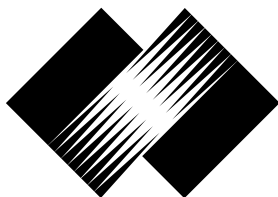


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洛阳玻璃股份有限公司

LUOYANG GLASS COMPANY LIMITED*

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

(Stock Code: 01108)

**DISCLOSEABLE AND CONNECTED TRANSACTIONS
AND
CONTINUING CONNECTED TRANSACTIONS**

DISCLOSEABLE AND CONNECTED TRANSACTIONS

On 14 November 2014, Longhai Glass, a wholly-owned subsidiary of the Company, entered into the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement and the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement with EPR Institute, pursuant to which EPR Institute agreed to provide project design, construction and installation services for the purpose of the Longhai Smoke Gas Treatment Project at a consideration of RMB1,400,000 and agreed to supply whole set of equipment for the purpose of the Longhai Smoke Gas Treatment Project at a consideration of RMB3,800,000 respectively.

On 14 November 2014, Longmen Glass, a wholly-owned subsidiary of the Company, entered into the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement and the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement with EPR Institute, pursuant to which EPR Institute agreed to provide project design, construction and installation services for the purpose of the Longmen Smoke Gas Treatment Project at a consideration of RMB1,900,000 and agreed to supply whole set of equipment for the purpose of the Longmen Smoke Gas Treatment Project at a consideration of RMB4,500,000 respectively.

EPR Institute is an indirect non wholly-owned subsidiary of CNBMG, which indirectly owns 70.70% equity interest in CLFG, the controlling Shareholder of the Company. Therefore, EPR Institute is an associate of CNBMG and therefore regarded as a connected person of the Company. The transactions contemplated under the New Project Agreements constitute connected transactions of the Company under the Hong Kong Listing Rules.

The transactions contemplated under the New Project Agreements should be aggregated with the transactions under the Previous Project Agreements pursuant to Rule 14A.81 of the Hong Kong Listing Rules. Since the applicable percentage ratios (after aggregation) exceed 5%, the transactions contemplated under the New Project Agreements constitute the discloseable and connected transactions of the Company and will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

On 14 November 2014, the Group entered into the New CCT Agreements for the purpose of (i) renewing the Old CCT Agreements (all of which will expire on 31 December 2014) so as to ensure continuous provision of goods and services to and from the Group; and (ii) coping with the operation needs and business development of the Group with an expected increase in production capacity of ultra-thin glass production line in the coming years, and the improvement of product quality and stability.

Among the New CCT Agreements, the Company entered into raw materials purchase agreement with CLFG, pursuant to which CLFG Group agreed to supply raw materials such as silicon powder to the Group. The Company also entered into technical services agreement and equipment purchase agreement with CNBMG, pursuant to which CNBMG Group will provide various technical services and will supply equipment for glass production line to the Group. Furthermore, the Company entered into product sale agreement with Fangxing Science & Technology, pursuant to which the Company agreed to provide ultra-thin float glass to Fangxing Science & Technology and its subsidiaries.

EGM

An EGM will be convened for the purposes of, among other things, seeking Independent Shareholders' approval for the New Project Agreements, each of the Non-exempt CCT Agreements and their respective New Caps. CLFG and its associates, which have interests in the transactions contemplated under the New Project Agreements and Non-exempt Continuing Connected Transactions, will abstain from voting in the resolutions in respect of each of the New Project Agreements, each of the Non-exempt CCT Agreements and their respective New Caps at the EGM. At the EGM, votes will be taken by poll.

GENERAL

A circular containing, among other things, (i) further details of the New Project Agreements, the Non-exempt CCT Agreements and their respective New Caps, (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders, (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the New Project Agreements, the Non-exempt CCT Agreements and their respective New Caps, and (iv) a notice of the EGM, will be despatched to the Shareholders on or before 5 December 2014.

A. DISCLOSEABLE AND CONNECTED TRANSACTIONS

Reference is made to the announcements of the Company dated 17 April 2014 and 20 May 2014, which set out, among other things, the connected transactions of the Company.

On 14 November 2014, Longhai Glass, a wholly-owned subsidiary of the Company, entered into the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement and the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement with EPR Institute, pursuant to which EPR Institute agreed to provide project design, construction and installation services for the purpose of the Longhai Smoke Gas Treatment Project at a consideration of RMB1,400,000 and agreed to supply whole set of equipment for the purpose of the Longhai Smoke Gas Treatment Project at a consideration of RMB3,800,000 respectively.

On 14 November 2014, Longmen Glass, a wholly-owned subsidiary of the Company, entered into the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement and the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement with EPR Institute, pursuant to which EPR Institute agreed to provide project design, construction and installation services for the purpose of the Longmen Smoke Gas Treatment Project at a consideration of RMB1,900,000 and agreed to supply whole set of equipment for the purpose of the Longmen Smoke Gas Treatment Project at a consideration of RMB4,500,000 respectively.

Except for the views of the independent non-executive Directors on the New Project Agreements, which will be expressed after considering the advice from the Independent Financial Adviser, the Directors are of the view that the New Project Agreements have been entered into on normal commercial terms and in the ordinary and usual course of business of the Group, the terms of the New Project Agreements are fair and reasonable and in the interests of the Shareholders and the Company as a whole.

Set out below is a summary of the principal terms of the New Project Agreements:

THE LONGHAI GLASS PRODUCTION LINE SMOKE GAS DUST REMOVAL AND DENITRATION PROJECT DESIGN AND INSTALLATION AGREEMENT

Date

14 November 2014

Parties

- (1) Longhai Glass; and
- (2) EPR Institute

Services to be provided

Pursuant to the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement, EPR Institute agreed to provide Longhai Glass with project design, construction and installation services for the Longhai Smoke Gas Treatment Project, including but not limited to:

1. project design, construction drawing design and on-site services of the smoke gas dust removal and denitration system, in particular, designs for all the construction, structures, pipelines, and water, electric and gas utilities in the smoke gas denitration system; and
2. all the construction of structures, installation of equipment, trial operation and so forth of the smoke gas dust removal and denitration system and passing the examination and acceptance by the environmental protection department.

