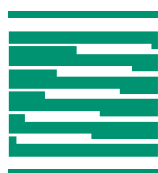


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浙 江 玻 璃 股 份 有 限 公 司

ZHEJIANG GLASS COMPANY, LIMITED

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

(Stock Code: 739)

**PROPOSED CHANGE OF AUDITORS
AND
PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION**

PROPOSED CHANGE OF AUDITORS

PwC Hong Kong and PwC Zhong Tian ceased to be the international and domestic auditors of the Company respectively with effect from the conclusion of the AGM. In this connection, the Board would announce that it proposes to appoint, subject to the approval of the Shareholders at the EGM by way of ordinary resolution:

1. RSM Nelson Wheeler as the new international auditors of the Company; and
2. RSM China as the new domestic auditors of the Company.

PROPOSED AMENDMENTS TO THE ARTICLES

In light of the provisions of the currently prevailing Company Law and other applicable laws and regulations in the PRC, certain amendments are proposed to be made to the Articles. Such amendments are subject to, among others, Shareholders' approval by way of special resolution at the EGM.

GENERAL

A circular containing, among others, details of the proposed change of auditors, full provisions of the proposed amendments to the Articles and an explanation of the effect of such proposed amendments to the Articles, together with the notice of the EGM, will be dispatched to the Shareholders as soon as practicable.

PROPOSED CHANGE OF AUDITORS

Reference is made to the AGM and the poll results announcement of the Company dated 30 June 2009 regarding the voting results at the AGM. Given the resolution on the proposed re-appointment of PwC Hong Kong and PwC Zhong Tian as the international auditors and domestic auditors respectively of the Company was not passed at the AGM, PwC Hong Kong and PwC Zhong Tian ceased to be the auditors of the Company with effect from the conclusion of the AGM.

In view of the above, the Board proposes to appoint, subject to the approval of the Shareholders by way of ordinary resolution at the EGM, RSM Nelson Wheeler and RSM China as the new international auditors and the new domestic auditors respectively of the Company for filling the casual vacancy and to hold office until the conclusion of the next annual general meeting of the Company.

The Company has requested for a confirmation letter (“Confirmation Letter”) from PwC Hong Kong and PwC Zhong Tian in their capacity as outgoing auditors of the Company to confirm whether there are any circumstances which should be brought to attention of the Shareholders under Rule 13.51(4) of the Listing Rules. However, the Company has been informed that as a company incorporated under the laws of the PRC, there is no mandatory requirement under the PRC laws requiring the outgoing auditors to provide such Confirmation Letter, and accordingly PwC Hong Kong and PwC Zhong Tian have not issued the Confirmation Letter to the Company.

Save as disclosed in this announcement, the Board confirms that there are no other matters in respect of the proposed change of auditors that need to be brought to the attention of the Shareholders.

The Board would like to thank PwC Hong Kong and PwC Zhong Tian for their professional services and support in the past years.

PROPOSED AMENDMENTS TO THE ARTICLES

In light of the provisions of the currently prevailing Company Law and other applicable laws and regulations in the PRC, certain amendments are proposed to be made to the Articles. Such proposed amendments to the Articles are subject to Shareholders' approval by way of special resolution at the EGM, and the obtaining of any approval, endorsement or registration (as applicable) from or with the relevant PRC authorities.

The Board proposes to amend the Articles such that,

1. for completeness sake, the then increase in 142,120,000 H Shares in August 2006 will be included in the Articles;
2. in line with the currently prevailing Company Law,
 - (a) it will be consistently set out in the Articles that the power to approve any amendments to the Articles vests in the Shareholders;
 - (b) the Articles will provide that the Company shall not be a capital contributor who is jointly liable for the debt of any enterprise in which the Company invests in, unless otherwise provided in the PRC laws;
 - (c) the minimum number of Directors will be reduced from 11 to seven having regard to the prevailing circumstances of the Company;
 - (d) the minimum number of supervisors of the Company will be reduced from seven to three having regard to the prevailing circumstances of the Company;
 - (e) the proportion between the staff representative supervisors and the shareholders representative supervisors both comprising the supervisory committee of the Company will be set out in the Articles;
 - (f) references to statutory public welfare fund (法定公益金) and public welfare fund (公益金) will be deleted from the Articles;

