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CHINA GLASS HOLDINGS LIMITED

中國玻璃控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 3300)

**VOLUNTARY ANNOUNCEMENT
–
BUSINESS UPDATE –
CO-OPERATION FRAMEWORK AGREEMENT
IN RELATION TO THE POTENTIAL ACQUISITION**

This is an announcement made by China Glass Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis with the purpose of keeping the shareholders and potential investors of the Company informed of the latest business development of the Group.

Reference is made to the announcement of the Company dated 4 February 2021 (the “**Announcement**”) in relation to the MOU entered into between the Company and three vendors for the Potential Acquisition. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

THE CO-OPERATION FRAMEWORK AGREEMENT

The board of directors of the Company (the “**Directors**” and the “**Board**”, respectively) is pleased to announce that on 18 March 2021, China Glass Investment Limited* (中玻投資有限公司), an indirect wholly-owned subsidiary of the Company (“**China Glass Investment**”) entered into a co-operation framework agreement (the “**Co-operation Framework Agreement**”) with one of the vendors (the “**Vendor**”) and the Target Company (namely, Fujian Longtai Industrial Company Limited* (福建龍泰實業有限公司)), pursuant to which China Glass Investment intends to acquire a controlling interest in the Target Company through a combination of acquiring equity interest from the Vendor and capital injection into the Target Company.

The consideration and the amount of equity interest for the Potential Acquisition will be determined based on further due diligence and third-party evaluation on the Target Company, and negotiations between China Glass Investment and the Vendor.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, each of Vendor and the Target Company is a third party independent of and not connected with the Company and its connected persons (as defined in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

Formal Agreement

China Glass Investment and the Vendor will proceed with further negotiation for the entering into the formal agreement(s) in respect of the Potential Acquisition (the “**Formal Agreement**”), in accordance with the terms of the Co-operation Framework Agreement.

Exclusivity

Unless with written consent of China Glass Investment, the Vendor and the Target Company agreed that they will not commence or continue with any discussions or negotiations, nor enter into any documents with any third parties in relation to the Potential Acquisition within 12 months from the effective date of the Co-operation Framework Agreement.

GENERAL

If the parties enter into the Formal Agreement and the Potential Acquisition materializes, it may constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) in relation to the Potential Acquisition will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

REASONS FOR THE CO-OPERATION FRAMEWORK AGREEMENT

Following further negotiations between the parties to the MOU, the Vendor and China Glass Investment intended to enter into the Co-operation Framework Agreement to reflect the latest transaction structure and understanding between the parties. The Target Company is a limited liability company incorporated in the People's Republic of China and is in the process of establishing high quality float glass and photovoltaic glass production lines and create a technology industrial park focusing on new energy development. The first float glass production line of the Target Company is currently expected to ignition and production before the end of April 2021.

The Potential Acquisition is subject to, among others, further due diligence and negotiation concerning the entering into of the Formal Agreement. The Board wishes to emphasise that the Formal Agreement may or may not be entered into by the parties and the Potential Acquisition may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

By Order of the Board
China Glass Holdings Limited
Cui Xiangdong
Executive Director

Hong Kong, 18 March 2021

As at the date of this announcement, the directors of the Company are as follows:

Executive Director:

Mr. Cui Xiangdong

Non-executive Directors:

Mr. Peng Shou (*Chairman*); Mr. Zhao John Huan; Mr. Zhou Cheng (*Honorary Chairman*); and Mr. Zhang Jinshu

Independent Non-executive Directors:

Mr. Zhang Baiheng; and Mr. Chen Huachen

* *For identification purpose only*