Consideration

The consideration under the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement is RMB1,400,000, which shall be payable by Longhai Glass in the following manner:

1. 30% of the consideration, i.e. RMB420,000, shall be paid upon effectiveness of the agreement;
2. 30% of the consideration, i.e. RMB420,000, shall be paid after the main equipment including electrostatic precipitator, etc. being delivered to the site;
3. 30% of the consideration, i.e. RMB420,000, shall be paid after completion of the installation of the equipment and upon satisfaction of trial operation and examination; and
4. 10% of the consideration, i.e. RMB140,000, shall be paid within one month upon the expiry of one year after the normal operation of the smoke gas treatment system from the date of examination and acceptance by the environmental protection department.

The consideration was determined after arm's length negotiations between the parties with reference to the market price for providing the above design, construction and installation services.

THE LONGHAI GLASS PRODUCTION LINE SMOKE GAS DUST REMOVAL AND DENITRATION PROJECT EQUIPMENT AGREEMENT

Date

14 November 2014

Parties

- (1) Longhai Glass; and
- (2) EPR Institute

Services to be provided

Pursuant to the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement, EPR Institute agreed to supply Longhai Glass with the equipment for the Longhai Smoke Gas Treatment Project.

Consideration

The consideration under the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement is RMB3,800,000 (inclusive of VAT), which shall be payable by Longhai Glass in the following manner:

1. 30% of the consideration, i.e. RMB1,140,000, shall be paid upon effectiveness of the agreement;
2. 30% of the consideration, i.e. RMB1,140,000, shall be paid after the main equipment including electrostatic precipitator, etc. being delivered to the site;
3. 30% of the consideration, i.e. RMB1,140,000, shall be paid after completion of the installation of the equipment and upon satisfaction of trial operation and examination; and
4. 10% of the consideration, i.e. RMB380,000, shall be paid within one month upon the expiry of one year after the normal operation of the smoke gas treatment system from the date of examination and acceptance by the environmental protection department.

The consideration was determined after arm's length negotiations between the parties with reference to the market price for supplying the above equipment.

THE LONGMEN GLASS PRODUCTION LINE SMOKE GAS DUST REMOVAL AND DENITRATION PROJECT DESIGN AND INSTALLATION AGREEMENT

Date

14 November 2014

Parties

- (1) Longmen Glass; and
- (2) EPR Institute

Services to be provided

Pursuant to the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement, EPR Institute agreed to provide Longmen Glass with project design, construction and installation services for the Longmen Smoke Gas Treatment Project, including but not limited to:

1. project design, construction drawing design and on-site services of the smoke gas dust removal and denitration system, in particular, designs for all the construction, structures, pipelines, and water, electric and gas utilities in the smoke gas denitration system; and
2. all the construction of structures, installation of equipment and trial operation and so forth of the smoke gas dust removal and denitration system and passing the examination and acceptance by the environmental protection department.

Consideration

The consideration under the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement is RMB1,900,000, which shall be payable by Longmen Glass in the following manner:

1. 30% of the consideration, i.e. RMB570,000, shall be paid upon effectiveness of the agreement;
2. 30% of the consideration, i.e. RMB570,000, shall be paid after the main equipment including electrostatic precipitator, etc. being delivered to the site;
3. 30% of the consideration, i.e. RMB570,000, shall be paid after completion of the installation of the equipment and upon satisfaction of trial operation and examination; and
4. 10% of the consideration, i.e. RMB190,000, shall be paid within one month upon the expiry of one year after the normal operation of the smoke gas treatment system from the date of examination and acceptance by the environmental protection department.

The consideration was determined after arm's length negotiations between the parties with reference to the market price for providing the above design, construction and installation services.

THE LONGMEN GLASS PRODUCTION LINE SMOKE GAS DUST REMOVAL AND DENITRATION PROJECT EQUIPMENT AGREEMENT

Date

14 November 2014

Parties

- (1) Longmen Glass; and
- (2) EPR Institute

Services to be provided

Pursuant to the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement, EPR Institute agreed to supply Longmen Glass with the equipment for the Longmen Smoke Gas Treatment Project.

Consideration

The consideration under the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement is RMB4,500,000 (inclusive of VAT), which shall be payable by Longmen Glass in the following manner:

1. 30% of the consideration, i.e. RMB1,350,000, shall be paid upon effectiveness of the agreement;
2. 30% of the consideration, i.e. RMB1,350,000, shall be paid after the main equipment including electrostatic precipitator, etc. being delivered to the site;
3. 30% of the consideration, i.e. RMB1,350,000, shall be paid after completion of the installation of the equipment and upon satisfaction of trial operation and examination; and
4. 10% of the consideration, i.e. RMB450,000, shall be paid within one month upon the expiry of one year after the normal operation of the smoke gas treatment system from the date of examination and acceptance by the environmental protection department.

The consideration was determined after arm's length negotiations between the parties with reference to the market price for supplying the above equipment.

REASONS FOR ENTERING INTO THE NEW PROJECT AGREEMENTS

The Group is principally engaged in the production and sale of float sheet glass and ultra-thin electronic glass.

The smoke gas treatment projects herein refers to the smoke gas dust removal and denitration construction projects for the production lines of Longhai Glass and the production lines of Longmen Glass. Through entering into the New Project Agreements, the smoke gas treatment projects could be implemented for Longhai Glass and Longmen Glass, which will have positive effect on energy saving, emission reduction and environment protection, and will comply with the relevant industry policies in the PRC and the relevant environmental protection planing requirements with local government.

INFORMATION ON LONGHAI GLASS, LONGMEN GLASS AND EPR INSTITUTE

Longhai Glass, a wholly-owned subsidiary of the Company incorporated in the PRC with limited liability, is principally engaged in the production of ultra-thin glass.

Longmen Glass, a wholly-owned subsidiary of the Company incorporated in the PRC with limited liability, is principally engaged in the production of ultra-thin and ultra white glass.

