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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)

SUPPLEMENTAL ANNOUNCEMENT

- (1) AMENDMENT TO THE PROPOSED PROPOSAL OF
NON-PUBLIC ISSUANCE OF A SHARES;
(2) CONNECTED TRANSACTION IN RELATION
TO THE SUPPLEMENTAL
AGREEMENT ON THE PROPOSED SUBSCRIPTION FOR
A SHARES BY TRIUMPH GROUP; AND
(3) SPECIFIC MANDATE**

**Independent Financial Adviser to the Independent Board Committee
and Independent Shareholders**

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Reference is made to the announcement of Luoyang Glass Company Limited* (the “**Company**”) dated 30 December 2020 in relation to (1) proposed Non-public Issuance of A Shares; (2) connected transaction in relation to the proposed subscription for A Shares by Triumph Group; and (3) Specific Mandate (the “**Announcement**”). Unless the context otherwise requires, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

The Board hereby announces that, on 20 January 2021, the Company considered and approved the amendment to the proposal of Non-public Issuance of A Shares which was considered and approved at the twenty-third meeting of the ninth session of the Board held on 30 December 2020 in accordance with the actual situation of the Company and in compliance with the requirements of the relevant PRC laws, regulations and regulatory documents. The gross proceeds to be raised will still not exceed RMB2 billion (inclusive). This announcement is aimed to provide supplemental information on the proposal of Non-public Issuance of A Shares and the Proposed Triumph Group Subscription.

(1) AMENDMENT TO THE PROPOSED PROPOSAL OF NON-PUBLIC ISSUANCE OF A SHARES

Save and except for the changes set out below, all the other terms and conditions set out in the proposal of Non-public Issuance of A Shares shall remain in full force and effect. The summary of the major changes to the proposal of Non-public Issuance of A Shares is as follows.

Lock-up period arrangement:	In compliance with the requirements of relevant laws, regulations and regulatory documents, Triumph Group shall not transfer the A Shares which it subscribed for under the Non-public Issuance of A Shares within 36 months from the date of completion of the Non-public Issuance of A Shares.
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All the other target subscribers shall not transfer the A Shares which they subscribed for under the Non-public Issuance of A Shares within 6 months from the date of completion of the Non-public Issuance of A Shares.

Relevant requirements by the CSRC and the SSE shall be followed upon expiry of the above lock-up period. If there are subsequent changes in relevant laws, regulations, and regulatory documents of securities regulatory authorities, the lock-up period will be adjusted accordingly.

(2) CONNECTED TRANSACTION IN RELATION TO THE SUPPLEMENTAL AGREEMENT ON THE PROPOSED SUBSCRIPTION FOR A SHARES BY TRIUMPH GROUP

The Board hereby announces that, on 20 January 2021, the Company (as the issuer) and Triumph Group (as the subscriber) entered into a supplemental agreement to the Triumph Group Subscription Agreement (the “**Supplemental Agreement**”) for the amendment to the Triumph Group Subscription Agreement regarding the lock-up period of A Shares of the Company obtained by Triumph Group through the Non-public Issuance of A Shares from the original 18 months to 36 months from the date of completion of the Non-public Issuance of A Shares.

For the purpose of the Supplemental Agreement, this announcement is made by the Company pursuant to Rule 14A.35 of the Listing Rules.

Save and except for the changes set out in the Supplemental Agreement, all the other terms and conditions set out in the Triumph Group Subscription Agreement shall remain in full force and effect.

Supplemental Agreement

The principal terms of the Supplemental Agreement are as follows:

Date: 20 January 2021

Parties: (1) the Company (as the issuer); and
(2) Triumph Group (as the subscriber)

Lock-up period of shares: Pursuant to the Supplemental Agreement, Triumph Group shall not transfer the A Shares subscribed under the Triumph Group Subscription Agreement within 36 months from the date of completion of the Non-public Issuance of A Shares.

If the aforementioned lock-up arrangement does not conform to the latest regulatory opinions or regulatory requirements of the securities regulatory authorities of the PRC, the arrangement will be adjusted accordingly in accordance with the regulatory opinions or regulatory requirements of the relevant securities regulatory authorities.

The additional Shares of the Company being obtained from bonus issue, capitalisation of capital reserves and otherwise upon completion of the Non-public Issuance of A Shares shall also be subject to the aforementioned lock-up period arrangement. Such Shares shall comply with the relevant requirements of regulatory authorities such as the CSRC and the SSE upon expiry of the lock-up period.

Conditions for the Supplemental Agreement to come into effect: The Supplemental Agreement shall be established from the date of signature and seal by both the Company and Triumph Group.

The Supplemental Agreement shall be effective at the same time with the Triumph Group Subscription Agreement. The Supplemental Agreement, as a component of the Triumph Group Subscription Agreement, shall have the same effect as the Triumph Group Subscription Agreement; if it is agreed in the Supplemental Agreement, the Supplemental Agreement shall prevail; if it is not agreed in the Supplemental Agreement, the Triumph Group Subscription Agreement shall prevail. If the Triumph Group Subscription Agreement is cancelled or terminated, the Supplemental Agreement shall also be cancelled or terminated accordingly.

INFORMATION ON THE PARTIES TO THE SUPPLEMENTAL AGREEMENT

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

Triumph Group is a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of CNBMG, which is principally engaged in glass sector, new materials sector, new energy sector, new equipment sector and project management sector.

