FGG

福萊特玻璃集團股份有限公司
Flat Glass Group Co., Ltd.

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

Stock Code: 6865

ANNUAL REPORT
2020

Contents

Corporate Information

DIRECTORS

Executive directors

Independent non-executive directors

SUPERVISORS

AUDIT COMMITTEE

REMUNERATION COMMITTEE

NOMINATION COMMITTEE

STRATEGIC DEVELOPMENT COMMITTEE

RISK MANAGEMENT COMMITTEE

COMPANY SECRETARY

AUTHORISED REPRESENTATIVES

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

CORPORATE WEBSITE

LEGAL ADVISERS AS TO HONG KONG LAW

AUDITORS

PRINCIPAL BANKERS

H SHARE REGISTRAR

Chairman's Statement

BOOMING DEVELOPMENT OF THE DOMESTIC PV INDUSTRY

STEADY DEVELOPMENT OF THE OVERSEAS PV MARKET

ACCELERATING THE EXPANSION OF PV GLASS PRODUCTION CAPACITY

IMPROVING RESEARCH AND DEVELOPMENT CAPABILITIES THROUGH COST REDUCTION AND EFFICIENCY IMPROVEMENT

Five-Year Financial Summary

Management Discussion and Analysis

BUSINESS OVERVIEW

Overview of the Group's business

1. Domestic expansion in Anhui Province, the PRC

2. Overseas expansion in Haiphong Vietnam

Management Discussion and Analysis

3. Cold repair of existing PV glass furnaces

4. Reconstruction of the second float glass furnace completed

5. Update on issuance of new H shares

INDUSTRY OVERVIEW

Booming development of the domestic PV industry

Steady development of the overseas PV market

Accelerating the expansion of PV glass production capacity

Improving research and development capabilities through cost reduction and efficiency improvement

Management Discussion and Analysis

FINANCIAL PERFORMANCE

Revenue

Operating cost

Gross profit and gross profit margin

Sales expenses

Administrative expenses

Management Discussion and Analysis

Research and development costs

Finance costs

Income tax

Capital Expenditures

Assets and equity

Fixed assets impairment losses

Financial resources and liquidity

Management Discussion and Analysis

Credit risk and foreign exchange risk

Employee and remuneration policy

CAPITAL STRUCTURE

DIVIDEND

TAXATION

Holders of A shares

Holders of H shares

FLAT GLASS GROUP CO., LTD.

Biographies of Directors, Supervisors and Senior Management

EXECUTIVE DIRECTORS

Biographies of Directors, Supervisors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Biographies of Directors, Supervisors and Senior Management

SUPERVISORS

SENIOR MANAGEMENT

COMPANY SECRETARY

Corporate Governance Report

BOARD OF DIRECTORS

Executive Directors

Independent Non-executive Directors

Meetings and Directors Attendance Record

No. of attendance/No. of meetings

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

BOARD PROCEEDINGS

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Corporate Governance Report

BOARD OF SUPERVISORS

DIRECTORS', SUPERVISORS' AND OFFICERS' INSURANCE

MODEL CODE FOR SECURITIES TRANSACTIONS

BOARD COMMITTEES

Audit Committee

Remuneration Committee

Corporate Governance Report

Strategic Development Committee

Risk Management Committee

Corporate Governance Report

CORPORATE GOVERNANCE FUNCTIONS

CONSTITUTIONAL DOCUMENTS

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

COMPANY SECRETARY

EXTERNAL AUDITORS

RISK MANAGEMENT AND INTERNAL CONTROL

Corporate Governance Report

SHAREHOLDERS' RIGHTS

(i) Participation at general meetings

(ii) Convening extraordinary general meetings

(iii) Procedures for putting forward proposals at a general meeting

Communications with shareholders and investors

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Report of the Board of Directors

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

PRINCIPAL ACTIVITIES

LIST OF SUBSIDIARIES

FINANCIAL STATEMENTS

RESERVES

FINANCIAL SUMMARY

PROPERTY, PLANT AND EQUIPMENT

DIVIDEND AND DIVIDEND POLICY

CHARITABLE DONATIONS

PRINCIPAL RISKS AND UNCERTAINTIES FACED BY THE GROUP

Risks pertaining to the PV glass industry

Risks pertaining to compliance of laws and regulations, such as PRC environmental laws and regulations

Past performance and forward-looking statements

ENVIRONMENTAL POLICIES AND PERFORMANCE

KEY RELATIONSHIPS

Employees

Suppliers

Customers

COMPLIANCE WITH LAWS AND REGULATIONS

Report of the Board of Directors

BANK BORROWINGS

SHARE CAPITAL

SUFFICIENCY OF PUBLIC FLOAT

PRE-EMPTIVE RIGHTS

PURCHASE, SALE OR REDEMPTION OF OUR COMPANY’S LISTED SECURITIES

Report of the Board of Directors

DIRECTORS

Executive directors

Independent non-executive directors

Supervisors

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

DIRECTORS' MATERIAL INTERESTS IN TRANSACTION, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

the register required to be kept by the Company

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

Report of the Board of Directors

MANAGEMENT CONTRACTS

MATERIAL CONTRACTS

RELATED PARTY TRANSACTIONS

CONTINUING CONNECTED TRANSACTIONS

Connected persons

Report of the Board of Directors

Connected transaction

Independent Non-executive Directors Confirmation

Auditor's Confirmation

COMPETING BUSINESS

COMPLIANCE WITH NON-COMPETITION UNDERTAKING

ARRANGEMENT FOR DIRECTORS AND SUPERVISORS TO PURCHASE SHARES OR DEBENTURES

RETIREMENT SCHEMES

SIGNIFICANT LEGAL PROCEEDINGS

EVENTS AFTER THE REPORTING PERIOD

AUDIT COMMITTEE

EXTERNAL AUDITORS

Report of the Board of Supervisors

I. MEETINGS CONDUCTED BY THE BOARD OF SUPERVISORS

II. WORK OF THE BOARD OF SUPERVISORS

1. Monitoring implementation of resolutions of general meetings

2. Monitoring legal compliance of the Group's general operation

3. Monitoring daily operating activities of the Group

4. **Monitoring the Group's financial conditions**

Independent Auditor's Report

TO THE SHAREHOLDERS [illegible] GLASS GROUP CO., LTD.

1. AUDIT OPINION

We have audited the [illegible] (hereinafter referred to as "Flat [illegible] consolidated [illegible] equity and [illegible]

In our opinion, [illegible] statements have been prepared [illegible] in all material respects [illegible] and have given a fair view [illegible] financial [illegible] and of its consolidated [illegible] consolidated [illegible] in 2020.

2. BASIS FOR FORMING AUDIT OPINION

We conducted our audit in accordance with the Chinese standards on auditing for certified public accountants. [illegible] described in the "Auditor's responsibilities [illegible] audit report. We are independent [illegible] in accordance with [illegible] certified public accountants and [illegible] responsibilities [illegible] audit evidence we have obtained [illegible] are appropriate [illegible]

3. KEY AUDIT MATTERS

Key audit [illegible] financial statements in 2020. The responses to these matters were based on the audit of the financial statements as a whole and [illegible] that the fo[illegible]

(1) Impairment of commercial acceptance bills receivable and trade receivables

Item description

As state[illegible] the revenue of Flat [illegible] the sales [illegible] The sales revenue of [illegible] the custo[illegible] according to the agreement [illegible] domestic [illegible] the agreed place of delivery [illegible] on their o[illegible] the goods, and for exports [illegible] the sales revenue [illegible] of goods is [illegible] As revenu[illegible] of Flat Group, and the timing [illegible] of goods [illegible] that the sales revenue is not recognized in the [illegible] Therefor[illegible] as the ke[illegible]

How our audit addressed the key audit matter

PV glass

(1) Obtain an under[illegible]
PV glass, eva[illegible]

[illegible] contracts of major [illegible]
[illegible] the transfer time of [illegible]

to different trade patterns. For domestic sales, we sent the confirmations to the transport companies to

(4) Perform cut-off tests on the revenue of the last transaction cycle after the balance sheet date and check

4. OTHER INFORMATION

information in [illegible]

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion [illegible]

5. **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

[illegible] implementing and [illegible] the [illegible] misstatement due to fraud or error.

[illegible] ability to [illegible]

[illegible] responsible for overseeing the [illegible]

6. **CPA'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

[illegible] obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement [illegible] audit reports containing [illegible] reasonable assurance [illegible] that the audit conducted [illegible] will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material [illegible] they could reasonably be expected [illegible] statements.

A[illegible] skepticism [illegible]

(1) Identify [illegible] and [illegible] appro[illegible] from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omis[illegible]

(2) Obtai[illegible] appro[illegible]

(3) Evalua[illegible] related [illegible]

(4) Draw a c[illegible] doubt on [illegible] going concern based on the audit [illegible] time, con[illegible] conditions [illegible] doubt on [illegible] concern [illegible] on the audit [illegible] conclude [illegible] required by the auditing standards [illegible] our audit report [illegible] financial statements or [illegible] to issue a [illegible] conclusions are based on the audit evidence [illegible] of our au[illegible] conditions may cause the Flat Group to [illegible] going co[illegible]

... and content of the financial statements ... and events in a manner that achieves ...

(6) Obtain sufficient ... activities within the ... for the direction, su... opinion.

From the matters communicated with those charged with governance, we determine those matters that were of most

In extremely rare circumstances, we determine that a matter should not be communicated in our report because the

Chinese certified ...