EPR Institute, an indirect non wholly-owned subsidiary of CNBMG, is principally engaged in the research on environmental protection technology, construction, supply of equipment and advisory.

HONG KONG LISTING RULES IMPLICATIONS

As mentioned above, EPR Institute is an indirect non wholly-owned subsidiary of CNBMG, which indirectly owns 70.70% equity interest in CLFG, the controlling Shareholder of the Company. Therefore, EPR Institute is an associate of CNBMG and regarded as a connected person of the Company. The transactions contemplated under the New Project Agreements constitute connected transactions of the Company under the Hong Kong Listing Rules.

The transactions contemplated under the New Project Agreements should be aggregated with the transactions under the Previous Project Agreements pursuant to Rule 14A.81 of the Hong Kong Listing Rules. Since the applicable percentage ratios (after aggregation) exceed 5%, the transactions contemplated under the New Project Agreements constitute discloseable and connected transactions of the Company and will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcements of the Company dated 18 October 2011 and 20 January 2014 and the circular of the Company dated 8 November 2011, which set out, among other things, the Old CCT Agreements and their respective existing cap amounts.

BACKGROUND AND REASONS FOR THE CONTINUING CONNECTED TRANSACTIONS

The Company is principally engaged in the production and sale of float sheet glass and is one of the large manufacturers and distributors of float glass in the PRC. The Group previously entered into the Old CCT Agreements with members of CLFG Group and CNBMG Group, all of which will expire on 31 December 2014. In order to secure continuous provision of goods and services to and from the Group and the need for the implementation of the Group's development projects in the coming years, the Group entered into the New CCT Agreements on 14 November 2014 so as to (i) renew the Old CCT Agreements with CLFG, CNBMG, Fangxing Science & Technology and Yuantong Energy for the purchase of raw materials, technical services, equipment and natural gas for the Group as well as for provision of ultra-thin float glass to Fangxing Science & Technical and its subsidiaries and (ii) enter into new continuing connected transactions with CNBMG for the supply of equipment for the float glass production to the Company under the CNBMG Engineering Equipment and Materials Supply Framework Agreement.

Except for the views of the independent non-executive Directors on the Non-exempt CCT Agreements and their respective New Caps, which will be expressed after considering the advice from the Independent Financial Adviser, the Directors are of the view that the New CCT Agreements have been entered into on normal commercial terms and in the ordinary and usual course of business of the Group, the terms of the New CCT Agreements and their respective New Caps are fair and reasonable and in the interests of the Shareholders and the Company as a whole.

B. CONTINUING CONNECTED TRANSACTIONS SUBJECT TO REPORTING AND ANNOUNCEMENT REQUIREMENTS ONLY

Set out below is a summary of the principal terms of the CLFG Raw Materials Sale Framework Agreement which is subject to reporting and announcement requirements only under the Hong Kong Listing Rules:

THE CLFG RAW MATERIALS SALE FRAMEWORK AGREEMENT

Date: 14 November 2014

Parties: (1) CLFG; and
(2) The Company

Term: 1 January 2015 to 31 December 2017

Brief summary of the CLFG Raw Materials Sale Framework Agreement:

Pursuant to the CLFG Raw Materials Sale Framework Agreement, CLFG Group agreed to supply raw materials such as silicon powder to the Group at a price to be determined with reference to the prevailing market price at the time of particular transaction. The prices offered to the Group by CLFG Group will not be less favourable than those offered to other independent third party(ies) on similar raw materials. In principle, the Group is required to pay for the goods delivered during the month in the following month.

The CLFG Raw Materials Sale Framework Agreement shall take effect upon obtaining approval by Independent Shareholders at the EGM as required by the Shanghai Listing Rules and shall have a term of 3 years from 1 January 2015 up to 31 December 2017.

The table below summarises the existing cap amounts for the three years ending 31 December 2014 for the existing agreement entered into between CLFG and the Company on 18 October 2011:

	Year ended 31 December 2012 <i>RMB'000</i>	Year ended 31 December 2013 <i>RMB'000</i>	Year ending 31 December 2014 <i>RMB'000</i>
Existing cap amounts	<u>21,714</u>	<u>25,143</u>	<u>25,512</u>

The table below summarises the actual transaction amounts recorded for the two years ended 31 December 2013 and the nine months ended 30 September 2014:

	For the year ended 31 December 2012 <i>RMB'000</i>	For the year ended 31 December 2013 <i>RMB'000</i>	For the nine months ended 30 September 2014 <i>RMB'000</i>
Actual transaction amounts	<u>1,665</u>	<u>1,910</u>	<u>1,502</u>

The Company determined that the proposed New Caps under the CLFG Raw Materials Sale Framework Agreement for the three years ending 31 December 2017 are RMB9,500,000 (inclusive of VAT), RMB9,500,000 (inclusive of VAT) and RMB9,500,000 (inclusive of VAT) respectively. The proposed New Caps were determined based on the estimated demand of the silicon powder after taking into account of (i) the selling prices and consumed amounts of the raw materials in the previous three years and (ii) the reduction of supply of silicon powder due to the termination of production of a mining subsidiary of the CLFG Group.

C. NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Set out below is a summary of the principal terms of each of the Non-exempt CCT Agreements, which are subject to reporting, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules:

1. THE ULTRA-THIN FLOAT GLASS SALE AND PURCHASE FRAMEWORK AGREEMENT

Date: 14 November 2014

Parties: (1) Fangxing Science & Technology; and
(2) The Company

Term: 1 January 2015 to 31 December 2017

Brief summary of the Ultra-thin Float Glass Sale and Purchase Framework Agreement:

Pursuant to the Ultra-thin Float Glass Sale and Purchase Framework Agreement, the Group agreed to provide ultra-thin float glass to Fangxing Science & Technology and its subsidiaries at prices to be determined with reference to the prevailing market price at the time of particular transaction. The prices offered by the Group to Fangxing Science & Technology and its subsidiaries will not be favourable than those offered to other independent third party(ies) on the same or similar products. In principle, the payment shall be made before delivery of ultra-thin float glass to Fangxing Science & Technology and its subsidiaries or in other methods to be agreed by both parties to the Ultra-thin Float Glass Sale and Purchase Framework Agreement.

