

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



福耀玻璃工业集团股份有限公司
FUYAO GLASS INDUSTRY GROUP CO., LTD.

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

(Stock Code: 3606)

DISCLOSEABLE TRANSACTION

ENTERING INTO THE SUPPLEMENTAL AGREEMENT (II) ON THE DISPOSAL OF 75% EQUITY INTEREST IN BEIJING FUTONG

References are made to the announcements of Fuyao Glass Industry Group Co., Ltd. (the “**Company**”) dated June 29, 2018 and December 25, 2018, respectively, in relation to the entering into of an equity transfer agreement (the “**Equity Transfer Agreement**”) and a supplemental agreement (the “**Supplemental Agreement**”) between the Company and Taiyuan Jinnuo (Taiyuan Jinnuo has changed its name from Taiyuan Jinnuo Investment Co., Ltd. (太原金諾投資有限公司) to Taiyuan Jinnuo Industry Co., Ltd. (太原金諾實業有限公司), “**Taiyuan Jinnuo**”) in relation to transfer of 75% equity interest in total in Beijing Futong. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the aforesaid announcements.

As disclosed in the aforesaid announcements, the Company agreed to transfer 75% equity interest in total in Beijing Futong to Taiyuan Jinnuo (the “**Equity Transfer**”), at a total consideration of RMB1,004.45 million, of which, (i) 51% equity interest in Beijing Futong was priced at RMB683.05 million (the “**First Tranche of Transfer Payment**”) which shall be settled by Taiyuan Jinnuo before July 15, 2018; and (ii) 24% equity interest in Beijing Futong was priced at RMB321.40 million (the “**Second Tranche of Transfer Payment**”) which shall be settled by Taiyuan Jinnuo before June 30, 2019. As at the date of this announcement, Taiyuan Jinnuo has paid the First Tranche of Transfer Payment according to the requirement of the Equity Transfer Agreement, and the Company has cooperated with Taiyuan Jinnuo in completing the registration of change in shareholder in relation to the 51% equity interest in Beijing Futong.

Taiyuan Jinnuo made a further request to the Company for extending the payment date of the Second Tranche of Transfer Payment due to its financial strain. To further promote the smooth implementation of the Equity Transfer and safeguard the legitimate rights and interests of the Company and the interests of all the shareholders,

after friendly negotiation with Taiyuan Jinnuo, the Company intends to agree to extend the payment date of the Second Tranche of Transfer Payment, and to agree that Taiyuan Jinnuo shall pay interests at the interest rate of 8% per annum for the Second Tranche of Transfer Payment.

As considered and approved by the Board of Directors of the Company (the “**Board**”), the Company entered into the supplemental agreement (II) to the Equity Transfer Agreement (the “**Supplemental Agreement (II)**”) with Taiyuan Jinnuo on August 28, 2019, with the following principal terms:

1. Taiyuan Jinnuo undertook to pay the Second Tranche of Transfer Payment in a lump sum to the bank account as designated by the Company under the Equity Transfer Agreement by way of bank telegraphic transfer before June 30, 2020;
2. Taiyuan Jinnuo agreed to pay interests on the Second Tranche of Transfer Payment on a quarterly basis to the Company since July 1, 2019 until Taiyuan Jinnuo pays off the Second Tranche of Transfer Payment. The interests shall be accrued on a daily basis and Taiyuan Jinnuo shall pay interests to the Company on time and in full within 10 working days after the end of each quarter. The final installment of interests shall be paid together with the Second Tranche of Transfer Payment.
3. Upon receipt of the Second Tranche of Transfer Payment and all interests thereon, the Company shall transfer the 24% equity interest in Beijing Futong to Taiyuan Jinnuo and cooperate with Taiyuan Jinnuo in completing the procedures including industrial and commercial registration of changes in shareholder in relation to the Equity Transfer in accordance with the Equity Transfer Agreement.
4. In the event that Taiyuan Jinnuo fails to complete the payment of the Second Tranche of Transfer Payment and the interests thereon on time and in full in accordance with the Supplemental Agreement (II), it will be considered as a breach by Taiyuan Jinnuo and the Company is entitled to unilaterally terminate the Supplemental Agreement (II) and request Taiyuan Jinnuo to pay the Second Tranche of Transfer Payment and the interests thereon immediately. Meanwhile, the Company is entitled to hold Taiyuan Jinnuo liable for breach of contract in accordance with the Equity Transfer Agreement.

Except for the above provisions, all material terms of the Equity Transfer Agreement and the Supplemental Agreement as well as relevant arrangements involving the Equity Transfer remain unchanged.

By order of the Board
Fuyao Glass Industry Group Co., Ltd.
Cho Tak Wong
Chairman

Fuzhou, Fujian, the PRC
August 29, 2019

As at the date of this announcement, the Board comprises Mr. Cho Tak Wong and Mr. Chen Xiangming as executive directors; Mr. Tso Fai, Mr. Wu Shinong and Ms. Zhu Dezhen, as non-executive directors; Ms. Cheung Kit Man Alison, Ms. Liu Xiaozhi and Mr. Wu Yuhui, as independent non-executive directors.