29 March 2021

Consolidated Balance Sheet

[illegible]

Items	Notes	[illegible]	[illegible]
Current assets:			
Cash and bank balances	[illegible]	[illegible]	613,000,[illegible]
[illegible]			–
[illegible]			1,117,793.99
[illegible]			[illegible]
[illegible]			
[illegible]			
[illegible]	7		
[illegible]	8		
[illegible]	9		
[illegible]	10		
Total current assets		[illegible]	[illegible]
Non-current assets:			
[illegible]	11		
[illegible]	[illegible]		
Investment properties	13		21,665,171.83
Fixed assets	[illegible]		
Construction in progress	[illegible]		
Right-of-use assets	[illegible]		
Intangible assets	[illegible]		
Long-term prepaid expenses	[illegible]		
Deferred tax assets	[illegible]		
Other non-current assets	[illegible]		
Total non-current assets		[illegible]	[illegible]
Total assets		[illegible]	[illegible]

The notes are an [illegible]

The financial sta[illegible]

Legal Re[illegible]

Items	Notes		
Current liabilities:			
Short-term borrowings			
Derivative financial liabilities			
Long-term borrowings	29		281,902,410.50
Deferred income	32		45,408,644.70
Capital reserve			
Less: Treasury stock			
Special reserve			
Surplus reserve			
Undistributed profits			

Balance Sheet of the Parent Company

[illegible]

RMB

Items	Notes	[illegible]	[illegible]
Current assets:			
Cash and bank balances	1	[illegible]	223,564,[illegible].23
[illegible]	[illegible]	[illegible]	379,492.22
Bills receivable	[illegible]	[illegible]	567,902,478.98
Accounts receivable	[illegible]	[illegible]	[illegible]
Financing receivables	[illegible]	[illegible]	[illegible]
Advance payments	[illegible]	[illegible]	[illegible]
Other receivables	7	[illegible]	[illegible]
Inventories	8	[illegible]	[illegible]
Other current assets	9	[illegible]	[illegible]
Total current assets		[illegible]	[illegible]
Non-current assets:			
Long-term equity investments	10	[illegible]	1,043,157,345.00
Fixed assets	11	[illegible]	994,[illegible].68
Construction in progress	12	[illegible]	[illegible]
Intangible assets	13	[illegible]	170,704,769.30
Long-term prepaid expenses	[illegible]	[illegible]	[illegible]
Deferred tax assets	14	[illegible]	[illegible]
Other non-current assets	15	[illegible]	[illegible]
Total non-current assets		[illegible]	[illegible]
Total assets		[illegible]	[illegible]

The notes are [illegible]

The financial statements on pages 58 to 256 are signed by:

Legal Representative: [illegible]

Items	[illegible]	[illegible]	[illegible] RMB
Current liabilities:			
Short-term borrowings		[illegible]	[illegible]
Bills payables		[illegible]	[illegible]
[illegible] payables		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
Deferred income	24	[illegible]	34,543,539.29
[illegible]		[illegible]	[illegible]
Share capital		[illegible]	487,500,000.00
Undistributed profits		[illegible]	[illegible]
Total shareholders' equity		[illegible]	[illegible]
Total liabilities and shareholders' equity		[illegible]	6,137,269,773.70

Consolidated Income Statement

	Notes		
			3,289,735,5[illegible].36
			35,02[illegible],838.85
			255,112,912.72
	46		
	47		
	49		[illegible]816,559.04
	50		(14,697,234.51)
Add: Non-operating income	52		16,897,963.68
VI. Total comprehensive [illegible]			
Attributable to th[illegible]			
Attributable to th[illegible]			
VII. Earnings per sha[illegible]			
(1) Basic earnings [illegible]			
(2) Diluted earnin[illegible]			

The notes are an inte[illegible]

The financial staten[illegible]

Legal Repr[illegible] Chief Financial Officer Chief Ac[illegible]

Income Statement of the Parent Company

Items

I. Operating revenue

Less: Operating costs

II. Operating profit

Consolidated Statement of Cash Flow

			4,515,88[illegible].61
			133,1[illegible]705.74
			[illegible]
	57 [illegible]		
Cash received from disposal of fixed assets			
			[illegible]
Subtotal of cash inflows			156,116,244.51
			1,291,724,[illegible]
III. Cash flow [illegible]			
Cash received relating to other financing activities	57(5)		277,454,484.32
Subtotal of [illegible]			
Cash paid fo[illegible]			
Cash paid for [illegible] payment of [illegible]			
Cash paid rela[illegible]			
Subtotal of ca[illegible]			
Net cash flow [illegible]			
IV. Effect of foreig[illegible] cash equivale[illegible]			
V. Net decrease in [illegible]			
Add: Cash and ca[illegible]			
VI. Cash and cash eq[illegible]			

The notes are an inte[illegible]

The financial statem[illegible]

Legal Rep[illegible] Chief Financial Officer Chief Acco[illegible]

RMB

Items			
I. Cash flow from operating activities			
Cash received from sale of goods			
Cash received from refunds			
Net cash received from disposal of fixed assets, intangible assets			
Subtotal of cash inflows			251,625,880.29
Cash received			
Cash received			
Cash received relating to other financing activities	43(5)		168,683,559.31
Subtotal of cash inflows			
Cash paid for			
Cash paid for			
Subtotal of cash outflows			

Consolidated Statement of Changes in Shareholders' Equity

FLAT GLASS GROUP CO., LTD.

Statement of Changes in Shareholders' Equity of the Parent Company

Items					

Notes to the Financial Statements

(I) CORPORATE INFORMATION

1. Company Overview

… 1998 with its registered … December 2005, the Company was … and … Flat Glass & Mirror … Flat Solar …

… issued 450,000,000 over… global public offering … Hong Kong Limited.

… received the Approval … Ltd (CSRC Approval [2018] No.1959) issued by China Securities Regulatory Commission … 150,000,000 ordinary … Shanghai Stock Exchange … issued 150,000,000 … par value of RMB0.25 per share at the issue price of RMB2.00 per share. After the change, the registered …

As a… share… 2020… Gover… of A S… Bonds… The ini… the pros… shares (e… issue or … RMB13.4… proposal. … into the R… 86,648,78… added share capital was RMB… December… has completed the procedur… registrati… for chan… been completed.

(I) CORPORATE INFORMATION (Continued)

1. Company Overview (Continued)

The principal [illegible] of glass products.

The [illegible]

2. Scope of the Consolidated Financial Statements

[illegible] to the financial statements.

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

[illegible] stock exchange [illegible]

Going concern

The Group has [illegible]

Basis of accounting and principle of measurement

[illegible]

Notes to the Financial Statements

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

Basis of accounting and principle of measurement (Continued)

[illegible] liability in [illegible] price is directly observable or [illegible] financial statements are determined [illegible]

[illegible] measurement [illegible] whole:

- [illegible] quoted prices of the same [illegible]
- [illegible] quoted prices included [illegible]
- [illegible] relevant [illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

[illegible] and sales of glass products [illegible]

1. Statement of Compliance with CASBE

[illegible] fully and completely the consolidated and the Company's financial position as at 31 December 2020 and the [illegible]

2. Accounting Period

The ac[illegible]

3. Operating Cycle

Operating [illegible] or cash e[illegible] usually takes approximately [illegible]

4. Functional Currency

Renminbi [illegible] primary economic environment in which the Company and its domestic [illegible] domestic subsidiaries use RMB as their [illegible] The Com[illegible] VND as its functional currency [illegible] the prim[illegible] in which it operates. The currency used by the Company [illegible] financia[illegible]

5. Business Combinations

Business combin[illegible]
and business combinati[illegible]

5.1 Business combinations involving enterprises under common control

[illegible]

[illegible] (or the aggregate face value of the shares issued) is adjusted to share premium under capital reserve. If [illegible]

The costs that are directly attributable to the business combination are charged to profit or loss in the [illegible]

5.2 Business combinations not involving enterprises under common control and goodwill

[illegible]

The [illegible] assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in exchange for contr[illegible] servi[illegible] to th[illegible]

[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

6. Preparation of Consolidated Financial Statements

[illegible] determined based on control. [illegible] investor enjoys variable returns [illegible] over the investee to [illegible]

[illegible] the Group obtains control over [illegible]

[illegible] Group, the operating results [illegible] included in the consolidated [illegible]

[illegible] combination not [illegible] acquisition date [illegible] in the consolidated income statement and consolidated statement of cash flows, as appropriate.

[illegible] the reporting [illegible] common control of the [illegible] as if they [illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

6. Preparation of Consolidated Financial Statements (Continued)

A transaction is ... or the disposal of part ... the subsidiary, and ... shareh... reserve. If the capital ...

7. Recognition Criteria of Cash and Cash Equivalents

and which are subject to an insignificant risk of changes in value.

8. Translation of Foreign Currency Business and Financial Statements Denominated in Foreign Currency

8.1 Foreign currency business

differences related to special borrowings denominated in foreign currency eligible for capitalization shall be capitali... on hedging ...

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

8. **Translation of Foreign Currency Business and Financial Statements Denominated in Foreign Currency (Continued)**

8.2 Translation of foreign currency financial statements

[illegible]

... arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are ... approximates the spot ... [illegible] ... and presented separately in the statement of cash flows as "effect of exchange rate changes on cash and ... [illegible]

[illegible]

9. **Financial Instruments**

[illegible]

9. **Financial Instruments** (Continued)

The effective in[illegible]
of a financial asset or [illegible]
of the financial liab[illegible]
basis of all [illegible]

[illegible] financial asset or [illegible]

9.1 Classification, recognition and measurement of financial assets

[illegible]

If the contractual terms of the financial asset stipulate that the cash flows generated on a specific date are [illegible]

[illegible]
selling such financial assets, the Group shall classify the financial asset into the financial asset at FVTOCI.
These [illegible]
wh[illegible]

[illegible]
centrally managed on initial recognition, and there is objective evidence of actually a recent short-

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

9. Financial Instruments (Continued)

9.1 Classification and measurement of financial assets (Continued)

... financial assets designated ...

... classified as financial assets ...

... Group may irrevocably ... reduces an accounting ... are met.

... derivative financial assets, financial assets at FVTPL are presented as held-for-trading ...

9.1.1 Financial assets measured at amortised cost

- For purchased or originated credit impaired financial assets, the Group recognises their interest ...

9. Financial Instruments (Continued)

9.1 Classification and measurement of financial assets *(Continued)*

9.1.2 Financ[illegible]

[illegible]

After the non-tradable equity instrument investment is designated as a financial asset at FVTOCI [illegible] other comprehensive income are transferred from other comprehensive income and recognised in [illegible]

[illegible] in profit or loss.

9.2 Impairment of financial instruments

[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

9. Financial Instruments (Continued)

9.2 Impairment of financial instruments (Continued)

[illegible] ECL of the financial instruments [illegible] current period, for the [illegible] initial [illegible]

[illegible] for the current period has [illegible]

[illegible] credit risk

[illegible] and supportable [illegible] risk of a financial instrument [illegible] since initial recognition by comparing the risk of a default occurring on the financial instrument as at the balance [illegible] default occurring on the [illegible] date [illegible] and financial guarantee [illegible] which it becomes the party making the irrevocable undertaking as the initial recognition date when [illegible] impairment.