The Ultra-thin Float Glass Sale and Purchase Framework Agreement shall take effect upon obtaining approval by Independent Shareholders at the EGM as required by the Hong Kong Listing Rules and shall have a term of 3 years from 1 January 2015 up to 31 December 2017.

The table below summarises the existing cap amounts for the three years ending 31 December 2014 for the Product Sale Agreement dated 20 January 2014 between Fangxing Science & Technology and the Company and the Huayi Glass Product Sale Framework Agreement dated 18 October 2011 between Huayi Glass and the Company:

	Year ended 31 December 2012 RMB'000	Year ended 31 December 2013 RMB'000	Year ending 31 December 2014 RMB'000
Existing cap amounts	181,511 <i>(Note 1)</i>	199,180 <i>(Note 1)</i>	237,291 <i>(Note 2)</i>
	<u> </u>	<u> </u>	<u> </u>

Notes:

- (1) Based on the cap amounts as set out in the Huayi Glass Product Sale Framework Agreement dated 18 October 2011 entered into between the Company as supplier and Huayi Glass as purchaser.
- (2) Based on the aggregate cap amounts as set out in the Huayi Glass Product Sale Framework Agreement dated 18 October 2011 entered into between the Company as supplier and Huayi Glass as purchaser and the Product Sale Agreement dated 20 January 2014 entered into between the Company as supplier and Fangxing Science & Technology as purchaser.

The table below summarises the actual transaction amounts recorded for the two years ended 31 December 2013 and the nine months ended 30 September 2014:

	For the year ended 31 December 2012 RMB'000	For the year ended 31 December 2013 RMB'000	For the nine months ended 30 September 2014 RMB'000
Actual transaction amounts	88,559 <i>(Note 1)</i>	45,776 <i>(Note 1)</i>	27,329 <i>(Note 2)</i>
	<u> </u>	<u> </u>	<u> </u>

Notes:

- (1) Based on the actual transaction amounts between Huayi Glass and the Company.
- (2) Based on the aggregate actual transaction amounts between Huayi Glass and the Company and between Fangxing Science & Technology and the Company.

The Company determined that the proposed New Caps under the Ultra-thin Float Glass Sale and Purchase Framework Agreement for the three years ending 31 December 2017 are RMB214,000,000 (inclusive of VAT), RMB224,000,000 (inclusive of VAT) and RMB234,000,000 (inclusive of VAT) respectively. The proposed New Caps were determined based on the management's internal projection on the estimated amount of ultra-thin float flat glass to be sold to Fangxing Science & Technology and its subsidiaries by the Group after taking into account (i) the anticipated increase in demand of Fangxing Science & Technology and its subsidiaries on the ultra-thin float glass; (ii) the increase in production capacity of ultra-thin float glass of the Group in the future and (iii) the anticipated change in the selling price of the ultra-thin float glass in the PRC with reference to the prevailing market price.

2. THE CNBMG ENGINEERING EQUIPMENT AND MATERIALS SUPPLY FRAMEWORK AGREEMENT

Date: 14 November 2014

Parties: (1) CNBMG; and
(2) The Company

Term: 1 January 2015 to 31 December 2017

Brief summary of the CNBMG Engineering Equipment and Materials Supply Framework Agreement:

Pursuant to the CNBMG Engineering Equipment and Materials Supply Framework Agreement, CNBMG Group agreed to supply equipment required for engineering projects to the Group at a price to be determined with reference to the prevailing market price at the time of particular transaction. The prices offered by CNBMG Group to the Group will not be less favourable than those offered to other independent third party(ies) on the same or similar equipment. In principle, the payment shall be made before delivery of the equipment to the Company or in other methods to be agreed by both parties to the CNBMG Engineering Equipment and Materials Supply Framework Agreement.

The CNBMG Engineering Equipment and Materials Supply Framework Agreement shall take effect upon obtaining approval by Independent Shareholders at the EGM as required by the Hong Kong Listing Rules and have a term of 3 years from 1 January 2015 up to 31 December 2017.

The table below summarises the actual transaction amounts recorded for the two years ended 31 December 2013 and the nine months ended 30 September 2014:

	For the year ended 31 December 2012 RMB'000	For the year ended 31 December 2013 RMB'000	For the nine months ended 30 September 2014 RMB'000
Actual transaction amounts	0	0	22,170 <i>(Note 1)</i>

Notes:

- (1) Based on the actual transaction amounts under the 1st Shenzhen Kaisheng Equipment Supply Agreement and the 2nd Shenzhen Kaisheng Equipment Supply Agreement.

The Company determined that the proposed New Caps under the CNBMG Engineering Equipment and Materials Supply Framework Agreement for the three years ending 31 December 2017 are RMB50,000,000, RMB300,000,000 and RMB300,000,000 respectively. The proposed New Caps were determined based on the estimated value of the equipment required for future engineering projects by the Company after taking into account (i) the implementation of the upgrade and transformation project of the Group and (ii) technologies involved and the complexity in the engineering projects.

3. THE CNBMG ENGINEERING TECHNICAL SERVICES FRAMEWORK AGREEMENT

Date: 14 November 2014

Parties: (1) CNBMG; and

(2) The Company

Term: 1 January 2015 to 31 December 2017

Brief summary of the CNBMG Engineering Technical Services Framework Agreement:

Pursuant to the CNBMG Engineering Technical Services Framework Agreement, CNBMG Group (excluding CLFG Group) agreed to provide technical services to the Group including but not limited to project feasibility study reports, project feasibility plans, design, organization and implementation of the project plans, engineering technical consulting, the installation of equipment required by the project, engineering construction and assisting the organization in resuming production in response to accidental operational incidents, etc.

The price for the services to be rendered will be determined with reference to:

- a. the applicable state price; or

- b. if there is no applicable state price for any such services, the market price shall be used. The price for providing the same or similar services to independent third parties in Luoyang City or areas near Luoyang City will be considered when determining the market price. The prices offered to the Group will not be less favourable than those offered to other independent third party(ies) for the same or similar services.

