福萊特玻璃集團

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Corporate Information

DIRECTORS

Executive directors

Mr. R an Hongliang *(Chairman of the Board of Directors)*
Ms. Jiang Jinh a
Mr. Wei Ye hong
Mr. Shen Qif

Independent non-executive directors

Ms. X Pan
Ms. H a F lan
Ms. Ng Ya K en Carmen

SUPERVISORS

Mr. Zheng Wenrong *(Chairman of the Board of S per isors)*
Mr. Shen F q an
Mr. Zh Q anming
Ms. Ni Liping
Ms. Zhang H i hen

AUDIT COMMITTEE

Ms. X Pan *(Chairman)*
Ms. H a F lan
Ms. Ng Ya K en Carmen

REMUNERATION COMMITTEE

Ms. X Pan *(Chairman)*
Mr. R an Hongliang
Ms. H a F lan

NOMINATION COMMITTEE

Ms. X Pan *(Chairman)*
Mr. R an Hongliang
Ms. H a F lan

STRATEGIC DEVELOPMENT COMMITTEE

Mr. R an Hongliang *(Chairman)*
Mr. Wei Ye hong
Ms. X Pan

RISK MANAGEMENT COMMITTEE

Mr. R an Hongliang *(Chairman)*
Ms. Jiang Jinh a
Ms. H a F lan

COMPANY SECRETARY

Ms. R an Ze[redacted] n

AUTHORISED REPRESENTATIVES

Mr. R an Hongliang
Ms. R an Ze[redacted] n

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

1999 Y nhe Road
Xi ho District
Jia ing
Zhejiang Pro ince
People's Rep blic of China (PRC)

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 6, 11/F, Prosperit[redacted] Place
6 Shing Yip Street, K n Tong
Ko loon
Hong Kong

CORPORATE WEBSITE

.flatgro p.com.cn

LEGAL ADVISERS AS TO HONG KONG LAW

Morgan, Le is & Bocki s

AUDITORS

Deloitte To che Tohmats
Certified P blic Acco ntants LLP

PRINCIPAL BANKERS

Bank of China Limited, Jia ing Branch
China CITIC Bank Corporation Limited, Jia ing Branch
Ind strial and Commercial Bank of China Limited,
Jia ing Branch
Bank of China Limited, Feng[redacted]ang Branch
Citibank, N.A., Hong Kong Branch
DBS Bank Limited, Hong Kong Branch

H SHARE REGISTRAR

Tricor In estor Ser ices Limited
17/F, Far East Finance Centre
16 Harco rt Road
Hong Kong

Chairman's Statement

Dear Shareholders:

On behalf of the board (the Board) of directors (Directors) of Flat Glass Gro p Co., Ltd. (the Compan , together ith its s bsidiaries, the Gro p), I present the a dited consolidated financial report of the Gro p for the ear ended 31 December 2022 (FY2022 or the Reporting Period).

In FY2022, the Gro p benefited from the impact of the release of ne capacit as ell as stable and strong increase in demand of PV ind str , and its operating re en e reached a ne high. The operating re en e of the Gro p for FY2022 as appro imatel RMB15,460.84 million, representing an increase of 77.44% as compared to RMB8,713.23 million for FY2021. The net profit attrib table to Shareholders of the parent compan for FY2022 as RMB2,122.78 million, representing an increase of 0.13% as compared to RMB2,119.92 million for FY2021.

STRONG GLOBAL DEMAND FOR PV INSTALLATION

The global photo oltaic ind str remained rob st in 2022. According to the statistics of the China Photo oltaic Ind str Association, the ne installed capacit of the EU in 2022 is e pected to e ceed 40GW, representing a ear-on-ear increase of o er 50%. Photo oltaic demand in other markets has also blossomed. Installed capacit in Bra il increased b 10.56GW in 2022, representing a ear-on-ear an increase of 98.11%; India's ne installed capacit as 13.96%, representing a ear-on-ear an increase of 17.45%. In addition, d e to the ncertaint of the polic , the PV installation in the US market as lo er than e pected, b t the strong demand in other markets offset the decline in the US.

In China, despite the high prices in the pstream of the PV ind str chain and the restrictions on the do nstream demand, especiall the demand for large-scale centrali ed po er stations, the PV installation thro gho t the ear maintained a strong tenacit . According to the statistics of the National Energ Administration, the ne installed capacit of PV as 87.41GW, representing a ear-on-ear increase of 59.3%, reaching a ne high again and becoming the largest and fastest gro ing po er t pe. Among them, centrali ed PV increased b 36.3GW, acco nting for 42%, representing a ear-on-ear increase of 41.8%; Distrib ted PV increased b 51.1GW, acco nting for 58%, representing a ear-on-ear increase of 74.5%. According to the statistics of the Photo oltaic Ind str Association, China's ne l installed photo oltaic capacit has ranked the first in the orld for ten consec ti e ears, and the c m lati e installed capacit has ranked the first in the orld for eight consec ti e ears.