[illegible]

(2) Whether the debtor's internal credit rating is actually lowered or is expected to be lowered [illegible]

[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

9. Financial Instruments (Continued)

9.2 Impairment of financial instruments *(Continued)*

9.2.1 Signific

instrument is considered to have a lower credit risk even if there is a negative change in the economic

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

9. Financial Instruments (Continued)

9.2 Impairment of financial instruments (Continued)

- For financial assets, the credit loss shall be the present value of the difference between the

- As for the financial assets with credit impairment occurred on the balance sheet date but

The factors reflected in the Group's methods of measuring ECL of financial instruments include:

9. Financial Instruments (Continued)

9.3 Transfer of financial assets

A financial [illegible]

[illegible]

measures the related liabilities in the following ways:

[illegible]

liability is the carrying amount of the continuing involvement in the transferred financial asset less [illegible]

[illegible]

obligations due to the transfer of the financial asset), the fair value of the rights and the obligations [illegible]

[illegible]

Notes to the Financial Statements

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

9. **Financial Instruments** (Continued)

9.3 Transfer of financial assets *(Continued)*

[illegible] the [illegible] carrying amount of the [illegible] to [illegible] cumulative gain or loss allocated [illegible] comprehensive income is [illegible]

[illegible] in its entirety that does not [illegible] transferred financial [illegible] as a liability upon [illegible]

9.4 Classification and measurement of financial liabilities and equity instruments

Based on the contractual terms of the financial instruments issued and the economic substance rather [illegible] along with the definition [illegible] instruments or its components [illegible]

9.4.1 Financial liabilities at FVTPL

[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

9. Financial Instruments (Continued)

9.4 Classification and measurement of financial liabilities and equity instruments (Continued)

9. **Financial Instruments** (Continued)

9.5 Derivative instruments and embedding derivatives

Derivative [illegible]

[illegible] instrument if the master contract included in the hybrid contract does not belong to financial assets, and [illegible]

(1) The economic characteristics of the embedded derivatives are not closely related to the economic [illegible]

[illegible] the Group is unable to measure the fair value of an embedded derivative reliably in accordance with the terms [illegible]

9.6 Offsetting financial assets and financial liabilities

[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

9. **Financial Instruments** (Continued)

9.7 Convertible bonds

[illegible] conversion options, shall be [illegible] of [illegible]

[illegible] the value of the liability portion [illegible] conversion options. The difference [illegible] liability portion shall be taken [illegible] bonds into equity instruments [illegible]

[illegible] subsequent measurement, the liability portion of convertible bonds are measured at amortised cost [illegible] The value of the conversion [illegible] equity instruments [illegible] instruments. No [illegible] expires or is converted [illegible]

[illegible] convertible bonds shall be apportioned [illegible] their respective fair values [illegible]

10. **Financing receivables**

For notes receivable classified as at FVTOCI, the portion within one year (inclusive) from the date of acquisition is pr[illegible] 9.1, 9.[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

11. Inventories

11.1 Classification of inventories

The Group [illegible]

11.2 Pricing of inventories delivered

[illegible]

11.3 Determination of net realisable value of inventories

[illegible]

11.4 Inventory system

[illegible]

11.5 Amortization of low-value consumables

[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

12. Assets Held for Sale

[illegible]

13. Long-term Equity Investments

13.1 Basis of determination of joint control and significant influence

[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

13. Long-term Equity Investments (Continued)

13.2 Determination of initial investment cost

For a long-term ... combination ... The difference ... amount of cash paid ...

... initial investment cost of a long-term equity investment and the total nominal value of the shares issued ...

... shall be adjusted.

...

The ...

at its ...

13.3 Subsequent measurement and recognition of profit or loss

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

13. Long-term Equity Investments (Continued)

13.3 Subsequent measurement and recognition of profit or loss *(Continued)*

[illegible]

13.4 Disposal of long-term equity investments

[illegible]

14. Investment Properties

15. Fixed Assets

15.1 Conditions of recognition

fixed asset is recognised only when the economic benefits associated with the asset are probable to flow

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

17. Borrowing Costs

special foreign currency borrowings are all capitalised; the exchange differences on general-purpose foreign

18. Intangible Assets

18.1 Intangible assets

net residual value rate of each class of intangible assets are as follows:

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

18. Intangible Assets (Continued)

18.2 Internal research and development expenditures

[illegible] for the period.

[illegible] recognized in profit or loss for the [illegible]

[illegible] completing the intangible [illegible]

[illegible] the intangible asset and [illegible]

[illegible] the asset generates economic benefits, including the ability [illegible] produced using the intangible asset or the intangible asset itself has a market and prove its usefulness if the intangible asset will be used internally;

[illegible] resources to complete the development [illegible]

[illegible]

[illegible] development activities only includes the total expenditure incurred from the time when the capitalization [illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

19. Impairment of Long-term Assets

The Group asses [illegible]
investment properties [illegible]
assets with finite [illegible]
[illegible]

[illegible]

is made based on the difference and recognised in profit or loss for the period.

[illegible]

20. Long-term Deferred Expenses

[illegible]

21. Contract Liabilities

A contract [illegible]
Group has received consideration (or an amount of consideration is due) from the customer. Contract assets and contra [illegible]

22. Employee Compensation

22.1 Accounting for short-term employee compensation

In the [illegible]

[illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

22. Employee Compensation (Continued)

22.2 Accounting for post-employment benefits

22.3 Accounting for termination benefits

... termination benefits to em... recognised in profit or loss ... not unilaterally withdraw the termination benefits provided because of an employee termination ... the Group confirms the co...

23. Provisions

... penditure is determined by discounting the expected future cash outflows

24. Share-based Payments

The G... exchan... The Gr...

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

24. Share-based Payments (Continued)

24.1 Equity settled share-based payments

Equity-settled [illegible]

[illegible] the fair value of the [illegible]

[illegible]

24.2 Accounting treatment in relation to implementation, modification and termination of share-based payment plan

When the Group modifies the share-based payment plan, and if such modification increases the fair [illegible]

[illegible] of the equity instruments granted

During [illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

25. Revenue

[illegible]

For performance obligations to be performed during a certain period of time, the Group recognises revenue [illegible]

(2) the customer can control the goods under construction during the performance of the Group; (3) the goods [illegible]

26. Government Grants

[illegible]

26.1 Judgement basis and accounting treatment of government grants related to assets

[illegible]

26. Government Grants (Continued)

26.2 Judgement basis and accounting treatment of government grants related to revenue

Please refer to [illegible]

[illegible]

The government grants related to the Group's daily activities are included in other income/offset the [illegible]

27. Safety Production Expenses

[illegible]

The provisi[illegible] expenses for the period, and is presented separately in the "special reserve" item under the owners' equity. When safety [illegible] is used to [illegible]

Notes to the Financial Statements

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

28. Deferred Income Tax Assets/Deferred Income Tax Liabilities

... income tax expense.

28.1 Current income tax

28.2 Deferred income tax assets and deferred income tax liabilities

... the carrying amount of ...

... those items that ...

... tax laws and their ...

... liabilities are recognised using the balance sheet liability method.

... temporary differences, deferred tax assets are recognised to the extent that it is probable that taxable ...

... deductible temporary differences ...

... initial recognition of goodwill ...

... not a business combination ...

28. Deferred Income Tax Assets/Deferred Income Tax Liabilities (Continued)

28.2 Deferred income tax assets and deferred income tax liabilities *(Continued)*

At the balance [illegible]

[illegible]

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to [illegible]

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

29. Lease (Continued)

29.1 The Group as lessee

commencement date of the lease. The lease commencement date refers to the starting date for

required by the terms of the lease.

29. Lease (Continued)

29.1 The Group as lessee (Continued)

29.1.3 Lease

- fixed payments and in-substance fixed payments, less the relevant amount of any lease

- variable lease payment that are based on an index or a rate;

after the lease commencement date

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

29. Lease (Continued)

29.2 The Group as lessor

[illegible]

29.3 The Group as lessor under operating leases

[illegible] ments for operating leases [illegible] term. Initial direc[illegible] ted on the same ba[illegible] profit or loss for the period in stages.

30. Critical Judgements in Applying Accounting Policies and Key Assumptions and Uncertainties in Accounting Estimates

[illegible]

The [illegible] Where the changes in accounting estimates only affect the period of change, the impact is recognised in the perio[illegible]

At the [illegible] a mate[illegible]

Impairment of trade receivables

The Gro[illegible] trade rec[illegible] historical [illegible] expected [illegible] RMB50,3[illegible]

30. Critical Judgements in Applying Accounting Policies and Key Assumptions and Uncertainties in Accounting Estimates (Continued)

Impairment of fixed assets

Recognition of deferred income tax assets

31 December 2019: RMB18,458,589.23) which are included in the balance sheet. Deferred income tax assets

Notes to the Financial Statements

(IV) TAXATION

1. Major Types of Tax and Tax Rates

Tax type	Tax basis	Tax rate
[illegible]	[illegible]	13%
	[illegible] (VAT) [illegible] deductible input VAT for the current period)	
[illegible]	Turnover tax payment	[illegible]
[illegible]	Turnover tax payment	[illegible]
[illegible]	Turnover tax payment	[illegible]
[illegible]	Cost of properties/rental income	Note 1
[illegible]	[illegible] of mining products [illegible]	7%
[illegible]	[illegible] income	[illegible]
Environmental protection tax	Pollutant emissions	RMB1.2 or RMB1.4

The [illegible]	
浙江福萊特玻璃有限公司 Zhejiang Flat Glass Co., Ltd.	25%
浙江[illegible]	[illegible]
上海[illegible]	[illegible]
安徽[illegible]	[illegible]
安徽[illegible]	[illegible]
福萊特[illegible]	[illegible]
嘉興福[illegible]	[illegible]
福萊特[illegible]	[illegible]
福萊特([illegible] Limited	[illegible]
福萊特([illegible]	[illegible]
鳳陽福萊[illegible] Co., Ltd.	[illegible]

(IV) **TAXATION** (Continued)

2. **Tax Preferences**

The Company

On 4 December [illegible]

Zhejiang Jiafu Glass Co., Ltd.