The Group shall pay the price of the services rendered by CNBMG Group during the year within one month upon the receipt of the payment notice in the first month of the following year from CNBMG Group.

The CNBMG Engineering Technical Services Framework Agreement shall take effect upon obtaining approval by Independent Shareholders at the EGM as required by the Hong Kong Listing Rules with a term of 3 years from 1 January 2015 up to 31 December 2017.

The table below summarises the existing cap amounts for the three years ending 31 December 2014 for the agreements entered into between the Company and each of CNBMG and CLFG on 18 October 2011:

	Year ended 31 December 2012 RMB'000	Year ended 31 December 2013 RMB'000	Year ending 31 December 2014 RMB'000
Existing cap amounts	<u>15,300</u>	<u>18,300</u>	<u>18,300</u>

The table below summarises the actual transaction amounts recorded for the two years ended 31 December 2013 and the nine months ended 30 September 2014:

	For the year ended 31 December 2012 RMB'000	For the year ended 31 December 2013 RMB'000	For the nine months ended 30 September 2014 RMB'000
Actual transaction amounts	395	0	7,730 (Note 1)
	<u> </u>	<u> </u>	<u> </u>

Notes:

- (1) Based on the actual transaction amounts under the 1st Shenzhen Kaisheng Project Design and Construction Agreement and the 2nd Shenzhen Kaisheng Project Design and Construction Agreement.

The Company determined that the proposed New Caps under the CNBMG Engineering Technical Services Framework Agreement for the three years ending 31 December 2017 are RMB15,000,000, RMB20,000,000 and RMB20,000,000 respectively. The proposed New Caps were determined based on the engineering technical services demand by the expected future engineering projects of the Company after taking into account (i) the implementation of the new development project of the Group; (ii) technologies involved and the complexity and challenge of the technical work; and (iii) the expected price with reference to the prevailing market price for provision of such services.

INFORMATION AND RELATIONSHIP OF THE PARTIES TO THE CONTINUING CONNECTED TRANSACTION AGREEMENTS

The Group is principally engaged in the production and sale of float sheet glass and ultra-thin electronic glass.

CLFG, the immediate controlling Shareholder of the Company which holds 31.80% of the equity interest in the Company, is principally engaged in the production and sales of float glass, imports and exports of processing technology of glass and internal business, design and subcontracting of engineering works, labour export and other businesses.

CNBMG is the ultimate controlling shareholder of CLFG and the Company. The principal operations of CNBMG include research and development, wholesale and retail of building materials (including steel products and timber, but only limited to procurement and supply directly to the enterprises under its system), auxiliary raw materials and production equipment, supply of small cars under the plan of its system; contraction of design and construction of new-model building material houses, factories and ornament and decoration engineering.

Fangxing Science & Technology is indirectly owned as to 34.60% by CNBMG and is principally engaged in the research and development, production and sale of Indium-Tin Oxide (ITO) electropane, online bi-layer coated glass, vacuum coated glass, processed glass products and new materials, etc.

HONG KONG LISTING RULES IMPLICATIONS

As mentioned above, CLFG is the immediate controlling Shareholder of the Company and CNBMG is the ultimate controlling shareholder of CLFG and the Company. Thus, CLFG, CNBMG and their associates are regarded as connected persons of the Company.

Fangxing Science & Technology is indirectly owned as to 34.60% by CNBMG, which indirectly owns 70.70% equity interest in CLFG, the controlling shareholder of the Company. Pursuant to the Hong Kong Listing Rules, Fangxing Science & Technology is an associate of CNBMG and CLFG and accordingly, is regarded as a connected person of the Company. The transactions contemplated under the New CCT Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the applicable percentage ratios for each of the Non-exempt CCT Agreements exceed 5%, each of the Non-exempt Continuing Connected Transactions will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

As the applicable percentage ratios for the CLFG Raw Materials Sale Framework Agreement exceed 0.1% but less than 5%, the transaction contemplated under the CLFG Raw Materials Sale Framework Agreement will be subject to the reporting, annual review and announcement requirements only but exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

D. CONNECTED TRANSACTION EXEMPTED FROM REPORTING, ANNOUNCEMENT AND INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENTS UNDER THE HONG KONG LISTING RULES

Set out below is a summary of the principal terms of the CNBMG Financial Services Framework Agreement, 2014 Piped Natural Gas Supply Supplemental Agreement and 2015 Piped Natural Gas Supply Framework Agreement, which are exempted from reporting, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules.

1. THE CNBMG FINANCIAL SERVICES FRAMEWORK AGREEMENT

Date: 14 November 2014

Parties: (1) CNBMG; and
(2) The Company

Term: 1 January 2015 to 31 December 2017

Brief summary of the CNBMG Financial Services Framework Agreement:

Pursuant to the CNBMG Financial Services Framework Agreement, CNBMG Group agreed to provide the following financial services to the Group including but not limited to:

- (1) entrusted loan(s) via financial institution(s) (to be designated by the parties and being independent third party to the Group);
- (2) financial guarantee(s) in respect of bank loans of the Group; and
- (3) making payments on behalf of the Group for goods supplied by the suppliers to the Group.

The financial services fee or loan interest rate will be determined with reference to:

- a. the prevailing market fee or rate for providing the same or similar services;
or
- b. the loan interest rate will be determined with reference to the relevant loan basic interest rates set by PBOC and the permitted range of floating interest rates for financial institutions set by PBOC at the time of providing the loan.

The applicable fee or rate offered to the Group by CNBMG Group shall not be less favourable than that offered to other independent third party(ies) on the same or similar services. In principle, the financial services fee shall be settled at the time of provision of such financial services.

The CNBMG Financial Services Framework Agreement shall take effect upon obtaining the Independent Shareholders' approval at the EGM as required by the Shanghai Listing Rules and shall have a term of 3 years from 1 January 2015 up to 31 December 2017.

