

"BOC Wealth Management Products Subscription Agreement VII"	the wealth management agreement dated 17 December 2020 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 25 January 2021
"BOC Wealth Management Products Subscription Agreement VIII"	the wealth management agreement dated 17 December 2020 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 23 March 2021
"BOC Wealth Management Products Subscription Agreement IX"	the wealth management agreement dated 20 January 2021 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 2 March 2021
"BOC Wealth Management Products Subscription Agreement X"	the wealth management agreement dated 20 January 2021 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 27 April 2021
"BOC Wealth Management Products Subscription Agreement XI"	the wealth management agreement dated 21 January 2021 and entered into between Anhui Flat Glass as the subscriber and Bank of China as the issuer with the maturity date on 7 May 2021
"BOC Wealth Management Products Subscription Agreements"	BOC Wealth Management Products Subscription Agreement I, II, III, IV, V, VI, VII, VIII, IX, X and XI
"CAD"	Canadian Dollars, the lawful currency of Canada
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"Company"	福萊特玻璃集團股份有限公司 (Flat Glass Group Co., Ltd.*), a

Subscription Agreement VIII"

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"ICBC"	中國工商銀行股份有限公司* (Industrial and Commercial Bank of China Limited), a licensed bank incorporated under the laws of the PRC
"ICBC Wealth Management Products Subscription Agreement I"	the wealth management agreement dated 8 January 2021 and entered into between Anhui Flat Glass as the subscriber and ICBC as the issuer with the maturity date on 18 February 2021
"ICBC Wealth Management Products Subscription Agreement II"	the wealth management agreement dated 22 January 2021 and entered into between the Company as the subscriber and ICBC as the issuer with the maturity date on 28 April 2021
"ICBC Wealth Management Products Subscription Agreement III"	the wealth management agreement dated 22 January 2021 and entered into between Anhui Flat Glass as the subscriber and ICBC as the issuer with the maturity date on 28 April 2021
"ICBC Wealth Management Products Subscription Agreements"	ICBC Wealth Management Products Subscription Agreement I, ICBC Wealth Management Products Subscription Agreement II and ICBC Wealth Management Products Subscription Agreement III
"Independent Third Party(ies)"	third party(ies) independent of the Company and connected persons (as defined under the Listing Rules) of the Company and are not connected persons (as defined under the Listing Rules) of the Company
"JPY"	Japanese Yen, the lawful currency of Japan
"Latest Practicable Date"	5 February 2021
"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
"Relevant Period"	the period from the date of listing of the Group on the Stock Exchange and up to the Latest Practicable Date (both dates inclusive)
"RMB"	Renminbi, the lawful currency of the PRC

“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
“U.S.” or “United States”	United States of America
“USD”	U.S. Dollars, the lawful currency of the United States of America
“%”	per cent

By Order of the Board
F at G a G C ., Ltd.
R a H g a g
Chairman

Jiaxing, Zhejiang Province, the People’s Republic of China
5 February 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 Mr. Cui Xiaozhong, Ms. Hua Fulan and Mr. Ng Ki Hung.

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