The Board is pleased to announce that the Board has approved that, the Company and certain of its wholly-owned subsidiaries as the Sellers and Risen and its subsidiaries and associated companies as the Purchasers entered into the Sales Contract on 21 January 2021 for the supply and sale of an aggregate of 34GW (approximately 234,000,000 square meters) of Photovoltaic Rolled Glass (for using in solar modules) from 1 January 2021 to 31 December 2023.

PRINCIPAL TERMS OF THE SALES CONTRACT

The principal terms of the Sales Contract are set out below:

Date: 21 January 2021

Parties:

(1) the Company, and Anhui Flat Glass, Zhejiang Jiafu, Flat (Vietnam) Company Limited and Flat (Hong Kong) Company Limited, each a wholly-owned subsidiary of the Company, as the Sellers

(2) Risen and Risen (Changzhou) Energy Co., Ltd.* (東方日升（常州）新能源有限公司), Risen (Yiwu) Energy Co., Ltd.* (東方日升（義烏）新能源有限公司), Risen (Anhui) Energy Co., Ltd.* (東方日升（安徽）新能源有限公司) and Risen (Ningbo) Energy Co., Ltd.* (東方日升（寧波）新能源有限公司), the subsidiaries and associated companies of Risen, as the Purchasers

Duration: 1 January 2021 to 31 December 2023

Total sales quantity: An aggregate of 34GW (approximately 234,000,000 square meters) of Photovoltaic Rolled Glass (for using in solar modules)

Estimated contract sum: Purchase price for glass of each and every specification shall be negotiated by both parties through friendly consultation on a win-win basis with reference to prevailing market prices. Taking into consideration the market penetration rate of the double-glass modules, and based on the average price of 3.2mm PV Glass as RMB42 per square meter (including tax) and the average price of 2.0mm PV Glass as RMB34 per square meter (including tax) as published by Sublime China Information Co., Ltd.* (卓創週報) dated 14 January 2021 in its weekly report, the Board estimated that the total sum will be approximately RMB8.908 billion (including tax).

Payment term: The Purchasers shall pay certain prepayment(s) to the Sellers in accordance with the Sales Contract, and that such prepayment(s) may be used to offset the payable(s). The Purchasers shall settle the balance of the contract price corresponding to the specific purchase order in accordance with such time and terms as agreed between both parties.

Breach of contract:	If either party fails to perform in accordance with the terms agreed in the agreement, the defaulting party shall pay the corresponding liquidated damages as agreed in the agreement.
Conditions precedent:	The Sales Contract, after signed and sealed by both parties, shall be effective on the date that the Sellers receive the prepayment from the Purchasers as contracted.

REASONS AND BENEFITS OF THE TRANSACTION

Benefiting from the rapid growth of the global photovoltaic industry, the Company has expanded its production capacity and production scale in recent years in order to better promote its marketing of PV Glass products and further improve its business performance. The Sales Contract will benefit the marketing of the Company's large-sized and thin PV Glass products, increase the sales of its PV Glass products, and further improve the Company's operating results.

INFORMATION OF THE GROUP AND THE SELLERS

Shareholders and potential investors of the Company should note that the Sales Contract is subject to certain conditions precedent. Furthermore, the effect on the performance of the Company depends on, among others, the actual quantity delivered, the actual price of the PV Glass under the specific purchaser orders signed by the parties and the revenue recognition under the China Accounting Standards for Business Enterprises. The Sales Contract may also be delayed, amended or terminated due to force majeure or any other reasons. Accordingly, Shareholders and potential investors of the Company shall exercise caution when dealing in the Shares of the Company.

DEFINITIONS

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

"A Share(s)"	

"Purchasers"	Risen and Risen (Changzhou) Energy Co., Ltd.* (東方日升（常州）新能源有限公司), Risen (Yiwu) Energy Co., Ltd.* (東方日升（義烏）新能源有限公司), Risen (Anhui) Energy Co., Ltd.* (東方日升（安徽）新能源有限公司) and Risen (Ningbo) Energy Co., Ltd.* (東方日升（寧波）新能源有限公司), the subsidiaries and associated companies of Risen
"PV Glass" or "Photovoltaic Rolled Glass"	photovoltaic processed glass
"Risen"	Risen Energy Co., Ltd.* (東方日升新能源股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300118) and an independent third party
"Sales Contract"	the sales contract entered into between the Sellers and the Purchasers dated 21 January 2021
"Sellers"	the Company, and Anhui Flat Glass, Zhejiang Jiafu, Flat (Vietnam) Company Limited and Flat (Hong Kong) Company Limited, each a wholly-owned subsidiary of the Company
"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
"Zhejiang Jiafu"	Zhejiang Jiafu Glass Co., Ltd.* (浙江嘉福玻璃有限公司), a wholly-owned subsidiary of the Company in the PRC

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

Jiaxing, Zhejiang Province, the People's Republic of China
21 January 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.*