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)

CLARIFICATION ANNOUNCEMENT IN RELATION TO THE FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

Reference is made to the announcement of Flat Glass Group Co., Ltd. (the "**Company**") dated 27 March 2017 in relation to its final results for the year ended 31 December 2016 (the "**Results Announcement**"). Unless otherwise defined, terms used in this announcement shall have the same meanings as those defined in the Results Announcement.

The Company noted that there were inadvertent clerical errors on pages 3 to 5 of the Results Announcement (in both the English and Chinese versions) in relation to the note numbers in the consolidated profit or loss and other comprehensive income for the year ended 31 December 2016, and the consolidated statement of financial position as at 31 December 2016. Furthermore, the income tax expense for the year ended 31 December 2016 should be read as "(126,507)" rather than "126,507".

As such, the entire consolidated profit or loss and other comprehensive income for the year ended 31 December 2016 on page 3 of the Results Announcement and the consolidated statement of financial position as at 31 December 2016 on pages 4 and 5 of the Results Announcement shall be replaced entirely with the following:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	NOTE	2016 RMB'000	2015 RMB'000
Revenue	4	**2,951,265**	2,914,049
Cost of sales		**(1,864,367)**	(2,060,315)
Gross profit		**1,086,898**	853,734
Other income and expenses	5	**48,467**	27,222
Other gains and losses	5	**(51,258)**	25,568
Selling and marketing expenses		**(107,565)**	(104,029)
Administration expenses		**(112,665)**	(102,021)
Research and development expenditure		**(103,202)**	(102,520)
Finance costs	6	**(28,124)**	(61,549)
Profit before tax		**732,551**	536,405
Income tax expense	7	**(126,507)**	(102,615)
Profit for the year	8	**606,044**	433,790
EARNING PER SHARE			
–Basic and diluted (RMB cents)	9	**33.67**	31.11
Other comprehensive income for the year:			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation		**7,430**	–
Total comprehensive income for the year		**613,474**	433,790

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	NOTE	2016 RMB'000	2015 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**1,633,911**	1,740,453
Prepaid lease payments		**320,548**	184,628
Prepayment and intangible assets		**196,053**	203,595
Available-for-sale investment, at cost		**4,000**	4,000
Deferred tax assets		**31,145**	43,338
Prepayment for acquisition of property, plant and equipment		**44,302**	8,513
Deposit paid for acquisition of land use right		**–**	24,000
		2,229,959	2,208,527
Current Assets			
Prepaid lease payments		**7,744**	4,396
Inventories		**257,678**	209,660
Trade and other receivables	*11*	**1,173,965**	1,290,985
Financial asset designated as at fair value through profit or loss ("FVTPL")		**20,000**	–
Derivative financial instruments		**749**	–
Pledged bank deposits		**55,918**	51,992
Bank balances and cash		**720,612**	921,975
		2,236,666	2,479,008

	NOTE	2016 RMB'000	2015 RMB'000
Current Liabilities			
Trade and other payables		**927,175**	875,835
Tax liabilities		**61,670**	69,706
Borrowings	*12*	**335,370**	748,839
Deferred revenue		**14,229**	14,991
Financial liabilities designated as at FVTPL		**26,279**	–
Derivative financial instruments		**1,372**	–
Long-term payables for the acquisition of mining right due within one year		**23,915**	91,083
		1,390,010	1,800,454
Net Current Assets		**846,656**	678,554
Total Assets Less Current Liabilities		**3,076,615**	2,887,081
NON-CURRENT LIABILITIES			
Borrowings	*12*	**100**	183,000
Deferred revenue		**62,216**	74,656
Long-term payables for the acquisition of mining rights		**56,650**	56,650
		118,966	314,306
Net Assets		**2,957,649**	2,572,775
Capital and Reserves			
Share capital		**450,000**	450,000
Reserves		**2,507,649**	2,122,775
Total Equity		**2,957,649**	2,572,775

Other than the above clarifications, the contents of the Results Announcement (both the English and Chinese versions) remain unchanged.

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

Hong Kong, 28 March 2017

As at the date of this announcement, the executive directors of the Company are Mr. Ruan Hongliang, Ms. Jiang Jinhua, Mr. Wei Yezhong, Mr. Shen Qifu and the independent non-executive directors of the Company are Mr. Cui Xiaozhong, Mr. Li Shilong and Mr. Ng Ki Hung.