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凯盛新能源股份有限公司

Triumph New Energy Company Limited

*(Formerly known as “LUOYANG GLASS COMPANY LIMITED 洛陽玻璃股份有限公司”
(a joint stock limited company incorporated in the People’s Republic of China with limited liability))*

(Stock code: 01108)

CONNECTED TRANSACTION – DISPOSAL OF TIN INGOTS BY A WHOLLY-OWNED SUBSIDIARY

The board (the “**Board**”) of directors (the “**Directors**”) of Triumph New Energy Company Limited (the “**Company**”) hereby announces that on 27 October 2023, North Glass, a wholly-owned subsidiary of the Company, entered into the Product Purchase and Sales Contract with Triumph Resources, pursuant to which, North Glass agreed to dispose of and Triumph Resources agreed to acquire the Tin Ingots Assets.

CNBMG is deemed to be interested in 204,932,781 A Shares, representing approximately 31.74% of the total issued share capital of the Company as at the date of this announcement, and is the ultimate controlling shareholder of the Company, North Glass, Triumph Resources and Triumph Technology. North Glass is a wholly-owned subsidiary of the Company, while Triumph Resources is an indirect wholly-owned subsidiary of CNBMG and a direct wholly-owned subsidiary of Triumph Technology. Accordingly, both North Glass and Triumph Resources are regarded as connected persons of the Company and the transaction contemplated under the Product Purchase and Sales Contract constitutes a connected transaction of the Company.

As the highest applicable percentage ratio in respect of the Product Purchase and Sales Contract as defined in Rule 14.07 of the Listing Rules exceeds 0.1% but is less than 5%, such transaction contemplated thereunder is subject to the reporting and announcement requirement but exempt from the independent shareholder’s approval requirement under Chapter 14A of the Listing Rules.

1. INTRODUCTION

The board (the “**Board**”) of directors (the “**Directors**”) of Triumph New Energy Company Limited (the “**Company**”) hereby announces that on 27 October 2023, North Glass, a wholly-owned subsidiary of the Company, entered into the Product Purchase and Sales Contract with Triumph Resources, pursuant to which, North Glass agreed to dispose of and Triumph Resources agreed to acquire the Tin Ingots Assets.

2. PRODUCT PURCHASE AND SALES CONTRACT

Date: 27 October 2023

Parties: North Glass (the Supplier)
Triumph Resources (the Demander)

Consideration

The consideration shall be determined by North Glass and Triumph Resources after arm’s length negotiations and on normal commercial terms.

The consideration shall be calculated at RMB209,500 per ton (13% value-added tax inclusive and transportation fee exclusive) (the “**Unit Price**”).

The parties negotiated and agreed to determine the Unit Price with reference to the average of the recent spot unit sale prices of tin ingots on the website of Shanghai Metals Market (www.smm.cn), a well-known non-ferrous metals industry portal in China, after deduction of the purification fee per ton of tin ingots.

The parties intended to deliver all the Tin Ingots Assets held by North Glass totaling 113.047 tons at the Unit Price, provided that the actual quantity to be delivered shall be based on the actual quantity after weighing and excluding the packing strap, and that the consideration shall not be less than the appraised value of the Tin Ingots Assets being RMB19,403,100 as set out in the asset valuation report prepared by Zhongjing Minxin using the prevailing market price approach with 30 June 2023 as the valuation benchmark date. North Glass expects that the actual quantity of the Tin Ingots Assets to be delivered excluding wastage, packaging and packing strap, will not be more than 113.047 tons; therefore the total consideration will not be more than RMB23,683,346.5.

Based on the aforementioned terms of the consideration determination, it is determined that the total consideration to be not less than RMB19,403,100 and not more than RMB23,683,346.5 (the “**Total Consideration**”).

Completion and Payment

The parties will deliver the Tin Ingots Assets on a separate date as agreed in the designated warehouse of North Glass (in any event not later than 31 October 2023) and settle the Total Consideration by cash remittance based on the weight of the goods on the same date. The parties shall verify and confirm the weight and quality of the Tin Ingots Assets upon delivery at the site of designated warehouse of North Glass, and the acceptance shall be deemed to be completed when Triumph Resources signs and confirms the acceptance receipt. North Glass will subsequently arrange for the loading of the Tin Ingots Assets, after which Triumph Resources shall pay 90% of the Total Consideration to North Glass by way of cash remittance. Upon receipt of 90% of the Total Consideration, North Glass will release Triumph Resources' vehicles carrying the Tin Ingots Assets from its designated warehouse. Upon the issuance of a value-added tax invoice to Triumph Resources by North Glass, Triumph Resources then will immediately pay the remaining final payment, i.e. 10% of the Total Consideration, to North Glass by way of cash remittance, and then the transaction contemplated under the Product Purchase and Sales Contract will be deemed to have been completed (the “**Disposal Completion**”).