EXPAND PRODUCTION CAPACITY AND IMPROVE MARKET COMPETITIVENESS

Facing the rapid gro th of the global installed demand and the capacit e pansion of some e isting and ne entrants, in order to f rther impro e market competiti eness and meet the differentiated req irements of do nstream c stomers for large-si e and thin glass, the Compan ill contin e to e pand its capacit and market share of photo oltaic glass on the basis of e isting capacit . At present, the phase IV project of the Gro p's prod ction base in Anh i has been nder constr ction, hich is e pected to ignite and p t into operation in 2023 according to the constr ction progress. In addition, the Gro p plans to b ild fo r photo oltaic glass f rnaces ith a dail melting capacit of 1,200 tons in Nantong Cit , Jiangs Pro ince, hich c rrentl has passed the hearing appro al ith accelerating constr ction.

With the polic of carbon peak and carbon ne tral at home and abroad introd ced, the gro th of do nstream installed capacit as achie ed from top to bottom. F rthermore, the cost of photo oltaic s stem has contin ed to decline in the past decade, impro ing the certaint and gro th of the photo oltaic ind str in the long term. In the medi m and long term, in this regard, photo oltaic po er generation is e pected to become the main force of the de elopment of ne po er s stems in China and the ne po er installations in the orld.

Le eraging on the fast de elopment of the photo oltaic ind str , photo oltaic glass becomes the necessar a iliar material for cr stalline silicon photo oltaic mod les. In order to f rther impro e the market competiti eness and meet the differentiated req irements of do nstream c stomers for large-si e and thin glass, the Compan ill contin e to e pand its capacit on the basis of e isting capacit . The total prod ction capacit of the Compan as of 31 December

Five-Year Financial Summary

	For the year ended 31 December				
	2022	2021	2020	2019	2018
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Re en e	**15,460,843**	8,713,228	6,260,418	4,806,804	3,063,803

BUSINESS OVERVIEW

The Group is principally engaged in the manufacturing and sales of various glass products, including PV glass, float glass, architectural glass and household glass. The production facilities of the Group are strategically located in Jiaxing, Zhejiang Province, and Fengyang County, Chuzhou, Anhui Province in the PRC and Haiphong, Vietnam. The Group mainly sells glass products to customers in countries including China, Vietnam, Singapore, Korea, India, Germany, Turkey and the United States.

In FY2022, the Group benefited from the impact of capacity expansion and the boom of PV industry, and its operating revenue reached a new high. The operating revenue of the Group for FY2022 was approximately RMB15,460.84 million, representing an increase of 77.44% as compared to RMB8,713.23 million for FY2021. The net profit attributable to Shareholders of the parent company for FY2022 was RMB2,122.78 million, representing an increase of 0.13% as compared to RMB2,119.92 million for FY2021.

Overview of the Group's business

1. Domestic expansion

Due to the boost of the photovoltaic industry, the penetration rate of large-size glass and thin glass is elevating. At present, the phase IV project of the Group's production base in Anhui has been under construction, which is expected to ignite and put into operation in 2023 according to the construction progress. In addition, the Group

SHARE OPTION SCHEME

A share option incentive scheme

On 17 A g st 2021, the Compan announced the plan to implement an A share option incenti e scheme (Scheme). The principal terms of the Scheme are as follo s:

a. Purpose of the Scheme

As incenti e or re ards to eligible participants for their contrib tion to the Compan to f rther impro e the corporate go ernance str ct re of the Compan, establish and enhance the long-term incenti e and constraint mechanism of the Compan, attract and retain talents, f ll mobili e the proacti eness and creati ities of the senior and mid-le el management and technical personnel of the Compan, effecti el promote the cohesi eness of the core team and the core competiti eness of the enterprise, effecti el align the interests of shareholders, the Compan and the core management team, enabling all parties to foc s on the long-term de elopment of the Compan, and ens re the achie ements of the de elopment strategies and operation objecti es of the Compan.

b. Eligible participants of the Scheme

Participants of the Scheme are the senior and mid-le el management and technical personnel of the Compan as at the date of the anno ncement of the draft Scheme p blished on the ebsite of the SSE. The Rem neration Committee prepared a list of eligible scope of the participants of the Scheme and the list as re ie ed and confirmed b the S per isor Committee. None of the participants of the Scheme is a Director or S per isor of the Compan.

c. Total number of Shares available for issue under the Scheme and percentage to the issued share capital as of the date of approval at the general meeting

The n mber of share options proposed to be granted nder the Scheme is 5,947,858, representing appro imatel 0.28% of the total iss ed share capital of 2,146,893,254 Shares of the Compan as at the date of appro al, among hich, the first grant of share options consists of 5,353,072 shares, representing appro imatel 0.25% of the total iss ed share capital of 2,146,893,254 shares of the Compan as at the date of appro al and 90% of the total n mber of share options nder the grant; the reser ed share options consist of 594,786 shares, representing appro imatel 0.03% of the total iss ed share capital of 2,146,893,254 shares of the Compan as at the date of appro al and 10% of the total n mber of share options nder the grant.

d. Maximum entitlement of each participant under the Scheme

The total n mber of shares of the Compan to be granted nder the Scheme to an one of the abo e participants d ring the Validit Period ill not e ceed 1.00% of the Compan's total share capital. The total n mber of target shares in ol ed in the Scheme d ring the alidit period ill not e ceed 10.00% of the total share capital of the Compan hen the Scheme as s bmitted to the Shareholders' general meeting. The Reser ed Share Options shall not e ceed 20.00% of the total share options a ailable nder the Scheme. If the participants ol ntaril ai e the benefits granted d e to personal reasons, the Board shall make corresponding adj stments to the n mber of shares options granted.