The table below summarises the existing cap amounts for the three years ending 31 December 2014 for the CNBMG Financial Services Framework Agreement:

	Year ended 31 December 2012 <i>RMB'000</i>	Year ended 31 December 2013 <i>RMB'000</i>	Year ending 31 December 2014 <i>RMB'000</i>
Existing cap amounts	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

The table below summarises the actual transaction amounts recorded for the two years ended 31 December 2013 and the nine months ended 30 September 2014:

	For the year ended 31 December 2012 RMB'000	For the year ended 31 December 2013 RMB'000	For the nine months ended 30 September 2014 RMB'000
Actual transaction amounts	<u>0</u>	<u>755</u>	<u>196.5</u>

The above existing cap amounts and actual transaction amounts refer to the amount of financial services fee or loan interest paid to CNBMG and its subsidiaries.

The Company estimates the proposed New Caps under the CNBMG Financial Services Framework Agreement for the three years ending 31 December 2017 are RMB1,100,000,000, RMB1,100,000,000 and RMB1,100,000,000 respectively, measured by the principal amount of the entrusted loan, financial guarantee and payments paid on behalf of the Group. The proposed New Caps are determined based on the expected value of the entrusted loan, financial guarantee and payments paid on behalf of the Company after taking into account of (i) the business development of the Company; (ii) the financial status of the Group; and (iii) the prevailing market fee or rate of such financial services.

2. THE 2014 PIPED NATURAL GAS SUPPLY SUPPLEMENTAL AGREEMENT AND THE 2015 PIPED NATURAL GAS SUPPLY FRAMEWORK AGREEMENT

Date: 14 November 2014

Parties: (1) Yuantong Energy; and

(2) Longhao Glass

Implementation of previous connected transactions:

On 14 November 2013, Longhao Glass entered into the 2014 Piped Natural Gas Supply Framework Agreement with Yuantong Energy, pursuant to which the maximum transaction amount of RMB89,000,000 for the year ending 31 December 2014 has been set. Details of the 2014 Piped Natural Gas Supply Framework Agreement were set out in an announcement in relation to the connected transaction of the Company, which was published on the China Securities Journal (中國證券報), the Shanghai Securities News (上海證券報), the Securities Daily (證券日報) and the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) on 14 November 2013. The actual transaction amount was approximately RMB81,454,800 as of 30 September 2014.

Revision to the maximum transaction amount for the connected transactions in ordinary course of business for 2014 and the new maximum transaction amount for the connected transactions in ordinary course of business for 2015

In view of the demand from Longhao Glass for its production operation, Longhao Glass entered into the 2014 Piped Natural Gas Supply Supplemental Agreement with Yuantong Energy on 14 November 2014, pursuant to which the maximum transaction amount of natural gas supply will be revised to RMB124,000,000 for the year ending 31 December 2014. The maximum transaction amount will be increased by RMB35,000,000 and the revision requires approval by the Shareholders at the EGM.

Reason for the revision to the maximum transaction amount

In 2014, Longhao Glass has begun to lease a 600t/d production line, resulting in a substantial increase of use of natural gas amount over its initial estimated amount at the time of contract, as a result the maximum transaction amount for the natural gas supply has to be increased.

In view of the demand from Longhao Glass for its transactions and its production operation in 2014, Longhao Glass entered into the 2015 Piped Natural Gas Supply Framework Agreement with Yuantong Energy on 14 November 2014, pursuant to which the maximum transaction amount of natural gas supply shall be RMB212,000,000 (inclusive of VAT) for the year from 1 January 2015 up to 31 December 2015. The maximum transaction amount requires approval by the Shareholders at the EGM.

INFORMATION AND RELATIONSHIP OF THE PARTIES TO THE CONTINUING CONNECTED TRANSACTION AGREEMENTS

As mentioned above, CNBMG is the ultimate controlling shareholder of CLFG and the Company. Thus, CNBMG and their associates are regarded as connected persons of the Company.

Yuantong Engery, owned as to 10% by CLFG, is principally engaged in the supply and sale of piped natural gas. Mr. Guo Yimin, a former Director who resigned as a Director on 10 September 2014 is currently a director and the vice chairman of Yuantong Engery.

HONG KONG LISTING RULES IMPLICATIONS

The transaction contemplated under the CNBMG Financial Services Framework Agreement constitutes financial assistance provided for the benefit of the Company on normal commercial terms and is therefore exempted from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Hong Kong Listing Rules.

As Yuantong Engery is not deemed as a connected person of the Company under the Hong Kong Listing Rules, the transaction contemplated under the 2014 Piped Natural Gas Supply Supplemental Agreement and 2015 Piped Natural Gas Supply Framework Agreement do not constitute connected transactions under the Hong Kong Listing Rules and are therefore exempted from reporting, announcement and independent shareholders' approval requirements.

However, pursuant to the Shanghai Listing Rules, the CNBMG Financial Services Framework Agreement, 2014 Piped Natural Gas Supply Supplemental Agreement and the 2015 Piped Natural Gas Supply Framework Agreement are subject to the Independent Shareholders' approval at the EGM.

EGM

An EGM will be convened for the purposes of, among other things, seeking Independent Shareholders' approval for each of the New Project Agreements, each of the Non-exempt CCT Agreements and their respective proposed New Caps. CLFG and its associates, which have interests in the transactions contemplated under the New Project Agreements and Non-exempt Continuing Connected Transactions, will abstain from voting in the resolutions in respect of each of the New Project Agreements, each of the Non-exempt CCT Agreements and their respective New Caps at the EGM. At the EGM, votes will be taken by poll.

Mr. Ma Liyun and Mr. Xie Jun, both the executive Directors, Mr. Zhang Chong and Mr. Zhang Chengong, both the non-executive Directors, have abstained from voting to approve the New Project Agreements and New CCT Agreements (except for the 2014 Piped Natural Gas Supply Supplemental Agreement and 2015 Piped Natural Gas Supply Framework Agreement) and their respective New Caps in the Board meeting due to the fact that they are senior management of CLFG or its controlling shareholder and are therefore not regarded as independent to make any recommendation to the Board.