Effectiveness of the Product Purchase and Sales Contract

The Product Purchase and Sales Contract shall be effective from the date of the common seals of both parties affixed thereon by their respective legal or authorized representatives, and shall remain in force until the Disposal Completion.

3. INFORMATION ON THE TIN INGOTS ASSETS

The Tin Ingots Assets under the Product Purchase and Sales Contract is 113.047 tons of tin ingots held by North Glass, which are the tin ingots formed by cooling the tin liquid discharged from the tin bath of the original float glass production line of North Glass that was shut down after the kiln reached its service life. North Glass purchased the Tin Ingots Assets in 2010. According to the asset valuation report prepared by Zhongjing Minxin using the prevailing market value approach with 30 June 2023 as the valuation benchmark date, the appraised value of the Tin Ingots Assets amounted to RMB19,403,100, with a book value of RMB12,719,400.

4. REASONS FOR AND BENEFITS OF ENTERING INTO THE PRODUCT PURCHASE AND SALES CONTRACT

As per the business development plan and arrangement of the Group, North Glass is currently in progress of construction of a photovoltaic glass production line project. The Tin Ingots Assets are no longer used in the process of the production of photovoltaic glass. The transaction contemplated under the Product Purchase and Sales Contract will be conducive to the re-circulation of idle assets of North Glass and the enhancement of the efficiency of operation of its capital, which are in line with the actual production and operation of North Glass and the need to promote the development of its principal business.

North Glass expects to make a profit of up to RMB10,963,946.5 (being the maximum Total Consideration of RMB23,683,346.5 less the book value of the Tin Ingots Assets of RMB12,719,400) from the transaction contemplated under the Product Purchase and Sales Contract; and the expected maximum net profit after tax to be received is RMB8,239,313.72 (being the maximum Total Consideration of RMB23,683,346.5 divided by the VAT effect of 1.13 less the book value of the Tin Ingots Asset of RMB12,719,400). The proceeds from the transaction contemplated under the Product Purchase and Sales Contract will be used as the daily working capital and for the development of new energy glass business of North Glass.

The terms of the Product Purchase and Sales Contract were determined after arm's length negotiations between the parties thereto. The Directors (including the independent non-executive Directors) consider that the Product Purchase and Sales Contract and the transaction contemplated thereunder are conducted in the ordinary and usual course of business of the Group on normal commercial terms, the terms contained therein are also fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

5. LISTING RULES IMPLICATIONS

CNBMG is deemed to be interested in 204,932,781 A Shares, representing approximately 31.74% of the total issued share capital of the Company as at the date of this announcement, and is the ultimate controlling shareholder of the Company, North Glass, Triumph Resources and Triumph Technology. North Glass is a wholly-owned subsidiary of the Company, while Triumph Resources is an indirect wholly-owned subsidiary of CNBMG and a direct wholly-owned subsidiary of Triumph Technology. Accordingly, both North Glass and Triumph Resources are regarded as connected persons of the Company and the transaction contemplated under the Product Purchase and Sales Contract constitutes a connected transaction of the Company.

As the highest applicable percentage ratio in respect of the Product Purchase and Sales Contract as defined in Rule 14.07 of the Listing Rules exceeds 0.1% but is less than 5%, such transaction contemplated thereunder is subject to the reporting and announcement requirements but exempt from the independent shareholder's approval requirement under Chapter 14A of the Listing Rules.

Mr. Xie Jun and Mr. He Qingbo, being executive Directors, and Mr. Zhang Chong and Mr. Sun Shizhong, being non-executive Directors of the Company, have abstained from voting in respect of the Product Purchase and Sales Contract and the transaction contemplated thereunder in the Board meeting due to the fact that they are connected with CNBMG and are not regarded as independent to make any recommendation to the Board.

Saved as disclosed above, none of the Directors has any material interest in the transaction contemplated under the Product Purchase and Sales Contract and therefore none of the other Directors has abstained from voting on such Board resolution.