e. The period within which the shares must be taken up under an option

Upon the f lfillment of conditions of the e ercise of the share options, the share options are e ercisable in fi e tranches pon e pir of 12 months from 19 No ember 2021 (Date of Grant). The e ercise arrangement for the First Grant of Share Options and the Reser ed Share Options are as follo s:

The e ercise arrangement for the First Grant of Share Options:

Exercise Arrangement	Exercise Period	Proportion of exercisable Share Options to the total number of Share Options granted
First E ercise Period	Commencing from the first trading da after the e pir of the 12th month from the Date of Grant of the First Grant of Share Options, and ending on the last trading da of the 24th month from the Date of Grant	20%
Second E ercise Period	Commencing from the first trading da after the e pir of the 24th month from the Date of Grant of the First Grant of Share Options, and ending on the last trading da of the 36th month from the Date of Grant	20%
Third E ercise Period	Commencing from the first trading da after the e pir of the 36th month from the Date of Grant of the First Grant of Share Options, and ending on the last trading da of the 48th month from the Date of Grant	20%
Fo rth E ercise Period	Commencing from the first trading da after the e pir of the 48th month from the Date of Grant of the First Grant of Share Options, and ending on the last trading da of the 60th month from the Date of Grant	20%
Fifth E ercise Period	Commencing from the first trading da after the e pir of the 60th month from the Date of Grant of the First Grant of Share Options, and ending on the last trading da of the 72th month from the Date of Grant	20%

The e ercise arrangement for the Reser ed Share Options:

Exercise Arrangement	Exercise Period	Proportion of exercisable Share Options to the total number of Share Options granted
First E ercise Period	Commencing from the first trading da after the e pir of the 12th month from the Date of Grant of the Reser ed Share Options, and ending on the last trading da of the 24th month from the Date of Grant	20%
Second E ercise Period	Commencing from the first trading da after the e pir of the 24th month from the Date of Grant of the Reser ed Share Options, and ending on the last trading da of the 36th month from the Date of Grant	20%
Third E ercise Period	Commencing from the first trading da after the e pir of the 36th month from the Date of Grant of the Reser ed Share Options, and ending on the last trading da of the 48th month from the Date of Grant	20%
Fo rth E ercise Period	Commencing from the first trading da after the e pir of the 48th month from the Date of Grant of the Reser ed Share Options, and ending on the last trading da of the 60th month from the Date of Grant	20%
Fifth E ercise Period	Commencing from the first trading da after the e pir of the 60th month from the Date of Grant of the Reser ed Share Options, and ending on the last trading da of the 72th month from the Date of Grant	20%

f. The minimum period for which an option must be held before it can be exercised

Upon the f lfillment of conditions of the e ercise of the Share Options, the Share Options are e ercisable in fi e tranches pon e pir[illegible] of 12 months from the Date of Grant.

g. The amount payable on application or acceptance of the option and the period within which payments must or may be made

There is no amo nt pa[illegible]able on application or acceptance of the option and there is no time req irement for hich pa[illegible]ments m st or ma[illegible] be made.

h. The basis of determining the exercise price

The e ercise price nder the First Grant of Share Options shall not be less than the nominal al e of the Shares and in principle the higher of:

(i) the a erage trading price of the A shares of the Compan[illegible] on the trading da[illegible] immediatel[illegible] preceding the date of anno ncement of the Scheme (draft), being RMB44.02 per Share (as compared to 80% of the a erage trading price on s ch date as set o t in the anno ncement, being RMB35.22 per Share); or

(ii) the a erage trading price of the A shares of the Compan[illegible] for the 120 trading da[illegible]s immediatel[illegible] preceding the date of anno ncement of the Scheme (draft), being RMB34.90 per Share (as compared to 80% of the a erage trading price for s ch period as set o t in the anno ncement, being RMB27.92 per Share).

The E ercise Price of the Reser ed Share Options shall be adj sted to be identical to the E ercise Price nder the First Grant of Share Options, being RMB44.02 per Share (as compared to the E ercise price of RMB35.22 per Share as set o t in the anno ncement).

i The remaining life of the Scheme

The Validit[illegible] Period of the Scheme commenced from the Date of Grant of the Share Options, and shall end on the date on hich all the share options granted to the participants nder the Scheme ha e been e ercised or cancelled, and shall not be longer than 72 months.

j. accounting policy adopted for the share options

The date of the grant is 19 No ember 2021. On each balance sheet date ithin the esting period, the Compan[illegible] shall recogni e the rele ant assets costs or c rrent e penses for the ser ices acq ired d ring s ch period and shall be recogni ed nder Capital Reser e · Other Capital Reser e at the fair al e of the share options on the Date of Grant based on the best estimate of the n mber of e ercisable share options.

If the e ercise conditions are met on the E ercise Date, the share options can be e ercised and carried for ard to the Capital Reser e · Other Capital Reser e recogni ed on each balance sheet date before the E ercise Date; if all or part of the share options become in alid or are abolished d e to fail re to e ercise, it shall be treated in accordance ith acco nting standards and related reg lations.

As for the acco nting treatment after the e ercise date, no adj stment shall be made to the confirmed costs and total o ner's eq it .