GENERAL

The Independent Board Committee of the Company has been established to give recommendations to the Independent Shareholders in respect of each of the New Project Agreements, each of the Non-exempt CCT Agreements and their respective New Caps. An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further details of the New Project Agreements; (ii) further details of the Non-exempt CCT Agreements and their respective New Caps, (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders, (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the New Project Agreements, the Non-exempt CCT Agreements and their respective New Caps, and (v) a notice of the EGM, will be despatched to the Shareholders on or before 5 December 2014.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise.

- “1st Shenzhen Kaisheng Project Design and Construction Agreement” the project design, construction and installation agreement dated 17 April 2014 entered into between Longhao Glass and Shenzhen Kaisheng, pursuant to which Shenzhen Kaisheng agreed to provide project design, construction and installation services, and details of which were set out in the announcement of the Company dated 17 April 2014;
- “1st Shenzhen Kaisheng Equipment Supply Agreement” the equipment supply contracting agreement dated 17 April 2014 entered into between Longhao Glass and Shenzhen Kaisheng, pursuant to which Shenzhen Kaisheng agreed to supply main equipment, both of which are for the purpose of the project in respect of building a residual heat power generation boiler system by using kiln flue gas generated from the glass production lines of Longhao Glass, and details of which were set out in the announcement of the Company dated 17 April 2014;
- “2014 Piped Natural Gas Supply Framework Agreement” a supply framework agreement dated 14 November 2013 entered into between Longhao Glass and Yuantong Energy, pursuant to which Yuantong Energy agreed to supply natural gas to Longhao Glass;
- “2014 Piped Natural Gas Supply Supplemental Agreement” a supplemental agreement to 2014 Piped Natural Gas Supply Framework Agreement dated 14 November 2014 entered into between Longhao Glass and Yuantong Energy, pursuant to which the maximum estimated transaction amount of natural gas supply for the year 2014 has been revised to RMB124,000,000;
- “2015 Piped Natural Gas Supply Framework Agreement” a supply framework agreement dated 14 November 2014 entered into between Longhao Glass and Yuantong Energy, pursuant to which Yuantong Energy agreed to supply natural gas to Longhao Glass;

“2nd Shenzhen Kaisheng Project Design and Construction Agreement”	the project design, construction and installation agreement dated 20 May 2014 entered into between Longhao Glass and Shenzhen Kaisheng, pursuant to which Shenzhen Kaisheng agreed to provide project design, construction and installation services, and details of which were set out in the announcement of the Company dated 20 May 2014;
“2nd Shenzhen Kaisheng Equipment Supply Agreement”	the equipment supply contracting agreement dated 20 May 2014 entered into between Longhao Glass and Shenzhen Kaisheng, pursuant to which Shenzhen Kaisheng agreed to supply whole set of equipment, both of which are for the purpose of the project in respect of building a smoke gas treatment system of the glass production lines of Longhao Glass, and details of which were set out in the announcement of the Company dated 20 May 2014;
“associate(s)”	has the same meaning as ascribed to it under the Hong Kong Listing Rules;
“Board”	the board of Directors;
“CLFG”	中國洛陽浮法玻璃集團有限責任公司 (China Luoyang Float Glass (Group) Company Limited*), a company incorporated in the PRC with limited liability and the controlling shareholder of the Company holding 31.80% equity interest in the Company;
“CLFG Group”	CLFG, its controlling shareholder and their respective controlled companies/entities (the “Relevant Parties of CLFG”) and/or the non-wholly owned subsidiaries of the Company in which the Relevant Parties of CLFG has 10% or more voting rights;
“CLFG Raw Materials Sale Framework Agreement”	the raw materials sale framework agreement dated 14 November 2014 entered into between CLFG and the Company, pursuant to which CLFG Group agreed to provide certain raw materials to the Group;

“CNBMG”	China National Building Material Group Corporation, a wholly state-owned enterprise incorporated in the PRC and the ultimate controlling shareholder of the Company;
“CNBMG Engineering Equipment and Materials Supply Framework Agreement”	the equipment supply framework agreement dated 14 November 2014 entered into between CNBMG and the Company, pursuant to which to CNBMG Group agreed to supply equipment for the float glass production to the Group;
“CNBMG Engineering Technical Services Framework Agreement”	the engineering technical services framework agreement dated 14 November 2014 entered into between CNBMG and the Company, pursuant to which the CNBMG Group agreed to provide certain technical services to the Group;
“CNBMG Financial Services Framework Agreement”	the financial services framework agreement dated 14 November 2014 entered into between CNBMG and the Company, pursuant to which to CNBMG Group agreed to provide certain financial services to the Group;
“CNBMG Group”	CNBMG, its controlling shareholder and their respective controlled companies/entities (the “Relevant Parties of CNBMG”) and/or the non-wholly owned subsidiaries of the Company in which the Relevant Parties of CNBMG has 10% or more voting rights;
“Company”	洛陽玻璃股份有限公司 (Luoyang Glass Company Limited*), a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the main board of the Stock Exchange (stock code: 1108);
“connected person(s)”	has the same meaning as ascribed to it under the Hong Kong Listing Rules;
“Directors”	the directors of the Company, including the independent non-executive directors of the Company;

“EGM”	an extraordinary general meeting of the Company proposed to be convened and held for the Independent Shareholders to consider and, if thought fit, approve, among other things, the New Project Agreements, the Non-exempt CCT Agreements and their respective New Caps;
“EPR Institute”	江蘇中建材環保研究院有限公司(Jiangsu CNBM Environment Protection Research Institute Limited*);
“Fangxing Science & Technology”	安徽方興科技股份有限公司 (Anhui Fangxing Science & Technology Company Limited*), a joint stock limited company incorporated in the PRC with limited liability, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600552);
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Huayi Glass”	安徽省蚌埠華益導電膜玻璃有限公司 (Anhui Province Bangbu Huayi Glass Company Limited*), a limited liability company incorporated in the PRC, a subsidiary of Fangxing Science & Technology and an associate of CNBMG;
“Huayi Glass Product Sale Framework Agreement”	the product sale framework agreement dated 18 October 2011 entered into between the Company and Huayi Glass, pursuant to which the Group agreed to sell its ultra-thin float glass to Huayi Glass;
“Independent Board Committee”	an independent board committee of the Company comprising of all the independent non-executive Directors;