- (g) the statutory reserve fund should be sufficient to make up losses of the Company in previous years (instead of just the preceding year) or else the Company shall apply its profits for the year to the make up of such losses before allocating any profits to the statutory reserve fund;
 - (h) it will be expressly provided in the Articles that capital surplus fund (資本公積金) cannot be used to make up the losses of the Company; and
 - (i) the existing provisions to the effect that the assets of the Company, in the event of its liquidation, shall first be applied (after having settled the liquidation costs) to the settlement of accrued wages, the social security insurance premiums (社會保險費用) and statutory compensations for employees of the Company (法定補償金), shall be amended by deleting the reference to labour insurance (勞動保險費用);
3. in line with the Mandatory Provisions, it will be provided in the Articles that the scope of business of the Company shall be that as approved by the relevant companies registration authority in the PRC; and
4. in line with the Labour Law in the PRC, the notice of resignation for managers, deputy-managers, department managers and other senior management of the Company shall be reduced from three months to 30 days.

GENERAL

A circular containing, among others, details of the proposed change of auditors, full provisions of the proposed amendments to the Articles and an explanation of the effect of such proposed amendments to the Articles in accordance with Rule 13.51(1) of the Listing Rules, together with the notice of the EGM, will be dispatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

- “AGM” : the annual general meeting of the Company held on 30 June 2009
- “Articles” : the articles of association of the Company from time to time
- “Board” : the board of Directors
- “Company” : 浙江玻璃股份有限公司 (Zhejiang Glass Company, Limited), a joint stock limited company incorporated in the PRC, the H Shares of which are listed and traded on the Stock Exchange
- “Company Law” : the Company Law of the PRC (《中華人民共和國公司法》) as amended, supplemented or otherwise modified from time to time
- “Directors” : the directors of the Company
- “Domestic Shares” : domestic shares having a nominal value of RMB1 each in the capital of the Company
- “EGM” : the extraordinary general meeting of the Company to be held for considering and if thought fit approving the proposed change of auditors of the Company and the proposed amendments to the Articles, the notice of which will be set out in a circular to be issued by the Company
- “H Shares” : overseas listed foreign shares of RMB1 each in the share capital of the Company which are listed on the Stock Exchange and traded in Hong Kong dollars
- “Listing Rules” : the Rules Governing the Listing of Securities on the Stock Exchange

- “Mandatory Provisions” : the Mandatory Provisions for the Articles of Association of the Companies to be Listed Overseas (《到境外上市公司章程必備條款》)
- “PRC” : the People’s Republic of China and, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
- “PwC Hong Kong” : PricewaterhouseCoopers, Hong Kong (羅兵咸永道會計師事務所)
- “PwC Zhong Tian” : PricewaterhouseCoopers Zhong Tian CPAs Limited Company (普華永道中天會計師事務所有限公司)
- “RSM China” : RSM China CPAs (中瑞岳華會計師事務所)
- “RSM Nelson Wheeler” : RSM Nelson Wheeler, Certified Public Accountant (中瑞岳華(香港)會計師事務所)
- “Shareholders” : holders of Domestic Shares and holders of H Shares
- “Stock Exchange” : the Stock Exchange of Hong Kong Limited

By order of the Board
Zhejiang Glass Company, Limited
Feng Guangcheng
Chairman

Zhejiang Province, the PRC, 23 July 2009

As at the date of this announcement, the Board comprises the following Directors: (a) as executive Directors, Mr Feng Guangcheng, Ms Hong Yumei, Mr Shen Guangjun, Mr Jiang Liqiang and Mr Zhang Shutao, (b) as non-executive Directors, Mr Liu Jianguo and Ms Chen Rong, and (c) as independent non-executive Directors, Mr Wang Yanmou, Dr Li Jun, Mr Su Gongmei and Mr Zhou Guochun.