In accordance ith the rele ant req irements of the Acco nting Standards for B siness Enterprises No. 11 Share-based Pa ments (企業會計準則第11號 股份支付) and the Acco nting Standards for B siness Enterprises No. 22 Recognition and Meas rement of Financial Instr ments (企業會計準則第22號 金融工具確認和計量), the Compan ses the Black-Scholes model (B-S model) as the pricing model, and the Compan ses this model to make an estimation on the fair al e of the share options granted based on 17 A g st 2021 (official calc lation ill be cond cted at the time of grant). The specific parameters are selected as follo s:

(i) Price of target shares: RMB42.89 per share (closing price on 17 A g st 2021)

(ii) Validit Period: 1 ear, 2 ears, 3 ears, 4 ears and 5 ears, respecti el (period commencing from Date of Grant and ending on the first date of e ercise for each respecti e period)

(iii) Historic olatilit : 14.73%, 17.44%, 18.71%, 17.92% and 16.55% (ann ali ed olatilit for the corresponding period of SSE Composite Inde)

(i) Risk-free interest rate: 1.50%, 2.10% and 2.75% (based on one- ear, t o- ear, three- ear, three- ear and abo e RMB deposit benchmark interest rate, respecti el , of financial instit tes de eloped b the People's Bank of China)

On 26 No ember 2021, the Compan anno nced the first grant of 5,341,072 shares of A share option incenti e scheme to 288 participants at an e ercise price of RMB44.02 per share. The details of the First Grant of the 2021 A Share Options are as follo s:

a. *Date of grant*

19 No ember 2021

b. *N mber of grant*

5,341,072

c. *N mber of participants of grant*

288

d. *Connected person as participants*

E cept for Mr. Zh Y ping (祝宇平), son of Mr. Zh Q anming (祝全明), a S per isor of the Compan th s a connected person of the Compan , none of the participants is a connected person of the Compan as defined nder Chapter 14A of the Listing R les. A total of 40,000 share options ere granted to Mr. Zh Y ping nder the First Grant of Share Options to the participants.

e. *E ercise price and e ercise period*

RMB44.02 per share. In the e ent of capitali ation of capital reser es, bon s iss e, di idend distrib tion, s bdi ision or consolidation of shares, rights iss e, etc. of the Compan, d ring the period from the date of the anno ncement of the Scheme to the completion of share registration of share options b the participants, the e ercise price and the total n mber of nderl ing shares in ol ed o ld be adj sted in accordance ith the Scheme.

For details of the e ercise period of the First Grant of Share Options, please refer to the descriptions abo e.

f. *Closing price of the A shares on the date of immediatel before the date of grant*

RMB46.55 per share

g. *So rce of shares*

A shares of the Compan to be directl iss ed to the participants b the Compan

h. *Vesting period*

All share options granted to the participants are s bject to different esting periods, and each of them commences on the date on hich the registration of the grant of share options is completed. The inter al bet een the Date of Grant and the first e ercise date shall not be less than 12 months.

The participants of the Scheme ma e ercise share options pon the e piration of the esting period. The e ercise date m st be a trading da ithin the alidit period of the Scheme, and shall not fall ithin the period prohibited from e ercising rights of share options b the listing r les of the stock e change here the Compan 's Shares are listed.

The total o tstanding share options as at both 1 Jan ar 2022 and 31 December 2022 ere 5,341,072. For the date of grant, esting period, e ercise period and e ercise price of the rele ant o tstanding options as at 31 December 2022, please refer to the abo e paragraphs. In 2021, the Board granted 5,341,072 share options to 288 participants nder the first grant. Before completion of registration of the share options on 13 Jan ar 2022, 5 participants ga e p their entitlement here 95,600 share options ere cancelled, res lting in the adj sted n mber of participants as 283 ith the adj sted first grant of share options as 5,245,472 share options. D ring the Reporting Period, there ere no options granted or e ercised nder the Scheme. According to the Scheme, participants ho ill be granted ith the reser ed share options shall be ascertained ithin 12 months after the consideration and appro al of the Scheme b the shareholders' general meeting. D ring the Reporting Period, as no participants are ascertained after the lapse of 12 months, the reser ed share options, i.e. 606,786 share options, lapsed.

INDUSTRY OVERVIEW

Sustained high growth of demand for global installed PV

Dri en b strengthened desire for energ independence as a res lt of carbon ne tralit and geopolitical conflicts, energ prices in other markets ha e risen, th s promoting the global PV installation gro ing rapidl .

On 31 March 2022, Solar Po er E rope s bmitted the proposal on the Raising Solar Ambition for the E ropean Union's Energ Independence to Kadri Simson, the EU energ commissioner at the solar s mmit held in Br ssels, hich mentioned, in ie of the tense sit ation in R ssia and Ukraine and the increasingl serio s climate crisis, and considering the potential of photo oltaic e pansion, the c m lati e installed capacit of EU photo oltaic ill e ceed 1TW in 2030 in light of the accelerated scenario, far higher than the e pected installed capacit before the R ssia-Ukraine conflict, hich means the photo oltaic installed capacit ill reach 672GW in 2030. According to the statistics of the China Photo oltaic Ind str Association, the ne installed capacit of the EU in 2022 is e pected to e ceed 40GW, representing a ear-on-ear increase of o er 50%. Photo oltaic demand in other markets has also blossomed. Installed capacit in Bra il increased b 10.56GW in 2022, representing a ear-on-ear increase of 98.11%; India's ne installed capacit as 13.96GW, representing a ear-on-ear increase of 17.45%. In addition, d e to the ncertaint of the polic , the PV installation in the US market as lo er than e pected, b t the strong demand in other markets offset the decline in the US.

