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GENERAL

According to the Administrative Measures for the Material Asset Restructuring of Listed Companies issued by the CSRC, the Acquisition does not constitute a material asset restructuring as contemplated under the measures, therefore it shall not be subject to shareholders' approval at a general meeting.

Save as disclosed in this announcement, all other terms and conditions in the Equity Transfer Agreement shall remain unchanged and in full effect. In case of any inconsistency between the Supplemental Agreement and the Equity Transfer Agreement, the Supplemental Agreement shall prevail.

The parties unanimously agree and confirm that upon the entering into force of this Supplemental Agreement, all conditions precedent of the Equity Transfer Agreement agreed have been fulfilled.

INTRODUCTION

Reference is made to the announcement of the Company dated 27 October 2021 in relation to the Equity Transfer Agreement entered into between the Company and Fengsha Mining pursuant to which the Company agreed to acquire the entire equity interest of the Target Companies from Fengsha Mining for a total consideration of not more than RMB3.65 billion (the "**Announcement**"). Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that on 13 February 2022, the Company entered into the Supplemental Agreement pursuant to which the final amount of the Consideration was determined between the parties and the Deposit paid by the Company shall be used to partially offset the first instalment of the Consideration.

PRINCIPAL TERMS OF THE SUPPLEMENTAL AGREEMENT

The principal terms of the Supplemental Agreement are set out below:

Date: 13 February 2022

Parties: (1) the Company as the Purchaser;

(2) Fengsha Mining as the Seller; and

(3) Sanli Mining and Dahua Dongfang Mining as the Target Companies.

Subject Matter: Subject to the terms and conditions of the Equity Transfer Agreement, as amended by the Supplemental Agreement, the final amount of the Consideration was determined as RMB3,343,947,600.

The total Consideration comprises two parts, namely (i) the transfer amount based on the valuation of the mineral resources of the Target Companies as RMB2,805,000,000, which was determined with reference to an evaluation report dated 31 December 2021 and issued by Kunyuan Asset Appraisal Co., Ltd.* (坤元資產評估有限公司), a qualified evaluator designated by the Company; and (ii) the amount for paying off the shareholders' loan owed by the Target Companies to the Seller as RMB538,947,600, which was determined with reference to an audit report of the Target Companies dated 31 December 2021 and issued by Deloitte Touche Tohmatsu LLP (Special General Partnership) Nanjing Branch* (德勤華永會計師事務所(特殊普通合夥)南京分所), a qualified auditor designated by the Company.

Deposit: As at 11 January 2022, the Deposit in an amount of RMB700 million has been fully settled by the Company.

It was agreed between the parties that upon effective of the Equity Transfer Agreement, as amended by the Supplemental Agreement, the Deposit shall be treated as a part of the total Consideration and used to partially offset the first instalment of the Consideration which is due within 10 business days from the date of the Supplemental Agreement.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Chapter 14 of the Listing Rules for the transactions contemplated under the Equity Transfer Agreement, as amended by the Supplemental Agreement is more than 5% and less than 25%, the Acquisition constitutes a discloseable transaction which is subject

Deposit:

Save as disclosed in this announcement, all other terms and conditions in the Equity Transfer Agreement shall remain unchanged and in full effect. In case of any inconsistency between the Supplemental Agreement and the Equity Transfer Agreement, the Supplemental Agreement shall prevail.

The parties unanimously agree and confirm that upon the entering into force of this Supplemental Agreement, all conditions precedent of the Equity Transfer Agreement agreed have been fulfilled.

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

Jiaxing, Zhejiang Province, PRC
13 February 2022

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 Ms. Xu Pan, Ms. Hua Fulan and Ms. Ng Yau Kuen Carmen.