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福萊特玻璃集團股份有限公司

Flat Glass Group Co., Ltd.

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

(Stock code: 6865)

Termination of the 2021 A Share Option Incenti e Scheme and Cancellation of Share Options

Reference is made to the announcements of the Company dated 17 August 2021, 24 September 2021, 12 October 2021, 18 November 2021, 26 November 2021 (the "**Announcements**") and the circular of the Company dated on 27 October 2021 (the "**Circular**") in relation to, among other things, the A Share Option Incentive Scheme of the Company (the "**Scheme**"). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

The Company held the sixth meeting of the seventh session of the Board and the fourth meeting of the seventh session of the Supervisory Committee on 29 April 2025, to consider and approve the proposal on termination of the Scheme and cancellation of Share Options. The Company proposed to terminate the Scheme and cancel the Share Options granted but not yet exercised under the Scheme, which is pending for submitting to the general meeting of the Company for consideration. The relevant matters are hereby announced as follows:

1. REASONS FOR TERMINATION OF THE SCHEME, CANCELLATION AND RELEVANT MATTERS

(1) Reasons for termination of the Scheme

The internal and external environment in which the Company is operating has undergone great changes since the formulation of the Scheme. For this regard, if the Company continues to implement the Scheme, it is difficult to achieve the expected incentive goals and effects, which is not conducive to fully motivating the core team of the Company. To effectively incentive employees and protect the interests of the Company, employees, and shareholders as a whole, after careful study, the Board proposed to terminate the implementation of the Scheme and the supporting documents including the 2021 A Share Option Incentive Scheme and the Appraisal Management Measures for Implementation of the 2021 A Share Option Incentive Scheme.

(2) Cancellation of Share Options

Pursuant to the provisions of the Scheme, if the Scheme is terminated, after going through the consideration procedures , the Company should timely apply to the registration and settlement company for the cancellation of outstanding Share Options. 3,147,284 Share Options under the Scheme are subject to cancellation. After approval of proposal on termination of the Scheme at the general meeting, the Board will go through the cancellation procedures of relevant Share Options.

2. IMPACT OF THE TERMINATION OF THE SCHEME ON THE COMPANY AND SUBSEQUENT ARRANGEMENTS

The termination of the Scheme by the Company is in compliance with relevant laws, regulations and normative documents including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the Measures for the Administration of Equity Incentives of Listed Companies as well as the rules governing the Scheme. Such termination will not prejudice the interests of the Company and Shareholders as a whole, nor have any material impact on the daily operations of the Company, nor affect the dedication and due diligence of the management and core team of the Company. The management and core team of the Company will continue to conscientiously perform their duties and create value for Shareholders.

Termination of the Scheme and cancellation of Share Options will not have a material impact on the financial condition and Shareholders' interest of the Company. The impact of the final share payment expenses on the net profit of the Company shall be subject to the audit report issued by the accounting firm. Pursuant to regulations including the Measures for the Administration of Equity Incentives of Listed Companies, within three months from the date of the announcement on approval of proposal on termination of the share option incentive scheme which is considered at the general meeting of the Company, the Company cannot review and adopt another share option incentive scheme. Meanwhile, the Board will timely go through the cancellation procedures of relevant Share Options granted but not yet exercised.

3. SPECIAL OPINIONS AND EXPLANATIONS

(1) Opinion of the Remuneration Committee

The Remuneration Committee of the Board believes: given that the Company is difficult to achieve the expected incentive objectives and effects by continuing to implement the equity incentive scheme, termination of the Scheme is in line with the overall development direction of the Company. Such termination will not prejudice the interests of the Company and all Shareholders, nor impair the legitimate rights and interests of the participants or the interests of creditors, nor affect the dedication and due diligence of the management and core team of the Company. The relevant personnel will continue to conscientiously perform their duties and create value for Shareholders. The Remuneration Committee of the Board shall agree that the Company terminate the Scheme and submit the proposal to the Board for consideration.

(2) Opinion of the Super isor Committee

The Supervisory Committee believes: the termination of the Scheme by the Company is in compliance with the provisions of relevant laws, regulations and normative documents including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the Measures for the Administration of Equity Incentives of Listed Companies as well as the rules governing the Scheme. Such termination will not prejudice the interests of the Company and Shareholders as a whole, nor have any material impact on the daily operations of the Company, nor affect the dedication and due diligence of the management and core team of the Company. Therefore, the Supervisory Committee agreed to terminate the Scheme.

(3) Conclusi e ie of legal opinion

Grandall Law Firm (Nanjing) (國浩律師(南京)事務所) believes that as of the date of issuance of the legal opinion: the Company has performed the corresponding approval procedures for implementing the Scheme, and obtained the necessary authorisation and approval for the matters on termination and cancellation at the present stage, and complied with the relevant provisions of the relevant laws, regulations, and normative documents including the Measures for the Administration and the Share Option Incentive Scheme. The Company has yet to submit the matters on termination and cancellation for consideration at the general meeting, fulfill the obligations of information disclosure and go through the procedures such as registration of share cancellation according to relevant laws, regulations, and normative documents. The reasons for and specific circumstances of the termination and cancellation by the Company comply with the relevant provisions of the Measures for the Administration and the Share Option Incentive Scheme. There is no obvious damage to the interests of the Company and Shareholders as a whole.

The Company will hold a general meeting to approve the proposal on termination of the Scheme and cancellation of Share Options. A circular containing, among other things, detailed information of the relevant matters will be dispatched to the Shareholders in due course.

By order of the Board
Flat Glass Group Co., Ltd.

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