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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 ON LEVEL OF FULFILLMENT OF THE
PERFORMANCE COMMITMENT FOR 2020 UNDER THE
SIGNIFICANT ASSETS RESTRUCTURING**

All members of the board (the “**Board**”) of directors (the “**Directors**”) of Luoyang Glass Company Limited* (the “**Company**”) hereby warrant the truthfulness, accuracy and completeness of the contents of this announcement, and accept several and joint responsibilities for any false information, misleading statements or material omissions in this announcement.

This announcement is made by the Company pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to (i) the circular of the Company dated 11 October 2017 in relation to, among other things, its (a) very substantial acquisitions and connected transactions; (b) proposed issuance and placing of A share; and (c) application for whitewash waiver (the “**Circular**”); (ii) the announcement of the Company dated 13 April 2018 in relation to the update in relation to the significant assets restructuring of the Company; (iii) the announcement of the Company dated 29 March 2019 in relation to the level of fulfillment of the performance commitment for 2018 under the significant assets restructuring; and (iv) the announcement of the Company dated 29 April 2020 in relation to the level of fulfillment of the performance commitment for 2020 under the significant assets restructuring. Unless otherwise indicated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

Pursuant to the Profit Guarantee Indemnity Agreements and the relevant supplemental agreements entered into by the Company with CLFG, Hefei HighTech, Huaguang Group, Bengbu Institute, International Engineering, Triumph Group, Yixing Environmental Technology and GCL System Integration (the “**Guarantors**”), respectively, the profit compensation period shall be 2018, 2019 and 2020. The Guarantors undertook that the Actual Net Profit of the Target Companies for the profit compensation period shall not be lower than the net profit as undertaken by the Guarantors to be achieved by the Target Companies in the profit compensation period. If the Target Companies fail to achieve the net profit under the commitment, the Guarantors will calculate the annual compensation amount and the number of compensation shares according to the “determination of compensation amount” under the Profit Guarantee Indemnity Agreements. The Company will repurchase the compensation shares at a total consideration of RMB1.00; if the shares of the Company held by the Guarantors obtained through the restructuring are insufficient to make up the compensation amount for the current period, the difference shall be compensated by the Guarantors with its own or self-raised cash.

In 2020, the audited net profit after deducting non-recurring profit or loss under the commitment of the Guarantors being: not less than RMB74,155,600 for Hefei New Energy, not less than RMB27,072,700 for Tongcheng New Energy, and not less than RMB47,147,500 for Yixing New Energy. The Board is pleased to announce that, according to the 2020 annual audit reports issued by WUYIGE Certified Public Accountants LLP* (大信會計師事務所特殊普通合夥)) for the three Target Companies, the audited net profit after deducting non-recurring profit or loss of Hefei New Energy, Tongcheng New Energy and Yixing New Energy for 2020 are RMB119,052,900, RMB86,851,800, and RMB217,438,900, respectively, Hefei New Energy, Tongcheng New Energy and Yixing New Energy have fulfilled its respective performance commitment for 2020.

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

Luoyang, the PRC
30 March 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