PV installation maintains strong tenacity in China

In 2022, in terms of the photo oltaic ind str , d e to the slo prod ction of some prod cts in the pstream ind strial chain, the staged mismatch bet een s ppl and demand, and the grad al rise of prices, the prices of prod cts in all links ere raised to a certain e tent, hich has a certain impact on the de elopment of the do nstream market; As for photo oltaic glass, nder the condition of relati el stable price of photo oltaic glass, the Compan 's profit is at a relati el lo position d e to the contin o s rise in the price of main ra materials and f el and the rising cost.

Despite ario s press res, the domestic installed capacit still maintained a relati el high gro th in 2022, as e idenced b the constr ction of large domestic bases and distrib ted photo oltaic applications steadil impro ing. According to the statistics of the National Energ Administration, the ne installed capacit of photo oltaic has reached 87.41GW, representing a ear-on-ear increase of 59.3%, reaching a ne high again and becoming the largest and fastest gro ing po er t pe of ne installed capacit . Among them, centrali ed PV increased b 36.3GW, acco nting for 42%, representing a ear-on-ear increase of 41.8%; Distrib ted PV increased b 51.1GW, acco nting for 58%, representing a ear-on-ear increase of 74.5%. According to the statistics of the Photo oltaic Ind str Association, China's ne l installed photo oltaic capacit has ranked the first in the orld for ten consec ti e ears, and the c m lati e installed capacit has ranked the first in the orld for eight consec ti e ears.

In 2022, the total e port of China's photo oltaic prod cts as appro imatel US$51.25 billion, representing a ear-on-ear increase of 80.3%; The e port of mod les in 2022 as appro imatel 153.6GW, representing a ear-on-ear increase of 55.8%, ith e port amo nt and the e port ol me hitting a record high.

Future prospect

Altho gh the high price of silicon materials has been the bottleneck of the de elopment of the photo oltaic ind str for t o ears, ith the grad al release of ne capacit and the completion of the o erha l and res mption of prod ction, the incremental release breaks the bottleneck, dri ing the price to drop, and promoting the price in the ind strial chain to fall in competition. As s ch, the Compan ill f rther stim late the do nstream demand, especiall the demand for large-scale centrali ed po er stations, so as to contin e to dri e the demand for photo oltaic glass.

Looking into 2023, the Gro p ill contin e to optimi e the prod ction line to impro e the operation efficienc hile e panding the prod ction capacit of photo oltaic glass and enhancing the research and de elopment to impro e the light transmittance of glass, in an effort to cater ith the req irements of do nstream demand for di ersification of photo oltaic glass. According to the statistics of the de elopment roadmap of China's photo oltaic ind str from 2022 to 2023, d e to the increase in demand for do ble-sided mod les in the market, the market share of front panel glass ith a thickness of 2.00mm in 2022 reached 39.7%, hile the market share of front panel glass ith a thickness of 3.2mm fell to 59.3%; It is forecasted that photo oltaic glass ill contin e to de elop to ards light eight and thinness, and the market penetration of do ble-glass ill be f rther impro ed. Therefore, the Gro p ill stri e to ad ance in line ith the de elopment of ind str demand b impro ing the abilit of prod ct line deplo ment, and pro iding high-q alit prod cts to meet do nstream demand. Moreo er, the Gro p ill spare no effort to contin o sl impro e the process, refine the melting f rnace technolog , red ce the comprehensi e energ cons mption per nit, impro e the finished rate of PV glass prod cts, so as to constantl red ce cost and increase efficienc , thereb ens ring the s stainable de elopment capacit and competiti eness of the Gro p in the global PV glass market.

FINANCIAL PERFORMANCE

Benefited from the ramp- p of ne capacit and strong increase in demand of PV ind str , the Gro p's operating re en e reached a record high in FY2022. For FY2022, the operating re en e of the Gro p for FY2022 as appro imatel RMB15,460.84 million, representing an increase of 77.44% as compared to RMB8,713.23 million for FY2021. The net profit attrib table to eq it o ners of parent compan remained stable d e to the increasing s ppl in the ind str and the rise of prod ction costs. The net profit attrib table to Shareholders of the parent compan for FY2022 as RMB2,122.78 million, representing an increase of 0.13% as compared to RMB2,119.92 million for FY2021.

Revenue

The operating re en e of the Gro p for FY2022 as appro imatel RMB15,460.84 million, representing an increase of 77.44% as compared to RMB8,713.23 million for FY2021. Re en e from PV glass for FY2022 as RMB13,681.80 million, representing an increase of 92.12% as compared to RMB7,121.64 million for FY2021. On the one hand, sales prices decreased d e to the impact of the rapid e pansion of prod ction capacit in PV ind str . On the other hand, the energ crisis ca sed b the tense sit ation of the R ssian-U bekistan ar and the rising energ price prompted ario s co ntries to speed p the constr ction of photo oltaic po er stations. In addition, as the rob st gro th of the installed capacit in the do nstream photo oltaic ind str led to a s bstantial increase in the demand for photo oltaic glass, the Gro p's sales of solar glass increased significantl in 2022 from 2021.