REASONS FOR AND BENEFITS OF THE AMENDMENT TO THE PROPOSED PROPOSAL OF NON-PUBLIC ISSUANCE OF A SHARES AND THE ENTERING INTO OF THE SUPPLEMENTAL AGREEMENT

The amendment to the proposed proposal of Non-public Issuance of A Shares and the Supplemental Agreement entered into between the Company and Triumph Group only extend and adjust the lock-up period of Shares of the Company obtained by Triumph Group through the Non-public Issuance of A Shares, which is in compliance with the relevant laws, regulations and requirements of regulatory authorities, which indicates a more firm confidence and support of Triumph Group as the indirect controlling Shareholder of the Company, and is beneficial for the Company to promote the Non-public Issuance of A Shares in a timely, compliant and orderly manner to realize a great leap forward development.

The Directors (except the members of the Independent Board Committee) are of the view that the amendment to the proposed proposal of Non-public Issuance of A Shares and the terms of the Supplemental Agreement are fair and reasonable and in compliance with the relevant laws, regulations and requirements of regulatory authorities and in the interests of the Company and its Shareholders as a whole.

In addition, the independent non-executive Directors preliminarily believe that, subject to obtaining Independent Financial Adviser's opinion, the Company's amendment to the proposed proposal of Non-public Issuance of A Shares complies with the relevant laws, regulations, regulatory documents and the Articles of Association, and the terms of the connected transaction in relation to the Proposed Triumph Group Subscription (including the entering into of the Supplemental Agreement) are reasonable and fair, in the interests of the Company and all the Shareholders, and there is no circumstance under which the interests of the Company and all the Shareholders will be prejudiced.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Triumph Group directly and indirectly holds 191,133,987 A Shares of the Company, representing approximately 34.84% of the Company's total issued share capital. Accordingly, Triumph Group is an indirect controlling shareholder of the Company and thus a connected person of the Company. According to Chapter 14A of the Listing Rules, the Proposed Triumph Group Subscription and the Supplemental Agreement constitute connected transactions of the Company, therefore the Company shall comply with the relevant reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Zhang Chong, the chairman of the Board, Mr. Xie Jun, an executive Director, Mr. Chen Yong and Mr. Ren Hongcan, non-executive Directors of the Company, have abstained from voting in respect of the amendment to the proposal of Non-public Issuance of A Shares and the Proposed Triumph Group Subscription (including the entering into of the Supplemental Agreement) at the relevant Board meeting(s) due to the fact that they have connected relationship with Triumph Group and parties acting in concert with it and are therefore not regarded as independent to make any recommendation to the Board in respect thereof. Save as aforementioned, none of the other Directors has a material interest in the Non-public Issuance of A Shares and the Proposed Triumph Group Subscription (including the entering into of the Supplemental Agreement) and hence no other Director has abstained from voting on such Board resolutions.

EGM AND CLASS MEETINGS

The EGM and Class Meetings will be convened to consider and approve, as appropriate, (among others) (i) the Non-public Issuance of A Shares; (ii) the Proposed Triumph Group Subscription (including the entering into of the Triumph Group Subscription Agreement and the Supplemental Agreement); and (iii) the Specific Mandate. The EGM will be convened to consider and approve, as appropriate, the authorization to the Board and its authorized representative(s) to handle all matters relating to the Non-public Issuance of A Shares, including but not limited to, the amendments to the Articles of Association.

Triumph Group and its associates, the parties acting in concert with it and the Shareholders having a material interest in the Non-public Issuance of A Shares, Proposed Triumph Group Subscription (including the entering into of the Triumph Group Subscription Agreement and the Supplemental Agreement) and/or Specific Mandate or involved therein will be required to abstain from voting on the corresponding resolutions to be proposed at the EGM and/or Class Meetings. Save as aforementioned, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholders have a material interest in the corresponding resolutions and therefore no other Shareholders are required to abstain from voting at the EGM and/or the Class Meetings.

As additional time is required to prepare the information contained in the circular, a circular containing (among others) (i) further details of the Non-public Issuance of A Shares, Proposed Triumph Group Subscription (including the entering into of the Triumph Group Subscription Agreement and the Supplemental Agreement) and Specific Mandate; (ii) letter from the Independent Board Committee making recommendations on the Non-public Issuance of A Shares, Proposed Triumph Group Subscription (including the entering into of the Triumph Group Subscription Agreement and the Supplemental Agreement) and Specific Mandate to Independent Shareholders; and (iii) letter from the Independent Financial Adviser making recommendations on the Proposed Triumph Group Subscription (including the entering into of the Triumph Group Subscription Agreement and the Supplemental Agreement) and Specific Mandate to the Independent Board Committee and Independent Shareholders, is expected to be dispatched to Shareholders on or before 9 February 2021. The notice of the EGM and the H Shareholders' Class Meeting will be dispatched to the Shareholders in due course.

OTHER INFORMATION

This announcement is supplemental to and should be read in conjunction with the Announcement. Shareholders' attention is also drawn to the overseas regulatory announcements which are published on 20 January 2021 by the Company in relation to the Non-public Issuance of A Shares of the Company.

The completion of the Non-public Issuance of A Shares and the Proposed Triumph Group Subscription is subject to fulfilment of certain conditions. Therefore, the Non-public Issuance of A Shares and the Proposed Triumph Group Subscription may or may not proceed. Shareholders and potential shareholders of the Company are reminded to exercise caution when dealing in the securities of the Company.

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

Luoyang, the PRC
20 January 2021

As at the date of this announcement, the Board comprises five executive Directors: Mr. Zhang Chong, Mr. Xie Jun, Mr. Ma Yan, Mr. Wang Guoqiang and Mr. Zhang Rong; two non-executive Directors: Mr. Ren Hongcan and Mr. Chen Yong; and four independent non-executive Directors: Mr. Jin Zhanping, Mr. Ye Shuhua, Mr. He Baofeng and Ms. Zhang Yajuan.

* For identification purposes only