[illegible] for a valid period of three years, pursuant to which the EIT rate of 15% is applied from 2019 to 2021

Anhui Flat Solar Glass Co., Ltd.* (

Notes to the Financial Statements

(V) INTERESTS IN OTHER ENTITIES

1. Interests in Subsidiaries

The composition of the corporate group

(V) INTERESTS IN OTHER ENTITIES (Continued)

1. Interests in Subsidiaries (Continued)

Note 1: Zhejiang [illegible]

Note 2: Zhejiang Jiafu was [illegible] and as to 45% [illegible] RMB [illegible]

[illegible] Jiafu was wholly owned by [illegible]

[illegible] to RMB700,000,000 on 6 August 2010 [illegible]

to which Zhejiang Jiafu transferred its 40% equity interest in Anhui Flat Material to the Company. Upon completion of the transfer, Anhui Flat [illegible]

Note 10: [illegible]

Note 11: [illegible]

(V) INTERESTS IN OTHER ENTITIES (Continued)

2 Interest in associates

[illegible]	[illegible]	[illegible]	[illegible]	Shareholding and voting rights percentage [illegible]	Accounting treatment method for investment in [illegible]
[illegible]	Zhejiang	Zhejiang	Transportation of [illegible]	[illegible]	[illegible]
[illegible]	Anhui	Anhui	[illegible]	[illegible]	[illegible]

(1) Financial information summary of insignificant associate

[illegible]	Closing balance/ [illegible]
[illegible]	
[illegible]	
Net profit	2,614,841.66
[illegible]	

(2) Major restrictions on the ability of transferring funds to the Group of associates

T[illegible] G[illegible]

(3) Contingent liabilities relating to investment of associates

The [illegible] investment of associates.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash at Bank and on Hand

Hong Kong dollars	[illegible]	[illegible]	[illegible]
Yen	[illegible]	[illegible]	[illegible]
Swiss [illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]
Including: [illegible]	[illegible]	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Cash at Bank and on Hand (Continued)

[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2. Trading Financial Assets

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

3. Derivative Financial Assets

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

Notes to the Financial Statements

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. **Bills Receivable**

(1) ***Bills receivable by category***

RMB

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(2) ***Bills receivable pledged by the Group at the end of the year***

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Total	62,201,214.55

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Bills Receivable (Continued)

(3) Bills receivable that have been endorsed or discounted by the Group at the end of the year but not yet due at the balance sheet date

Note: The above bills receivable that have been endorsed or discounted but not yet due at the balance sheet date have not been

(4)

(5) Disclosed by classification of credit loss provision method

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. **Bills Receivable** (Continued)

(5) ***Disclosed by classification of credit loss provision method*** *(Continued)*

(VI) **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (Continued)

4. Bills Receivable (Continued)

(6) Credit loss provision

Classification	Opening balance	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]		[illegible]		
[illegible]	[illegible]		[illegible]		

5. Trade Receivables

(1) Disclosed by ageing:

RMB

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2–3 years	[illegible]	[illegible]	[illegible]	542,957.55	422,588.41	77.83
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Trade Receivables (Continued)

(2) Disclosed by classification of credit loss provision method:

RMB

Credit loss

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Trade Receivables (Continued)

(2) Disclosed by classification of credit loss provision method: (Continued)

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Trade Receivables (Continued)

(2) Disclosed by classification of credit loss provision method: (Continued)

RMB

5. Trade Receivables (Continued)

(3) Changes in credit loss provision of trade receivables

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

(4) Receivables actually written off for the year

Items	[illegible]
[illegible]	[illegible]

(5) Details of top five trade receivables with the closing balances classified by the borrowers:

[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Financing receivables

Item	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]

[illegible] made classification on ban[illegible] with higher credit rating, so [illegible] these specific bank acceptance [illegible] they are clas[illegible]

[illegible] the bad debt provision [illegible] be[illegible] in the bank [illegible] significant loss due to bank default.

(1) Changes in fair value

(2) Bank acceptance bills pledged by the Group at the end of the year

Item	[illegible]
Ban[illegible]	[illegible]

6. Financing receivables (Continued)

(3) Bank acceptance bills that have been endorsed or discounted by the Group at the end of the year but not yet due at the balance sheet date

Note: The above-mentioned endorsed or discounted bank acceptance bills that had not expired on the balance sheet date shall be derecognized.

7. Advance Payments

(1) The ageing analysis of advance payments is as follows:

Ageing	[illegible]	[illegible]	Amount	Percentage (%)
Within 1 year	[illegible]	[illegible]	[illegible]	[illegible]
1-2 years	[illegible]	[illegible]	[illegible]	[illegible]
2-3 years	[illegible]	[illegible]	[illegible]	[illegible]
Over 3 years	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

(2) Details of top five advance payments with the closing balances classified by the payees:

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Other Receivables

RMB

Items	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(1) Disclosed by ageing

RMB

[illegible]	[illegible]	[illegible]	[illegible]	receivables	provision	(%)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(2) Other receivables listed by classification by nature

N[illegible]	[illegible]	[illegible]
Dep[illegible]	[illegible]	[illegible]
Ma[illegible]	[illegible]	[illegible]
Rese[illegible]	[illegible]	[illegible]
Othe[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

8. Other Receivables (Continued)

(3) Impairment of other receivables

The Group [illegible]

Credit risk rating [illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Other Receivables (Continued)

(4) Changes in credit loss provision

RMB

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(5) Details of top five other receivables with the closing balances classified by other receivables

RMB

[illegible]	[illegible]	[illegible]	Percentage of the other receivables (%)	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	100,000.00	[illegible]	[illegible]
[illegible]	[illegible]	50,000.00	[illegible]	[illegible]
Total		22,362,291.73	91.95	50,000.00

Note: [illegible]

9. Inventories

(1) Inventories category

(2) Inventory impairment provision

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Other Current Assets

Items	[illegible]	Opening balance
Value-added tax recoverable	[illegible]	113,055,099.76
[illegible]	[illegible]	5,265,275.24
Prepaid rent	[illegible]	5,022,209.84
Prepaid income tax	[illegible]	46,103,407.17
[illegible]	[illegible]	5,064,383.26
Others	[illegible]	
Total	[illegible]	174,510,375.27

11. Long-term Equity Investments

RMB

Investee	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Associates					
Kaiho[illegible]					
Kunl[illegible]					
Total					

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

12. Other Equity Instrument Investments

(1) Status of other equity instrument investments

Item	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(2) Status of non-trading equity instrument investments

Item	[illegible]	[illegible]	[illegible] designated to be measured [illegible]
[illegible] (Note)	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

13. **Investment Properties**

Investment properties with cost measurement model

RMB

Items	Houses and buildings	Land use rights	Total
I. Total [illegible]			
1. [illegible]	27,486,62[illegible]	[illegible]	[illegible]
II. Accumulated [illegible]			
1. [illegible]	11,87[illegible]	[illegible]	[illegible]
2. [illegible]	1,267,5[illegible]	[illegible]	[illegible]31,470.40
[illegible]	1,267,[illegible]	[illegible]	[illegible]70.40
3. [illegible]	13,1[illegible]	[illegible]	[illegible]
III. [illegible]			
1. [illegible]	[illegible]	[illegible]	[illegible]
2. [illegible]	15,611,736.35	6,053,435.48	21,665,171.83

The [illegible]

[illegible]

The [illegible] accumulated amortization and impairment provision. At the end of the current year, according to the evaluation of qu[illegible] to RM[illegible]

Fair v[illegible] evalua[illegible] determ[illegible] determ[illegible] rate is d[illegible] value of [illegible] market c[illegible] evaluated [illegible] revises th[illegible] situation. [illegible] evaluation [illegible]

Whe[illegible] use. The [illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

14. Fixed Assets

(1) Fixed assets

Items	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(1) Disposal or scrap		(126,267,836.46)	(269,250.77)	(5,668,156.57)	(134,265,225.62)
currency financial statements	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] Closing balance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4. Exchange differences on foreign currency [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(VI) **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (Continued)

14. Fixed Assets (Continued)

(2) At the end of the year, the Group's temporarily idle fixed assets

RMB

Item	Book value	Accumulated depreciation	Impairment provision	[illegible]
[illegible] and equipment	8,292,131.46	[illegible]	[illegible]	[illegible]
[illegible]	268,037.61	[illegible]	[illegible]	[illegible]
Total	8,560,169.07	[illegible]	[illegible]	[illegible]

[illegible] the Group's idle fixed assets [illegible] of the [illegible] The Group considers that [illegible] for future production needs, and the management makes provision for impairment of related assets in [illegible] book value and the recoverable amount.

(3) [illegible] fixed assets of the Group without property certificates [illegible]

Item	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

15. Construction in Progress

(1) Listed by classification

Item	[illegible]	[illegible]
Con[illegible]	[illegible]	[illegible]
Eng[illegible]	[illegible]	[illegible]
Total	[illegible]	926,828,544.14

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. Construction in Progress (Continued)

(2) Construction in progress

a. Construction in progress

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. Construction in Progress (Continued)

(2) *Construction in progress (Continued)*

Project	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Transfer amount into fixed assets in the current year	Transfer amount into others in the current year	Closing amount	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] borrowings
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] phase I cold repair [illegible]	200,000,000.00		[illegible]	[illegible]		[illegible]		[illegible]	42%	42%			Self-funds
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			Self-funds
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] project	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Anhui Flat [illegible] 900,000 tons [illegible] glass project	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(3) *Engineering materials*

Item	[illegible]	[illegible]
Spe[illegible]	[illegible]	[illegible]
Oth[illegible]	[illegible]	[illegible]
Tota[illegible]	[illegible]	[illegible]

16. Right-of-use Assets

Items	[illegible]
I. Book value	
1. Opening balance	[illegible]
2. Amount increased in the current period	[illegible]
(1) Increase	[illegible]
3. Exchange differences on foreign currency financial statements translation	[illegible]
4. Closing balance	[illegible]
II. Accumulated depreciation	
1. Opening balance	[illegible]
2. Amount increased in the current period	4,857,170.49
(1) Provision	4,857,170.49
3. Exchange differences on foreign currency financial statements translation	(896,055.76)
4. Closing balance	[illegible]
III. Book value	
1. Closing balance of book value	179,869,026.26
2. Opening balance of book value	[illegible]

RMB [illegible]

The [illegible] RMB15,6[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Intangible Assets

RMB

Items	Land use rights	[illegible]	[illegible]	Software	Total
I. [illegible]					
1. [illegible]	155,114,610.92	30,418,912.45	[illegible]	[illegible]	[illegible]
2. [illegible]	[illegible]	8,909.59	[illegible]	[illegible]	[illegible]
3. [illegible]	[illegible]	30,427,822.04	[illegible]	[illegible]	[illegible]
II. [illegible]					
1. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
III. [illegible]					
1. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2. [illegible]	286,910,996.25	6,978,336.17	126,738,220.82	6,502,918.25	427,130,471.49

18. Deferred Tax Assets/Deferred Tax Liabilities

(1) Deferred tax assets before offsetting

(2) Deferred tax liabilities before offsetting

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

18. Deferred Tax Assets/Deferred Tax Liabilities (Continued)

(3) The net balances of deferred tax assets or liabilities after offsetting

RMB

Items	[illegible]	[illegible]	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(4) Deductible losses and other temporary difference of unrecognized deferred tax asset Items:

Items	[illegible]	Opening balance
[illegible]	[illegible]	26,474,183.91
Others	[illegible]	1,568,512.12
Total	[illegible]	27,982,696.03

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

18. Deferred Tax Assets/Deferred Tax Liabilities (Continued)

(5) The deductible losses of unrecognized deferred tax assets will expire in the following years:

[illegible]	[illegible]	[illegible]

19. Other Non-current Assets

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

20. Short-term Borrowings

		Opening balance
Mortgaged borrowings		
[illegible]		
Credit borrowings		
Total		

[illegible] mortgaged borrowings, please refer [illegible]