“Independent Financial Adviser”	Goldin Financial Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) licensed to carry on Type 6 (advising on corporate finance) regulated activity, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders to advise on the New Project Agreements, the Non-exempt CCT Agreements and their respective New Caps;
“Independent Shareholders”	Shareholders other than CLFG and their associates;
“Longhai Glass”	洛玻集團洛陽龍海電子玻璃有限公司 (CLFG Luoyang Longhai Electronic Glass Company Limited*), a company with limited liability incorporated in the PRC and a wholly-owned subsidiary of the Company;
“Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement”	the project design, construction and installation agreement dated 14 November 2014 entered into between Longhai Glass and EPR Institute, pursuant to which EPR Institute agreed to provide project design, construction and installation services for the purpose of the Longhai Smoke Gas Treatment Project;
“Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement”	the equipment supply contracting agreement dated 14 November 2014 entered into between Longhai Glass and EPR Institute, pursuant to which EPR Institute agreed to supply whole set of equipment for the purpose of the Longhai Smoke Gas Treatment Project;
“Longhai Smoke Gas Treatment Project”	the project in respect of building a smoke gas dust removal and denitration system for the production lines of Longhai Glass;
“Longhao Glass”	洛玻集團洛陽龍昊玻璃有限公司 (CLFG Luoyang Longhao Glass Company Limited*), a company with limited liability incorporated in the PRC and a wholly-owned subsidiary of the Company;

“Longmen Glass”	洛玻集團龍門玻璃有限公司(CLFG Longmen Glass Company Limited*), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company;
“Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement”	the project design, construction and installation agreement dated 14 November 2014 entered into between Longmen Glass and EPR Institute, pursuant to which EPR Institute agreed to provide project design, construction and installation services for the purpose of the Longmen Smoke Gas Treatment Project;
“Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement”	the equipment supply agreement dated 14 November 2014 entered into between Longmen Glass and EPR Institute, pursuant to which EPR Institute agreed to supply whole set of equipment for the purpose of the Longmen Smoke Gas Treatment Project;
“Longmen Smoke Gas Treatment Project”	the project in respect of building a smoke gas dust removal and denitration system for the production lines of Longmen Glass;
“New Cap(s)”	the maximum aggregate annual transaction amounts for each of the continuing connected transactions contemplated under the New CCT Agreements for each of the three years ending 31 December 2017;
“New CCT Agreements”	Non-exempt CCT Agreements, the CLFG Raw Materials Sale Framework Agreement, the CNBMG Financial Services Framework Agreement, 2014 Piped Natural Gas Supply Supplemental Agreement and 2015 Piped Natural Gas Supply Framework Agreement;

“New Project Agreements”	the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement, the Longhai Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement, the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Design and Installation Agreement, and the Longmen Glass Production Line Smoke Gas Dust Removal and Denitration Project Equipment Agreement;
“Non-exempt CCT Agreements”	Ultra-thin Float Glass Sale and Purchase Framework Agreement, CNBMG Engineering Equipment and Materials Supply Framework Agreement and CNBMG Engineering Technical Services Framework Agreement;
“Non-exempt Continuing Connected Transactions”	the continuing connected transactions contemplated under each of the Non-exempt CCT Agreements (as the context may require), which are subject to reporting, annual review, announcement and independent shareholders’ approval requirements under Chapter 14A of the Hong Kong Listing Rules;
“Old CCT Agreements”	The existing agreements entered into between (i) the Company and (ii) CLFG, CNBMG or Huayi Glass on 18 October 2011, the existing agreement entered into between the Company and Fangxing Science & Technology on 20 January 2014 and the 2014 Piped Natural Gas Supply Framework Agreement, all of which shall expire on 31 December 2014 and the transactions contemplated thereunder constituted continuing connected transactions of the Company;
“percentage ratios”	has the same meaning as ascribed to it under the Hong Kong Listing Rules, as applicable to a transaction;
“PRC”	The People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong and the Macau Special Administrative Region of the PRC and Taiwan;

“Previous Project Agreements”	1st Shenzhen Kaisheng Project Design and Construction Agreement, 1st Shenzhen Kaisheng Equipment Supply Agreement ; 2nd Shenzhen Kaisheng Project Design and Construction Agreement and 2nd Shenzhen Kaisheng Equipment Supply Agreement ;
“Product Sale Agreement”	the product sale agreement dated 20 January 2014 entered into between the Company and Fangxing Science & Technology, pursuant to which the Group agreed to sell its ultra-thin float glass to Fangxing Science & Technology;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shanghai Listing Rules”	the Shanghai Stock Exchange Share Listing Rules;
“Shareholder(s)”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the same meaning as ascribed to it under the Hong Kong Listing Rules;
“Ultra-thin Float Glass Sale and Purchase Framework Agreement”	a product sale framework agreement dated 14 November 2014 entered into between the Company and Fangxing Science & Technology, pursuant to which the Group agreed to provide ultra-thin float glass to Fangxing Science & Technology and its subsidiaries;
“VAT”	value-added tax in the PRC;
“Yuantong Engery”	洛陽洛玻集團源通能源有限公司 (CLFG Yuantong Engery Co., Ltd.*);
“%”	per cent.

* Denotes English translation of the name of a Chinese company or entity and is provided for identification purposes only.

By order of the Board of
LUOYANG GLASS COMPANY LIMITED*

Ma Liyun
Chairman

Luoyang, the PRC
14 November 2014

As at the date of this announcement, the Board comprises four executive Directors: Mr. Ma Liyun, Mr. Ni Zhisen, Ms. Sun Lei and Mr. Xie Jun; two non-executive Directors: Mr. Zhang Chong and Mr. Zhang Chengong; and four independent non-executive Directors: Mr. Huang Ping, Mr. Dong Jiachun, Mr. Liu Tianni and Mr. Jin Zhanping.

** for identification purposes only*