Re en e from float glass for FY2022 as RMB334.99 million, representing a decrease of 14.88% as compared to RMB393.53 million for FY2021. Re en e from architect ral glass for FY2022 as RMB595.58 million, representing a

The following table set forth the breakdown of our revenue for the years indicated:

	For the year ended 31 December	
	2022	2021
	(Audited)	(Audited)
	(RMB'000)	(RMB'000)
Categories of goods		
PV glass	**13,681,797.76**	7,121,636.84
Float glass	**334,992.00**	393,531.13
Household glass	**349,913.72**	380,740.72
Architectural glass	**595,576.94**	711,402.30
Mining business [(1)]	**439,401.22**	66,349.05
Other business [(2)]	**59,161.59**	39,568.02
By geographical regions		
PRC	**12,085,756.44**	6,385,359.29
Asia (excluding China)	**2,896,259.49**	1,766,009.57
Europe	**209,666.54**	177,799.23
North America	**249,784.61**	365,509.71
Others	**19,376.15**	18,550.26

Notes:

(1) Mining business mainly includes the quarter ite ore extracted from the Mine, which was sold to third parties.

(2) Other business mainly includes rental income and sales income of materials.

Operating costs

The operating costs of the Group for FY2022 was RMB12,048.19 million, representing an increase of RMB6,427.80 million or 114.37% as compared to the operating costs of RMB5,620.39 million for FY2021. The increase was mainly due to the increase in sales volume as well as the increase in costs of raw materials and energy.

Gross profit and gross profit margin

For FY2022, the gross profit of the Group increased by 10.34% from RMB3,092.84 million in FY2021 to RMB3,412.65 million, and the gross profit margin declined to 22.07% (FY2021: 35.50%). The increase in gross profit was mainly due to the increase in sales volume resulted from the release of new production capacity of PV glass. The decrease in gross profit margin was mainly due to the significant increase in raw material and energy costs and the increase in sales prices restrained by the acceleration of PV glass production, resulting in the gross profit margin of the Group's solar glass business being lower than that in 2021. Gross profit margin was significantly lower than that of 2021 due to a downturn in real estate market and decrease in float and architectural glass.

	For the year ended 31 December			
	2022 (Audited)		2021 (Audited)	
	Gross profit (RMB'000)	**Gross profit margin (%)**	Gross profit (RMB'000)	Gross profit margin (%)
PV glass	**3,189,815.31**	**23.31**	2,542,191.96	35.70
Float glass	**-68,001.99**	**-20.30**	152,851.85	38.84
Household glass	**62,836.00**	**17.96**	116,954.20	30.72
Architectural glass	**83,850.59**	**14.08**	234,886.13	33.02
Mineral products	**104,502.11**	**23.78**	38,020.39	57.30
Other business	**39,650.33**	**67.02**	7,931.58	20.05
Total	**3,412,652.35**	**22.07**	3,092,836.11	35.50%

Sales expenses

The sales expenses of the Group for FY2022 amounted to RMB118.88 million, representing an increase of 38.68% as compared to RMB85.72 million for FY2021. The increase was mainly due to the increase in sales volume of PV glass, which resulted in the increase in associated sales expenses.

Administrative expenses

The administrative expenses of the Group for FY2022 amounted to RMB277.54 million, representing an increase of 25.14% as compared to RMB221.78 million for FY2021. The increase was mainly due to the increase in employee remuneration and benefits of the Group and labor costs.

Research and development costs

The research and development costs of the Group increased by 28.11%, from RMB408.42 million in FY2021 to RMB523.23million for FY2022. The reason for the increase was mainly due to the increase in number of research and development projects, including technologies to improve light transmittance and self-developed equipment to optimise production processes for ultra-thin glass and maintaining market competitiveness and so on.

Finance costs

For FY2022, financial costs of the Gro p amo nted to RMB240.43 million, representing an increase of 357.79% from RMB52.52 million in FY2021. On the one hand, the increase in bank borro ings d e to the acq isition of Sanli Mining and Dah a Mining as ell as the increased demand for orking capital; on the other hand, the increase in bond interest d e to the non-p blic iss ance of A share con ertible bonds b the Compan , and e change gains offset the increase in certain financial e penses. The primar economic en ironment in hich the principal s bsidiar of o r Compan operates is the PRC and its f nctional c rrenc is RMB. Ho e er, certain sales and p rchases of the Gro p are denominated in United States dollars, E ros and VDN, hich e pose the Gro p to foreign c rrenc risk.

The interest rate of bank loans ranged from 0.79% to 4.70% in FY2022, as compared to the interest rate ranging from 0.79% to 4.90% in FY2021.

Income tax

For FY2022, the income ta of the Gro p amo nted to RMB30.10 million, representing a decrease of 88.44% from RMB260.30 million in FY2021. P rs ant to the Anno ncement of the Ministr of Finance, the State Ta ation Administration and the Ministr of Science and Technolog on Enhancement of the Pre-ta Ded ction in S pport of Scientific and Technological Inno ation (No. 28 2022), high-tech enterprises of the Gro p enjo the rele ant preferential ta policies. Therefore, the act al ta rate decreased from 10.94% in FY2021 to 1.40% in FY2022. Details of ta incenti es of the Compan and certain s bsidiaries are set o t in Note (VI) 54 to the financial information set o t in this anno ncement.