At [illegible] had no short-term borrowings [illegible]

The annual interest rate of the above borrowings in current year is from 1.25% to 4.35% (last year: from [illegible]

21. Derivative Financial Liabilities

Item		
Deri[illegible] re[illegible] – [illegible]		
Total		

22. Bills Payables

Bank acc[illegible]		
Total		

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Trade Payables

(1) Listing of trade payables:

[illegible]	[illegible]	[illegible]
Trade payables	[illegible]	[illegible]
Construction costs payable	[illegible]	[illegible]
Total	[illegible]	[illegible]

(2) Ageing analysis of trade payables according to the invoice date (similar to the posting date):

Items	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(3) Significant trade payables with ageing over 1 year

[illegible]	[illegible]	[illegible]
Construction costs payable	[illegible]	[illegible]
Trade payables	[illegible]	[illegible] resolved
Total	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

24. Contract Liabilities

(1) Listing of contract liabilities:

RMB

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

(2) [illegible] in the book value of [illegible] amounted to RMB24.9 [illegible]

(3) [illegible] the Group shall deliver the products to the customer's designated location [illegible] the customer [illegible] the Group [illegible] of the product is [illegible] The Group [illegible] performance obligations stipulated in the contract, and at this time, have the right to receive [illegible] from the Group [illegible] the Group [illegible]

25. Payroll Payable

(1) Listing of payroll payable

RMB

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

25. Payroll Payable (Continued)

(2) Listing of short-term remuneration

V. Labor education & union	[illegible]	[illegible]	[illegible]	[illegible]

(3) Defined contribution plan

Items				
1. Basic pension insurance	[illegible]	[illegible]	[illegible]	[illegible]
2. Unemployment insurance	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

25. Payroll Payable (Continued)

(3) Defined contribution plan (Continued)

[illegible]

[illegible] basic wage [illegible] for [illegible] payment obligations. The cor[illegible] are incurred.

[illegible] shall pay a total of [illegible] 388,910 to the pe[illegible] respectively. As of 31 December 2020, RMB789,608.54 and RMB28,340.30 had been accrued [illegible] and unemployment [illegible] Such [illegible]

26. Taxes Payable

Items		
Ente[illegible]	[illegible]	[illegible]
VA[illegible]	[illegible]	[illegible]
Lan[illegible]	[illegible]	[illegible]
Prop[illegible]	[illegible]	[illegible]
Urba[illegible]	[illegible]	[illegible]
Educ[illegible]	[illegible]	[illegible]
Indiv[illegible]	[illegible]	[illegible]
Others	[illegible]	[illegible]
Total	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

27. Other Payables

Listing of items:

RMB

Items	Closing balance	Opening balance
Interest payable	[illegible]	[illegible]
Dividends payables	[illegible]	[illegible]
Other payables	[illegible]	[illegible]
Total	[illegible]	[illegible]

(1) Interest payable

Item	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(2) Dividends payables

Item	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

27. Other Payables (Continued)

(3) Other payables

RMB

Item		

(Note)

28. Non-Current Liabilities Due Within One Year

Long		
Total		

29. Long-Term Borrowings

(1) Categories of long-term borrowings

[illegible]	[illegible]	[illegible]

(2) Profile of maturity dates of long-term borrowings:

1 to 2 years	[illegible]	[illegible]
2 to 5 years	[illegible]	[illegible]
Total	[illegible]	[illegible]

(3) Other descriptions

[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

30. Bonds Payables

(1) *Bonds payables*

RMB

[illegible]

(2) *Changes in bonds payable*

RMB

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Issuance for	interests at	premium/	Conversion for	[illegible]

[illegible]

30. Bonds Payables (Continued)

(3) Descriptions of issue, conversion term and time of convertible corporate bonds

Approved by [illegible]

[illegible]

increase of share capital, issuance of new shares (excluding any increase in the share capital as a result [illegible]

[illegible]

the Company will redeem all outstanding A Share Convertible Corporate Bonds that are not converted into [illegible]

[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

30. Bonds Payables (Continued)

(3) Descriptions of issue, conversion term and time of convertible corporate bonds (Continued)

[illegible] A Share Convertible [illegible] increase [illegible] rights issue [illegible] distribution [illegible] adjusted according to the [illegible] made issuance of new [illegible] restricted shares to the [illegible] RMB ordinary [illegible] per share. The equity [illegible] of the Company from 1,950 million shares to 1,954.6 million shares; on 9 October 2020, the [illegible] RMB0.65 [illegible] RMB177,049,000 [illegible] revised the conversion price of "Flat Convertible Bonds" to RMB13.48 per share.

[illegible] Convertible Bonds [illegible] RMB [illegible] of shares converted [illegible]

31. Lease Liabilities

Items	[illegible]	[illegible] balance
Lease [illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

32. Deferred Revenue (Continued)

Item	Opening balance	Increased during the year	Decreased during the year	[illegible]	[illegible]	Asset-related/ income-related
[illegible]	[illegible]16,862.91	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] equipment	1,950,494.85	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	4,650,000.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] million square meters LOW-E [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] technology project grant	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] project grant	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Anhui [illegible] LOW-E [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Anhui [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

33. Share Capital and Treasury Stock

Share capital

		Changes for the year		
[illegible]	Opening balance	New shares issued (Note 1)	Conversion [illegible] (Note 2)	[illegible]
Total shares [illegible]	[illegible]500,000.00	1,450,000.00	21,662,[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

33. Share Capital and Treasury Stock (Continued)

Treasury stock

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

34. Other equity instruments

RMB

[illegible]

35. Capital reserve

RMB

[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

36. Other Comprehensive Income

Other						
will be reclassified into profit or						
translation	5,935,642.83	(23,092,036.70)	–	(23,092,036.70)	–	

37. Special Reserve

Items	Opening	Increase	Decrease	
Safety production fee	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

38. Surplus Reserve

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

39. Undistributed Profit

Items		Amount
[illegible] undistributed profit		[illegible]
[illegible] holders of the parent company		[illegible]
[illegible]		[illegible]
Less: [illegible] reserves		[illegible]
[illegible]		[illegible]
[illegible] (Note 2)		[illegible]

Note [illegible]

Note [illegible]

40. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

Items				
[illegible]				
[illegible]				
Total				

Note: [illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

40. Operating Revenue and Operating Cost (Continued)

(2) Breakdowns of operating revenue

By source of [illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

40. Operating Revenue and Operating Cost (Continued)

(2) Breakdowns of operating revenue *(Continued)*

[illegible]

RMB

[illegible]

RMB

[illegible]

(3) Performance obligations

T[illegible] the [illegible] pr[illegible] customer's acceptance [illegible] cus[illegible] acceptance is made, the control [illegible] to th[illegible] revenue. After the customer [illegible] cust[illegible] manner and price of the goods, [illegible] resp[illegible] with the goods. The Group recei[illegible] fully [illegible] the delivery of the goods, and the [illegible] direc[illegible] 20 [illegible] after the acceptance of the goods.

The [illegible] the Group's sales contract does not exceed one [illegible] pric[illegible] the performance obligation is not disclosed.

41. Taxes and Surcharges

Items		
[illegible]	[illegible]	[illegible]

42. Selling Expenses

Items		
Transportation expenses	[illegible]	[illegible]
Pallet expenses	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Others	[illegible]	[illegible]
Total	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

43. Administrative Expenses

Items	[illegible]	Amount [illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

44. Research and Development Expenses

Items	[illegible]	[illegible]
Employ[illegible]	[illegible]	[illegible]
Direct m[illegible]	[illegible]	[illegible]
Deprecia[illegible]	[illegible]	[illegible]
Others	[illegible]	[illegible]
Total	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

45. Finance Expenses

Items		

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

48. Gains (Losses) Arising from Changes in Fair Value

Sources of gains [illegible]	[illegible]	[illegible] Amount [illegible] year
[illegible] fair value of interest rate [illegible]	[illegible]	[illegible]
[illegible] fair value of forward [illegible]	[illegible]	[illegible]
[illegible] fair value of for[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

49. Credit Impairment Losses

Items	[illegible]	[illegible]
Cred[illegible]	[illegible]	[illegible]
Credit impairment losses on trade receivables	[illegible]	(10,806,940.74)
Cred[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

50. Asset Impairment Losses

Items	[illegible]	[illegible]
Inventory [illegible]	[illegible]	[illegible]
Impairme[illegible]	[illegible]	(12,253,523.91)
Total	[illegible]	[illegible]

51. Losses on Disposal of Asset

Items	[illegible]	[illegible]
[illegible] fixed assets	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

52. Non-Operating Income

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

53. Non-Operating Expenses

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

54. Income Tax Expense

RMB

Item	[illegible]	Amount for the last year
[illegible]	[illegible]	[illegible]
[illegible] last year	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]
Effect of non-deductible costs, expenses and losses	[illegible]	622,253.54
[illegible]	[illegible]	[illegible]

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

55. Supplementary Information for Income Statement

Items		
[illegible]		
Taxes and surcharges		[illegible]

56. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share

For the [illegible]
share [illegible]

Items		
[illegible]		

Notes to the Financial Statements

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

56. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Continued)

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

57. Notes to Items in the Cash Flow Statement

(1) *Other cash received and related to business activities*

(2) *Other cash paid and related to operating activities*

[illegible]	[illegible]	[illegible]
Charitable donation expenses		45,000.00
Handling [illegible]	[illegible]	[illegible]
Others	[illegible]	[illegible]

(3) *Other cash received and related to investment activities*

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

57. Notes to Items in the Cash Flow Statement (Continued)

(4) Other cash paid and related to investment activities

RMB

Items	[illegible]	[illegible]
[illegible] funds	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	161,153,769.10

(5) Other cash received and related to fundraising activities

RMB

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(6) Other cash paid and related to fundraising activities

Items	[illegible]	[illegible]
Pay[illegible]	[illegible]	[illegible]
Issu[illegible]	[illegible]	[illegible]
A-sh[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

58. Supplementary Information for Cash Flow Statement

(1) *Supplementary information for cash flow statement*

Supplementary information		
[illegible]	[illegible]	[illegible]
Losses for disposal of fixed assets, intangible assets and [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Notes to the Financial Statements

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

58. **Supplementary Information for Cash Flow Statement** (Continued)

(2) ***Component of cash and cash equivalents***

RMB

Item	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible] available for payment	[illegible]	[illegible]
[illegible] available for payment	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible] end of the year	[illegible]	[illegible]068,094.59

59. **Assets with Restricted Ownership or Use Rights**

RMB

Items	Book value at the end of the year	Reasons for restriction
Mon[illegible]	[illegible]	[illegible]
Bill[illegible]	[illegible]	[illegible]
Financing receivables	188,205,989.77	Pledged to bank to obtain credit facilities
Inve[illegible]	[illegible]	[illegible]
Fixed [illegible]	[illegible]	[illegible]
Intan[illegible]	[illegible]	[illegible]
Total	[illegible]	