6. GENERAL INFORMATION

The principal activities of the Company are production and sales of new energy glass. The scope of business includes development, production, manufacture and installation of new energy glass, photoelectric material for functional glass category and its processed products and components, relevant materials, mechanical equipment and its electric appliances and accessories, together with relevant technical consultancy and technical services, as well as sales and after-sales services of self-produced products.

CNBMG, a wholly state-owned enterprise incorporated in the PRC and the ultimate controlling shareholder of the Company, is a comprehensive building material industry group, the largest comprehensive building material group corporation in the PRC and one of Fortune Global 500 enterprises. It is deemed to be interested in 204,932,781 A Shares, representing approximately 31.74% of the total issued share capital of the Company as at the date of this announcement.

North Glass is a company incorporated in the PRC with limited liability. Its scope of business mainly covers production and sale of glass and glass products, refractory materials and ceramic products; import and export of goods and technologies; and stevedoring services.

Triumph Resources is a company incorporated in the PRC with limited liability. Its scope of business mainly covers technical services, development, consultation, exchange, transfer, and promotion; glass manufacturing; sales of building materials; sales of chemical products (excluding licensed chemical products); sales of non-metallic minerals and products; supply chain management services; sales of functional glass and new optical materials; sales of photovoltaic equipment and components; wholesale of finished oil products (excluding hazardous chemicals); sales of metal materials; sales of high-purity elements and compounds; sales of display devices; import and export of goods; sales agent; information consulting services (excluding licensed information consulting services); manufacturing of optoelectronic devices; sales of optoelectronic devices; battery sales; sales of metal chains and other metal products; sales of mechanical equipment (except licensed business, it can independently operate projects that are not prohibited or restricted by laws or regulations).

DEFINITIONS

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

“A Share(s)”	the domestic ordinary share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange and subscribed for and traded in RMB
“Board”	the board of Directors of the Company
“CNBMG”	China National Building Materials Group Co., Ltd.* (中國建材集團有限公司), a wholly state-owned enterprise incorporated in the PRC and the ultimate controlling shareholder of the Company
“Company”	Triumph New Energy Company Limited, a joint stock limited company incorporated in the PRC with limited liability, the H Shares and A Shares of which are listed on the main board of the Stock Exchange (stock code: 1108) and the Shanghai Stock Exchange (stock code: 600876), respectively
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“North Glass”	Qinhuangdao North Glass Co., Ltd.* (秦皇島北方玻璃有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“percentage ratios”	has the same meaning as ascribed to it under the Listing Rules, as applicable to a transaction
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Product Purchase and Sales Contract”	the product purchase and sales contract entered into between North Glass, a wholly-owned subsidiary of the Company, and Triumph Resources on 27 October 2023, pursuant to which, North Glass agreed to dispose of and Triumph Resources agreed to acquire the Tin Ingots Assets
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning as ascribed to it under the Listing Rules
“Tin Ingots Assets”	the tin ingots held by North Glass, the appraised value of which is determined by Zhongjing Minxin using the prevailing market value approach with 30 June 2023 as the valuation benchmark date, being RMB19,403,100
“Triumph Resources”	CNBMG Triumph Mineral Resources Group Co., Ltd.* (中建材凱盛礦產資源集團有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of CNBMG and a direct wholly-owned subsidiary of Triumph Technology

“Triumph Technology”	Triumph Technology Group Company Limited* (凱盛科技集團有限公司), a company incorporated in the PRC with limited liability and an indirect controlling shareholder of the Company
“Zhongjing Minxin”	Zhongjing Minxin (Beijing) Assets Appraisal Co., Ltd., a PRC qualified valuer which was engaged by North Glass to evaluate the value of the Tin Ingots Assets
“%”	per cent

By order of the Board
Triumph New Energy Company Limited
Xie Jun
Chairman

Luoyang, the PRC
27 October 2023

As at the date of this announcement, the Board comprises four executive Directors: Mr. Xie Jun, Mr. Zhang Rong, Mr. He Qingbo and Ms. Wang Leilei; three non-executive Directors: Mr. Zhang Chong, Mr. Sun Shizhong and Dr. Pan Jingong; and four independent non-executive Directors: Ms. Zhang Yajuan, Mr. Chen Qisuo, Mr. Zhao Hulin and Mr. Fan Baoqun.