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洛阳玻璃股份有限公司

LUOYANG GLASS COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 01108)

ANNOUNCEMENT IN RESPECT OF THE GOVERNMENT SUBSIDY RECEIVED BY A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

The board (the "**Board**") of directors (the "**Directors**") of Luoyang Glass Company Limited* (the "**Company**") and all of its Directors warrant that there are no false information, misleading statements or material omissions in this announcement, and accept joint and several responsibilities for the truthfulness, accuracy and completeness of its contents.

CNBMG (Puyang) Photoelectric Material Co., Ltd.* (中建材(濮陽)光電材料有限公司) ("**Puyang Company**"), a wholly-owned subsidiary of the Company, currently invested in building an ultra-white solar thermal materials production line with melting capacity of 400 tons per day (the "**Project**"). According to the requirements of the "Notice of Implementation of Reporting Works for Investment Projects within the Central Government Budgets for Technological Transformation Items in 2017 (關於做好2017年技術改造專項中央預算內投資項目申報工作的通知)" (Zhongguo Jiancaifa Touzi [2017] No. 265), the document of China National Building Material Group Co., Ltd.* (中國建材集團有限公司), since the Project is in line with the key direction of technological transformation listed in the "Working Plan on Investment Subsidies for Technological Transformation Items in 2017 (2017年技術改造專項投資補助工作方案)" of the National Development and Reform Commission of The People's Republic of China (the "**PRC**") and the Ministry of Industry and Information Technology of the PRC, Puyang Company applied for the relevant subsidy (the "**Subsidy**"). On 29 December 2017, Puyang Company received the Subsidy of RMB100 million. As at the date of this announcement, the Company and Puyang Company have not yet received the relevant approval documents of the Subsidy.

The Subsidy is an asset-related government subsidy, which does not affect the profit or loss of the Company for the year of 2017. The final accounting treatment will be subject to the confirmation of the annual audit results of the accountant.

By order of the Board
Luoyang Glass Company Limited*
Zhang Chong
Chairman

Luoyang, the PRC
29 December 2017

As at the date of this announcement, the Board comprises four executive Directors: Mr. Zhang Chong, Mr. Ni Zhisen, Mr. Wang Guoqiang and Mr. Ma Yan; one non-executive Director: Mr. Xie Jun; and four independent non-executive Directors: Mr. Jin Zhanping, Mr. Liu Tianni, Mr. Ye Shuhua and Mr. He Baofeng.

* *For identification purposes only*