60. Foreign Currency Monetary Items

Items			
[illegible]			
Total			
[illegible]			
Other [illegible]			
Including: HKD			
Total			
[illegible]			

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

61. Government Grants

			2023
Type	[illegible] related	[illegible]	Amount for the year
[illegible]	Revenue	Other revenue	[illegible]
[illegible]	Revenue	[illegible]	[illegible]
[illegible]	Revenue	[illegible]	[illegible]
[illegible]	Revenue	[illegible]	[illegible]
[illegible]	Revenue	[illegible]	[illegible]
[illegible]	Revenue	[illegible]	[illegible]
[illegible]	Revenue	[illegible]	[illegible]
Total			22,162,859.02
[illegible]			

62. Operating Lease Arrangement

Reve[illegible]

Total undiscounted lease receipts in each of the five accounting years after the balance sheet date and in subse[illegible]

Undisco[illegible]	[illegible]	[illegible]
1 year a[illegible]	[illegible]	[illegible]
2 years a[illegible]	[illegible]	[illegible]
3 years a[illegible]	[illegible]	[illegible]
4 years a[illegible]	[illegible]	[illegible]
5 years a[illegible]	[illegible]	[illegible]
Subseque[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

[illegible] on [illegible] financial [illegible] receivables, other equ[illegible] other payables, lease liabiliti[illegible]

[illegible]		
Trade payab[illegible]		
Other payab[illegible]		
Bonds payable		–
Lease liabilities		
Borrowings		

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies

[illegible] ...lance between risk and ... to ... maximize interest of shareholders ... firm and analyze all ... [illegible]

1.1 Market risk

[illegible] ... its financial risks ... that the above risks during ... been changed compared ... [illegible]

1.1.1 Foreign exchange risk

[illegible] ... the risk of loss arising from ... economic environment of the Company and its major subsidiaries is China and Vietnam whose ... Some of the Group ... USD, EUR, JPY, HKD, GBP and ... [illegible]

[illegible]	[illegible]	[illegible]

[illegible] ... forward contracts ... 2020, the Company entered into ... to foreign currency ... [illegible]

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.1 Market risk (Continued)

1.1.1. Foreign [illegible]

[illegible]

Positive refers to an increase in profit before tax due to exchange rate changes, and negative refers

RMB

USD	Depreciation of 5% against VND			(604,193,951)	(604,193,951)

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.1 *Market risk* *(Continued)*

... Group's floating ... borrowings ...

... 254,636.60) (please refer ...

... interest rate risk. The ...

... there is no interest rate ...

... rate risk

... prepared based on the ...

... period and the ...

the relevant financial year and remains the same during each reporting period (for instruments that

... bank borrowings with floating ...

RMB

... sensitivity analysis does not ...

because ...

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.2 Credit risk

As at 31 Dec [illegible]

[illegible]

limits and conducting credit approval. At the same time, the Group performs other monitoring procedures

[illegible]

are made for the relevant financial assets. As a result, the management of the Group believes that the

[illegible]

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.3 Liquidity risk

[illegible] cash and cash equivalents that [illegible] the impact of [illegible] have [illegible] significant liquidity [illegible]

[illegible] of non-discounted [illegible] analyzed as below:

[illegible]

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

2. Transfer of Financial Assets

At the end of [illegible] RMB706,981,322.62 [illegible] bills receivable of [illegible] The Group [illegible]

[illegible]

bills receivable of RMB1,000,000.00 (At the end of last year: RMB341,723,029.12) to bank to obtain currency [illegible]

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

3. Capital Management

[illegible] shareholder returns.

[illegible]

[illegible]

[illegible] capital structure based on change [illegible]

(VIII) DISCLOSURE OF FAIR VALUE (Continued)

3. Valuation Techniques and Qualitative and Quantitative Information on Important Parameters Adopted for the Second Level of Continuous and Non-continuous Fair Value Measurement

4. Fair Value of Financial Assets and Financial Liabilities Not Measured at Fair Value

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Related parties with controlling relationship

2. The Group's subsidiaries

3. Associates of the Group

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS

4. Related Party Transactions

[illegible]	Relationship with the related party
[illegible]	[illegible] Company

5. Related Party Transaction

(1) *Sales of goods*

RMB

Related party	Content of the related party transaction	[illegible]	[illegible]
[illegible]	Sales of goods	[illegible]	[illegible]
[illegible]	Sales of goods	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]

(2) *Purchase of goods/accepting labor service*

RMB

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	
Total		[illegible]	[illegible]

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

5. Related Party Transactions (Continued)

(3) Related lease

Related party	Content of the related party transaction	[illegible]	[illegible]

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

6. Amounts Due to/from Related Parties

Items	Related parties	Closing balance	Opening balance
Trade receivables	Jiaxing Yihe Investment Co., Ltd.	[illegible]	1,453,110.99
Other receivables	Jiaxing Yihe Investment Co., Ltd.	[illegible]	2,000,000.00
Other current assets	Jiaxing Yihe Investment Co., Ltd.	[illegible]	[illegible]
Other current assets	Fengyang Hongding Port Co., Ltd.	[illegible]	[illegible]
Total		[illegible]	5,022,209.84

Items	Related parties	Closing balance	Opening balance
Trade payables	Jiaxing Yihe Investment Co., Ltd.	[illegible]	[illegible]
Total		[illegible]	[illegible]

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

7. Directors' Remuneration

2020

Hua Fulan

and other

employment

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

7. Directors' Remuneration (Continued)

[illegible] (last year: two), and his/her [illegible] (last year: three) are as follows:

RMB

[illegible]

(X) SHARE-BASED PAYMENTS

1. Details of share-based payments

Pursuant to the
(Draft) and its Summ
Management Mea
Glass

The first grant date of restricted shares was 11 August 2020. A total of 15 participants actually subscribed

by 15 participants to subscribe for 4,600,000 ordinary shares (A shares). The sales restriction period of each

(X) SHARE-BASED PAYMENTS (Continued)

2. Equity settled share-based payments

(XI) COMMITMENTS AND CONTINGENCIES

1. Significant Matters of Commitments

Capital Commitment

2. Contingencies

(XII) EVENTS AFTER THE BALANCE SHEET DATE

1. Profit distribution plan for 2020

The Company [illegible] shares as at the regis[illegible] (tax inclusive) for [illegible] of cash d[illegible]

[illegible]

2. Non-public issuance of RMB ordinary shares (A Shares)

[illegible] and approved by the Approval of the Non-public Issuance of Shares of Flat Glass Group Co., Ltd. (CSRC [illegible] value of RMB0.25 per share. As of 7 January 2021, the Company has completed the non-public issuance [illegible]

3 Early redemption of convertible corporate bonds

[illegible] than 130[illegible]

(XIII) OTHER SIGNIFICANT MATTERS

1. Segment Report

(1) Segment report information

(XIII) **OTHER SIGNIFICANT MATTERS** (Continued)

1. **Segment Report** (Continued)

(1) Segment report information *(Continued)*

Adjusted items:

Asset impairment losses

(XIII) OTHER SIGNIFICANT MATTERS (Continued)

1. Segment Report (Continued)

(2) *Foreign trade income by source of income*

RMB

(3) *Non-current assets by location*

(XIII) **OTHER SIGNIFICANT MATTERS** (Continued)

1. **Segment Report** (Continued)

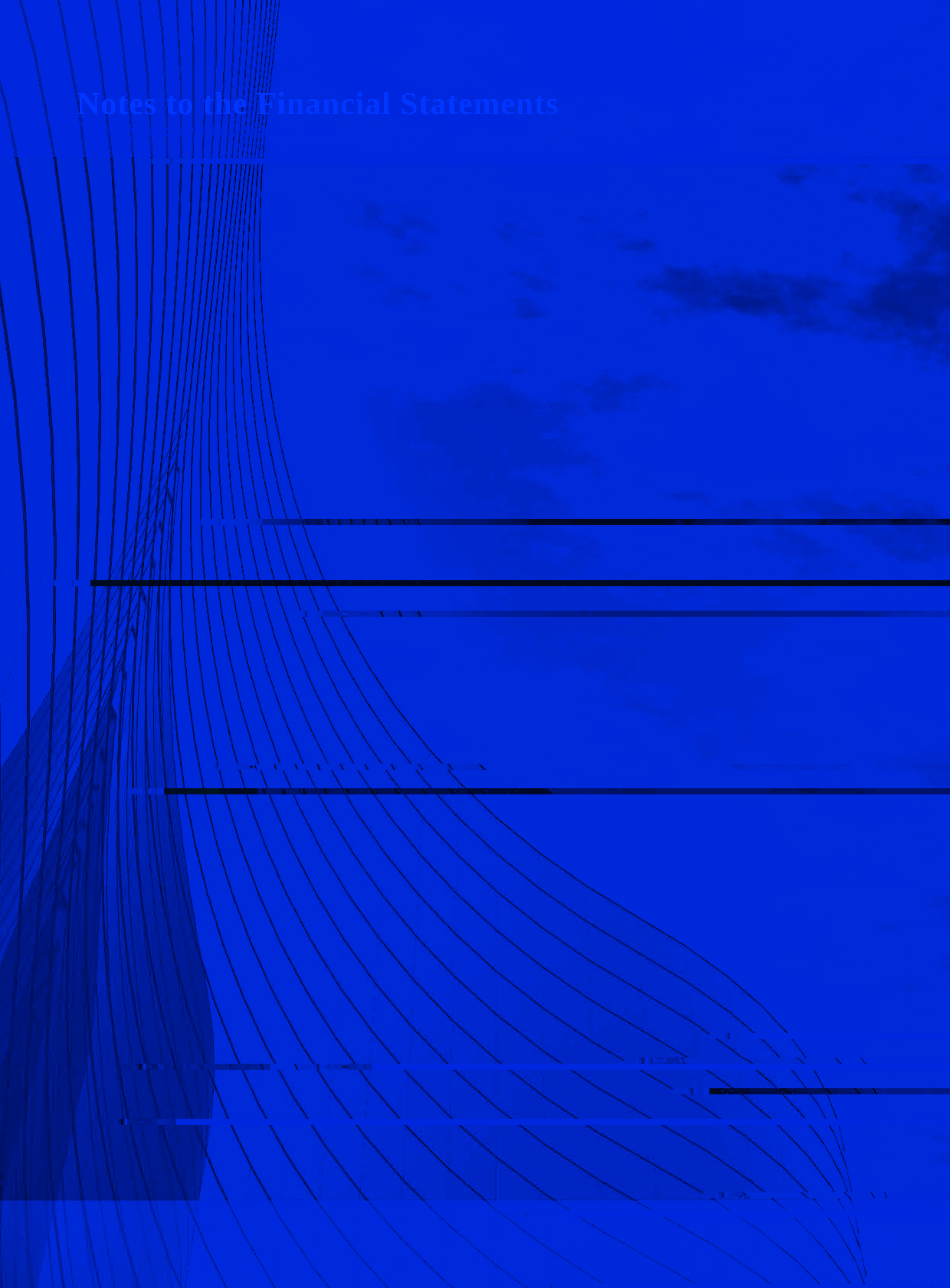
   (4) ***Reliance on major customers***