Capital expenditures

D ring the Reporting Period, total capital e pendit res of the Gro p amo nted to appro imatel RMB8,071.33 million (FY2021: RMB3,768.70 million), in ol ing the p rchase of fi ed assets, constr ction in progress and intangible assets, hich mainl incl ded the project of phase II, III of Anh i prod ction base and phase II of Jia ing prod ction base.

Assets and equity

Total assets of the Gro p increased from RMB20,082.92 million as at 31 December 2021 to RMB32,381.72 million as at 31 December 2022. Shareholders' eq it increased from RMB11,810.17 million as at 31 December 2021 to RMB14,032.45 million as at 31 December 2022.

Financial resources and liquidity

D ring the Reporting Period, the Gro p increased its bank borro ing b RMB8,548.82 million and repaid debts of RMB4,050.79 million. For FY2022, the Gro p's financial liq idit and financial performance remained in a satisfactor condition. For FY2022, the Gro p's main so rces of f nding ere incl ding the iss ance of A share con ertible bonds, cash from operating acti ities and credit financing pro ided b banks.

EBITDA and net profit

For FY2022, EBITDA of the Group (earnings before interests, taxes, depreciation and amortization) increased by RMB765.25 million from RMB2,979.31 million for FY2021 to RMB3,744.56 million. For FY2022, the EBITDA margin of the Group was 24.22% and the EBITDA margin was 34.19% for the same period in 2021.

As a result of the foregoing, the net profit increased by RMB2.86 million, or 0.13%, from RMB2,119.92 million for FY2021 to RMB2,122.78 million for FY2022.

Gearing ratio

As at 31 December 2022, the gearing ratio (gearing ratio equals total debt divided by total assets as of the end of the year or period multiplied by 100%. Total debt includes all interest-bearing bank and other loans of the Group) was 56.67%, increased by 15.48 percentage point as compared to 41.19% as at 31 December 2021, mainly due to the increase in bank borrowings and the issuance of A share convertible bonds.

Bank loans

As at 31 December 2022, bank loans of the Group amounted to RMB8,244.07 million, which increased by RMB4,106.16 million, or 99.23% as compared to approximately RMB4,137.91 million as at 31 December 2021. The increase was mainly due to the increase in cash outflow from operating activities and the payment of the acquisition price of Sanli Mining and Dahua Mining and the action price of the thirteenth mine located at Lingshan-Mijishan Mining Zone, Fengxiang County. As at 31 December 2022, 20.83% of the Company's bank loans were fixed-rate borrowings and 79.17% were variable-rate borrowings, and the interest rates ranged from 1.30% to 4.70% per annum.

As at 31 December 2022, the total carrying amount of fixed assets, investment properties, construction in progress and intangible assets of the Group amounted to RMB4,514.41 million, which were pledged to banks to obtain credit facilities. Notes receivables/receivables financing of the Group with the carrying amount of RMB509.57 million were pledged to banks to obtain credit facilities.

Financing and financial policies

The Group implements sound financing and financial policies with the objective of minimizing the Group's financial risks while maintaining a good financial performance and reasonable financial costs. The Group regularly reviews the financing needs to ensure that there are sufficient financial resources to support the Group's operations and future investment and expansion plans when necessary.

Credit risk and foreign exchange risk

Most of the Gro p's re en es and e penses are paid in RMB, hile some of the Gro p's sales, proc rement and financial liabilities are denominated in US dollars, E ros, Hong Kong dollars, Vietnam dong and Japanese en. Most of the Gro p's bank deposits are deposited in RMB and US dollars, hile bank loans of the Gro p ere in RMB and United States dollars.

D ring the Reporting Period, the Gro p entered into certain for ard contracts of c rrenc str ct re to red ce foreign e change risks. The Gro p ill pa close attention to the contin o s changes in e change rate and ill consider other hedging arrangements.

Employee and remuneration policy

As at 31 December 2022, the Gro p emplo ed a total of 7,693 emplo ees and most of them ere based in the PRC, ith a total emplo ee rem neration amo nted to RMB734.89 million, representing 4.75% of the Gro p's total re en e.

The Gro p maintains a good relationship ith its emplo ees and pro ides trainings to its emplo ees. Ne joiners m st attend mandator in-ho se training. F rthermore, emplo ees ma attend e ternal trainings s ch as trainings for man fact ring management, q alit control management and h man reso rces management. Rem neration of emplo ees is re ie ed periodicall b reference to the market rate. After considering performance of the Gro p and job performance of specific emplo ees, the Gro p ma pa them discretionar bon s.

The Gro p makes contrib tions for its emplo ees in relation to the mandator social sec rit f nds incl ding pension, ork-related inj r ins rance, maternit ins rance, medical and nemplo ment ins rance and ho sing pro ident f nd contrib tions in the PRC.

For details of the A share option scheme adopted b the Gro p on 18 No ember 2021, please refer to the s b-section headed B siness O er ie · O er ie of the Gro p's b siness · A share option incenti e scheme nder the section headed Management Disc ssion and Anal sis in this ann al report.

CAPITAL STRUCTURE

As at 31 December 2022, the total n mber of shares of the Gro p as 2,146,893,967 shares, of hich 1,696,893,967 ere A shares and 450,000,000 ere H shares.

DIVIDEND

For the ear ended 31 December 2022, considering the f nding req irements of the Compan , the Board does not recommend the declaration and pa ment of an final di idend. D ring the Reporting Period, there as no arrangement nder hich a shareholder of the Compan has ai ed or agreed to ai e an di idends.