   In 2020, the [illegible]

2. **Net Profit for the Year Net of** [illegible]

Employees' salaries (including directors' salaries)	[illegible]	[illegible]
Leases	[illegible]	[illegible]
Inventor[illegible]	[illegible]	[illegible]
Provision [illegible]	[illegible]	[illegible]

Notes to the Financial Statements



(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

1. Cash at Bank and on Hand (Continued)

GBP	[illegible]	[illegible]	[illegible]
EUR	[illegible]	[illegible]	[illegible]
CHF	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]

Notes to the Financial Statements

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

2. Derivative Financial Assets

RMB

Items	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

3. Bills Receivable

(1) Bills receivable listed by category

RMB

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	1,567,902,478.08

(2) Bills receivable pledged by the Group at the end of the year

Items	[illegible]
Ban[illegible]	[illegible]
Com[illegible]	[illegible]
Total	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

3. Bills Receivable (Continued)

(3) Bills receivable that have been endorsed or discounted by the Company but not yet due at the balance sheet date

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(4)

(5) Disclosed by classification of credit loss provision method

Notes to the Financial Statements

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

3. **Bills Receivable** (Continued)

(5) ***Disclosed by classification of credit loss provision method*** (Continued)

RMB

[illegible]	Amount	Percentage (%)	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	1,568,668,278.08	100.00	765,800.00		1,567,902,478.08

Portfolio category	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]

The [illegible] sign[illegible]

3. **Bills Receivable** (Continued)

(6) Credit loss provisions

[illegible]	Opening balance	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

4. **Trade Receivables**

(1) Disclosed by ageing:

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Within 1 year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1–2 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2–3 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Over 3 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

4. **Trade Receivables** (Continued)

(2) ***Analysis by categories based on method of provision for credit loss allowance:***

RMB

[illegible]

[illegible]	Book balance	Percentage (%)	provision	provision (%)	Book value
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

The Company always measures the impairment allowance for receivables at an amount equal to lifetime [illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

4. Trade Receivables (Continued)

(2) Analysis by categories based on method of provision for credit loss allowance: *(Continued)*

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

4. Trade Receivables (Continued)

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

4. Trade Receivables (Continued)

(3) Changes in credit loss provisions of trade receivables

[illegible]	[illegible]	[illegible]	[illegible]
Balance at 31 December [illegible]	[illegible]	[illegible]	[illegible]

(4) Trade receivables for the actual write-off in the year

Item	[illegible]
Trade receivables actually written off	[illegible]

(5) Details of top five trade receivables with the closing balances classified by the borrowers:

[illegible]

(6) [illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

5. Financing receivables

RMB

Items		Opening balance

(1) Changes in fair value

Fair value	

(2) Bank acceptance bills pledged by the Company at the end of the year

Item	
Trad	

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

5. Financing receivables (Continued)

(3) *Bank acceptance bills that have been endorsed or discounted by the Company at the end of the year but not yet due at the balance sheet date*

Item	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Total	[illegible]

6. Advance Payments

(1) *The analysis of advance payments listed by aging is as follows:*

Ageing	[illegible]	[illegible]	Amounts	Percentage (%)
Within 1 year	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]

(2) *Details of top five advance payments with the closing balances classified by the payees:*

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

7. Other Receivables

RMB

Item	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(1) Disclosed by the ageing

RMB

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

(2) Other receivables classified by nature

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Ma[illegible]	[illegible]	[illegible]
Res[illegible]	[illegible]	[illegible]
Dep[illegible]	[illegible]	[illegible]
Othe[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

7. Other Receivables (Continued)

(3) Impairment of other receivables

At the end [illegible]

Low risk [illegible]

Notes to the Financial Statements

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

7. Other Receivables (Continued)

(4) Changes in credit loss provisions of trade receivables

RMB

(5) Details of top five trade receivables with the closing balances classified by the borrowers

8. Inventories

(1) Inventories category

Finished goods	61,519,281.68	696,815.66	60,822,466.02

(2) Inventory impairment provision

Low-valued consumables	2,783,814.87	2,770,934.14	–	1,461,014.43	

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

9. Other Current Assets

Items		Opening balance
[illegible]		
[illegible]		
Others		
Total		

10. Long-term Equity Investments

[illegible] as follows:

Investee					
Subsidiaries					
Zhejiang [illegible]					
Zhejiang [illegible]					
Shanghai [illegible]					
Anhui Fl[illegible]					
Anhui Fl[illegible]					
Flat (Hon[illegible]					
Flat New [illegible]					
Flat Import [illegible]					
Associates					
Kaihong Fla[illegible]			[illegible]	[illegible]	
Total		[illegible]	[illegible]	[illegible]	

11. Fixed Assets

(1) Fixed assets

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

11. **Fixed Assets** (Continued)

(1) ***Fixed assets*** *(Continued)*

[illegible] at the end of last year: [illegible]

[illegible]

(2) [illegible] had no temporarily idle fixed assets.

(3) [illegible] had no fixed assets without [illegible]

Items	Book value	[illegible] to complete [illegible]
[illegible] thermal [illegible]	12,147,211.18	The title certificate is still in process

12. **Construction in Progress**

(1) ***Listed by category***

Items	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

12. Construction in Progress (Continued)

(2) Construction in progress

[illegible]	[illegible]	[illegible]	[illegible]
Cold repair project of the second line of [illegible] Flat PV glass production line)	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Items			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible] of Jiaxing (phase I) project)	4,051,081.01		4,051,081.01
[illegible]	[illegible]	[illegible]	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

12. **Construction in Progress** (Continued)

(3) Changes in major construction projects in progress in the year

RMB

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Self-funds
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	97%	97%	–	–	–	Self-funds

(4) [illegible]

13. **Intangible Assets**

Items	[illegible]	[illegible]	[illegible]	[illegible]
I. Ori[illegible]				
1. Ope[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2. Am[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3. Clos[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
II. Accu[illegible]				
1. Open[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2. Amou[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(1) Provi[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3. Closing [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
III. Book [illegible]				
1. Closing balance [illegible] value	[illegible]	[illegible]	[illegible]	[illegible]
2. Openin[illegible]	[illegible]	4,486,886.56	[illegible],918.25	170,704,769.30

At the e[illegible] with the net value of RMB133,689,341.9[illegible] RMB136[illegible] to obtain borrowings.

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

14. Deferred Tax Assets

(1) *Deferred tax assets before offsetting*

Item	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
changes in fair value	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(2) *Deferred tax liabilities before offsetting*

Item	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Subtotal	[illegible]	[illegible]	[illegible]	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

14. **Deferred Tax Assets** (Continued)

(3) The net balances of deferred tax assets or liabilities after offsetting

RMB

[illegible]	[illegible]	[illegible]	[illegible]	6,379,144.69
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

15. **Other Non-current Assets**

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	567,405,500.94

Note: [illegible]

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY’S FINANCIAL STATEMENTS** (Continued)

16. Short-term Borrowings

Classification		
[illegible]		

At the end of the year, the Company had no short-term borrowings that were overdue.

17. Bills Payables

Classification		
[illegible]		

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

18. Trade Payables

(1) Listing of trade payables

RMB

[illegible]

(2) Ageing analysis of trade payable based on invoice date (close to the date of recorded):

[illegible]	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
Co[illegible]	[illegible]	Project [illegible]
Trade [illegible]	[illegible]	The [illegible]
Total	[illegible]	[illegible]

19. Contract Liabilities

(1) Listing of contract liabilities:

(2)

(3)

20. Payroll Payable

(1) Listing of payroll payable

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

20. Payroll Payable (Continued)

(3) Listing of defined contribution plan (Continued)

The Company [illegible]

21. Taxes Payable

Classification	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]
Land use tax	[illegible]	[illegible]
Total	[illegible]	[illegible]

22. Other Payables

[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

22. Other Payables (Continued)

(1) Interest payable

RMB

[illegible]	[illegible]	[illegible]
[illegible] with interest paid in [illegible] due to maturity [illegible] borrowings	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]61

(2) Dividend payable

22. Other Payables (Continued)

(3) Other payables

23. Long-Term Borrowings

(1) Categories of long-term borrowings

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

23. **Long-Term Borrowings** (Continued)

(2) Profile of maturity dates of long-term borrowings:

[illegible]	[illegible]	Opening balance
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(3) Other descriptions

[illegible] borrowings was between [illegible]

24. **Deferred Revenue**

RMB

Classification	[illegible]	Amount [illegible]	Amount [illegible]	[illegible]
Government [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	24,542,320.20	–	11,056,200.72	[illegible]

24. Deferred Revenue (Continued)

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

24. Deferred Revenue (Continued)

Items	Opening balance	Increased in the year	Included in other income in the year	[illegible]	[illegible]	Related to assets/income
[illegible]	1,950,494.85	[illegible]	[illegible]	[illegible]	[illegible]	Related to [illegible]
[illegible] items	4,650,000.00	[illegible]	[illegible]	[illegible]	[illegible]	Related to assets
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

25. Other Comprehensive Income

RMB

Items	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
I. Other comprehensive income that will not be reclassified to profit or loss [illegible]						
II. Other comprehensive income that will be reclassified to profit or loss afterwards	–	(7,017,138.16)	(1,052,570.72)	(5,964,567.44)	[illegible]	[illegible]
– Changes in fair value of [illegible]	–	(7,017,138.16)	(1,052,570.72)	(5,964,567.44)	[illegible]	[illegible]
Total	–	(7,017,138.16)	(1,052,570.72)	(5,964,567.44)	[illegible]	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

26. Undistributed Profit

Items		
[illegible] the beginning of [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

27. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

RMB

Items				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	3,591,539,008.03	3,000,997,457.74

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

27. Operating Revenue and Operating Cost (Continued)

(2) *Disaggregation of operating income*

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

27. Operating Revenue and Operating Cost (Continued)

(2) Disaggregation of operating income (Continued)

Disaggregatio[illegible]

Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

27. **Operating Revenue and Operating Cost** (Continued)

(3) Performance obligations

[illegible] products [illegible] products. The Company [illegible] the [illegible] and the Group [illegible] has full rights to decide [illegible] and the risk of loss [illegible] the purchase payment before [illegible] is 30 to 120 [illegible]

[illegible] of the Company are within one year, it is not necessary to disclose the transaction price [illegible] obligations.

28. **Taxes and Surcharges**

Items	[illegible]	[illegible]
Urba[illegible]	[illegible]	[illegible]
Land[illegible]	[illegible]	[illegible]
Prope[illegible]	[illegible]	[illegible]
Educa[illegible]	[illegible]	[illegible]
Stamp[illegible]	[illegible]	[illegible]
Envir[illegible]	[illegible]	[illegible]
Other[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

29. Selling Expenses

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

30. Administrative Expenses

[illegible]	[illegible]	[illegible]
Decorat[illegible]	[illegible]	[illegible]
Depre[illegible]	[illegible]	[illegible]
Intermediary agency service fee	[illegible]	8,534,231.12
Greening and [illegible]	[illegible]	[illegible]
Audit ex[illegible]	[illegible]	[illegible]
Rent ex[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Notes to the Financial Statements

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

31. Research and Development Expenses

[illegible]	[illegible]	Amount [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

32. Finance Expenses

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

33. Other Revenues

Sources [illegible]	[illegible]	[illegible]
Deferred [illegible]	[illegible]	[illegible]
Social sec[illegible]	[illegible]	[illegible]
Tax handl[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

34. Investment (Losses) Income

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

35. Losses Arising From Changes in Fair Value

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible] contracts	[illegible]	[illegible]
Losses [illegible] exchange contracts	[illegible]	[illegible]
Total	[illegible]	[illegible]

36. Credit Impairment Losses

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Other receivables credit impairment losses	[illegible]	(100,000.00)
Total	[illegible]	[illegible]

Notes to the Financial Statements

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

37. Asset Impairment Losses

Items	[illegible]	Amount [illegible] year
[illegible]		
[illegible]		
[illegible]		

38. Losses on Disposal of Asset Disposal

Items	[illegible]	[illegible] for last year
[illegible]		
[illegible]		
Total		

39. Non-operating Income

Items	[illegible]	[illegible]
Governm[illegible]		
Others		
Total		

40. Non-operating Expenses

Items		
[illegible] expenses	[illegible]	[illegible]
Other	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

41. Income Tax Expense

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Reconciliation [illegible]

[illegible]	[illegible]	[illegible]
Effect on research and development costs plus deduction)	[illegible]	(11,258,439.16)
[illegible]	[illegible]	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

42. Supplementary Information for Income Statement

Item	[illegible]	Amount [illegible] year
[illegible]	[illegible]	[illegible]
[illegible] process inventory	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]975,061.15
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	95,348,990.71
Total	[illegible]	[illegible]

43. Notes to Items in Cash Flow Statement

(1) Other cash received and related to business activities

Items	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Other [illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

43. **Notes to Items in Cash Flow Statement** (Continued)

(4) Other cash paid and related to investment activities

RMB

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(5) Other cash received and related to fundraising activities

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(6) Other cash paid and related to fundraising activities

Item	[illegible]	[illegible]
Pay[illegible]	[illegible]	[illegible]
Rep[illegible]	[illegible]	[illegible]
Exp[illegible]	[illegible]	[illegible]
A-sh[illegible]	[illegible]	[illegible]
Tot[illegible]	[illegible]	[illegible]

44. Supplementary Information for Cash Flow Statement

(1) Supplementary information for cash flow statement

Supplementary information		
Fair value change losses		[illegible]

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

44. **Supplementary Information for Cash Flow Statement** (Continued)

(2) ***Component of cash and cash equivalents***

RMB

Items	[illegible]	[illegible]
I. [illegible]		
[illegible]		
[illegible] deposits available for payment		
[illegible] funds available for payment		
II. [illegible]		
[illegible] at the end of the year	[illegible]	[illegible]928,035.19

45. **Assets with Restricted Ownership or Use Rights**

RMB

Items	[illegible]	[illegible]
Mo[illegible]	[illegible]	[illegible]
Bills [illegible]	[illegible]	[illegible]
Fina[illegible]	[illegible]	[illegible]
Fixed assets	[illegible]	Pledged to bank to obtain credit facilities
Intang[illegible]	[illegible]	[illegible]
Total	[illegible]	

46. Government Grants

Items			
[illegible]	[illegible]	[illegible]	[illegible]
Including: Government subsidies included	[illegible]	[illegible]	[illegible]

47. Related Parties and Related Party Transactions

(1) The Company's other related parties

[illegible]

Notes to the Financial Statements

(XIV) **NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS** (Continued)

47. Related Parties and Related Party Transactions (Continued)

(2) Related party transactions

[illegible]

Related party	Content of the related party transaction	[illegible]	[illegible]
[illegible]	Sales	[illegible]	[illegible]
[illegible]	Sales	[illegible]	[illegible]
[illegible]	Sales	[illegible]	[illegible]
[illegible]	Sales	[illegible]	97,472,108.04
[illegible]	Sales	[illegible]	[illegible]
[illegible]	Sales	[illegible]	[illegible]
Flat (Vietnam)	Sales	[illegible]	1,193,972.12
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]

47. Related Parties and Related Party Transactions (Continued)

(2) Related party transactions *(Continued)*

2) Purchase [illegible]

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]		[illegible]
Flat New Energy	Purchase of raw materials		6,185,026.98
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]		[illegible]
[illegible]			

(3) Related lease

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

47. **Related Parties and Related Party Transactions** (Continued)

(3) ***Related lease*** *(Continued)*

[illegible]	Type of leased [illegible]		
[illegible]	Houses		[illegible]

(4) ***Procurement of fixed assets and engineering materials***

[illegible]	[illegible]		Amount
[illegible]	[illegible]		
[illegible]	engineering materials		
[illegible]			

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

47. Related Parties and Related Party Transactions (Continued)

(5) Amounts due to/from related parties

Trade receivables	Flat (Vietnam)		277,560.00
Advance payments	Flat (Hong Kong)		

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

47. **Related Parties and Related Party Transactions** (Continued)

(5) ***Amounts due to/from related parties*** *(Continued)*

RMB

Item	Related party	[illegible]	[illegible]
[illegible]	Jiaxing Fulai Investment Co., Ltd.	[illegible]	[illegible]
[illegible]	Anhui Flat Glass Flat New Energy	[illegible]	[illegible]
Total		[illegible]	[illegible]
[illegible]	Shanghai Flat	[illegible]	[illegible]
[illegible]	Anhui Flat Glass [illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Trade payables	Anhui Flat Glass [illegible]	[illegible]	[illegible]
Total		[illegible]	[illegible]

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

47. Related Parties and Related Party Transactions (Continued)

(6) Borrowing to related parties

Flat (Vietnam)		[illegible]	Nil	Nil		Interest [illegible]
[illegible]						fixed term of repayment

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

47. Related Parties and Related Party Transactions (Continued)

(7) Borrowings from related parties

RMB

Related parties	[illegible]	[illegible]	[illegible]	Expiry date	[illegible]	[illegible]
[illegible]						
[illegible]		41,857,200.00	2018-05-15	[illegible]		
[illegible]	[illegible]	–	Nil	[illegible]		
[illegible]	[illegible]		Nil	[illegible]		Interest free with no fixed term of repayment
[illegible]						
[illegible]		[illegible]	2018-05-15	[illegible]		[illegible]
[illegible]		[illegible]	2018-03-29	[illegible]		[illegible]
[illegible]		[illegible]	2017-12-07	2018-12-06		Fixed rate at 2%
[illegible]		[illegible]	2018-05-15	[illegible]		[illegible]
[illegible]	[illegible]		Nil	Nil		[illegible]

(8) Interest income

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]

47. Related Parties and Related Party Transactions (Continued)

(9) Interest expense

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

(10) Receiving guarantees from related parties

RMB

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Zhejiang Jiafu	The Company	55,669,000.00	2019-10-24	2020-10-23	Yes
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Notes to the Financial Statements

	Amount guaranteed

47. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties

Guarantor	Guaranteed party	Amount guaranteed	Commencement date	Expiry date	[illegible]
During the year					
The Company	Zhejiang [illegible]	79,500,000.00	[illegible]	[illegible]	No

(XIV) NOTES TO THE MAIN PROJECTS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

47. **Related Parties and Related Party Transactions** (Continued)

(11) Providing guarantees to related parties (Continued)

RMB

Guarantor	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	[illegible]
[illegible]	[illegible]	1,000,000.00	[illegible]	[illegible]	[illegible]
[illegible]	Anhui Flat Glass	4,060,214.00	2017-03-04	2022-12-25	No
[illegible]	[illegible]	7,443,700.00	[illegible]	[illegible]	No
[illegible]	[illegible]	4,106,000.00	[illegible]	[illegible]	[illegible]
The Company	Anhui Flat Glass	6,910,195.00	2017-03-04	2022-12-25	No
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
The Company	Anhui Flat Glass	50,000,000.00	2020-01-20	2020-10-16	Yes
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

47. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties *(Continued)*

The Company	Zhejiang Jiafu	49,500,000.00	2018-06-22	2019-06-19	Yes
The Company	Zhejiang Jiafu	30,000,000.00	2019-01-02	2019-07-02	Yes
The Company	Anhui Flat Glass	29,000,000.00	2019-10-28	2020-04-27	Yes

Notes to the Financial Statements

Amount

Supplementary Information

1. DETAILS OF EXTRA-ORDINARY PROFIT OR LOSS

Supplementary Information

2. RETURN ON EQUITY AND EARNINGS PER SHARE

[illegible] ...d in 2010) (CSRC [illegible] ...

RMB

	Weighted average return on equity		
[illegible]	[illegible]	[illegible]	[illegible]
During the year			
[illegible]		[illegible]	0.81
[illegible]			
[illegible]			
[illegible]	17	0.37	0.37
[illegible]	16	[illegible]	[illegible]

3. THE GROUP'S SUMMARY OF PERFORMANCE, ASSETS AND LIABILITIES IN THE PAST FIVE ACCOUNTING YEARS

Items					
I. Total operating income					
Asset impairment losses (gains))		(14,697,934.51)	(2,589,390.06)	8,955,619.51	(69,529,094.56)
Profit or loss					
V. Other comprehensive					
Other comprehensive income (net of tax) attributable to					

Supplementary Information

3. **THE GROUP'S SUMMARY OF PERFORMANCE, ASSETS AND LIABILITIES IN THE PAST FIVE ACCOUNTING YEARS** (Continued)

Items	[illegible]	[illegible]	[illegible]	31 December 2017	31 December 2016
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	4,512,888,388.09	[illegible]	[illegible]	[illegible]