TAXATION

Holders of A shares

In accordance ith the Notice of the Ministr of Finance, the State Administration of Ta ation and the CSRC on Implementing Differentiated Indi id al Income Ta Polic for Stock Di idends of Listed Companies (Cai Sh i [2015] No. 101) (《財政部、國家稅務總局、中國證監會關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2015]101號)), for shares of listed companies acq ired b indi id als from p blic offerings or transfer of shares in the market, here the holding period e ceeds one ear, the di idends shall be temporaril e empted from indi id al income ta ; here the holding period is less than one month (incl si e), the f ll amo nt of di idends shall be co nted as ta able income and here the holding period is more than one month and less than one ear (incl si e), 50% of the di idends shall be co nted as ta able income on a pro isional basis. The indi id al income ta rate of 20% shall be applicable for all incomes mentioned abo e. For di idends distrib ted b listed companies, here the period of indi id al shareholding is ithin one ear (incl si e), the listed companies shall not ithhold the indi id al income ta temporaril . The ta pa able, s bject to indi id al transfer of shares, shall be calc lated b China Sec rities Depositor and Clearing Corporation Limited in accordance ith d ration of its holding period. C stodian of shares incl ding sec rities companies ill ithhold the amo nt from indi id al acco nts and transfer the ta to China Sec rities Depositor and Clearing Corporation Limited. China Sec rities Depositor and Clearing Corporation Limited shall transfer the ta to the listed companies ithin 5 orking da s of the ne t month, and the listed companies shall declare the ta to the competent ta a thorities pon recei ing the ta amo nt ithin the stat tor reporting period in that month.

Resident enterprise shareholders of A shares shall report and pa for the enterprise income ta of di idends b themsel es.

For the shareholders ho are Q alified Foreign Instit tional In estor (QFII), the listed companies shall ithhold and pa enterprise income ta at a rate of 10% p rs ant to the req irements of the Notice of the State Administration of Ta ation Concerning the Rele ant Q estions on the Withholding and Pa ment of Enterprise Income Ta Relating to the Pa ment of Di idends, Bon s and Interest b PRC Resident Enterprises to QFII (G o Sh i Han [2009] No. 47) (《國家稅務總局關於中國居民企業向QFII支付股息、紅利、利息代扣代繳企業所得稅有關問題的通知》(國稅函2009[47]號)). QFII shareholders entitled to preferential ta treatment nder ta treaties (arrangements) shall appl to the competent ta ation a thorit for ta rebates according to the rele ant r les and reg lations after the recei e the di idends, and ta rebates ill be e ec ted nder ta treaties pon erification carried o t b competent ta a thorities.

For non-resident enterprise shareholders of A shares e cept the abo e-mentioned QFII, listed companies shall ithhold and pa enterprise income ta at a rate of 10% p rs ant to the req irements of the Tentati e Meas res for Administration of Withholding at the So rce of Income Ta of Non-resident Enterprises (G o Sh i Fa [2009] No. 3) (《非居民企業所得稅源泉扣繳管理暫行辦法》(國稅發[2009]3號)) and the Response of the State Administration of Ta ation Concerning Q estions on Enterprise Income Ta o er Di idend of B-Shares and Other Shares Recei ed b Non-resident Enterprises (G o Sh i Han [2009] No. 394) (《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》(國稅函[2009]394號)). Non-resident enterprise shareholders entitled to preferential ta treatment shall make registration in accordance ith the rele ant pro isions of the ta treaties.

P rs ant to the req irements of the Notice of the Ministr of Finance, the State Administration of Ta ation and the CSRC on the Ta Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Sh i [2014] No. 81) (《財政部、國家稅務總局、中國證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), listed companies shall ithhold an income ta at the rate of 10% on di idends from the A shares of the compan in ested b Hong Kong in estors (incl ding enterprises and indi id als) thro gh the SSE, and appl for ithholding ia the competent ta a thorities (before the Hong Kong Sec rities Clearing Compan Limited is able to pro ide details s ch as in estor identities and holding periods to China Sec rities Depositor and Clearing Corporation Limited, the polic of differentiated rates of ta ation based on holding periods ill temporaril not be implemented). For in estors ho are ta residents of other co ntries and hose co ntr of domicile is a co ntr hich has entered into a ta treat ith the PRC stip lating a di idend ta rate of lo er than 10%, those enterprises and indi id als ma or ma entr st a ithholding agent to, appl to the competent ta a thorit of the listed compan for the entitlement of the rate nder s ch ta treat Upon appro al b the competent ta a thorit the paid amo nt in e cess of the ta pa able based on the ta rate according to s ch ta treat ill be ref nded.

P rs ant to the req irements of the Notice of the Ministr of Finance, the State Administration of Ta ation and the CSRC on the Ta Policies Related to the Pilot Program of the Shen hen-Hong Kong Stock Connect (Cai Sh i [2016] No. 127) (《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), listed companies shall ithhold an income ta at the rate of 10% on di idends from the A shares of the compan in ested b Hong Kong in estors (incl ding enterprises and indi id als) thro gh the Shen hen Stock E change, and appl for ithholding ia the competent ta a thorities (before the Hong Kong Sec rities Clearing Compan Limited is able to pro ide details s ch as in estor identities and holding periods to China Sec rities Depositor and Clearing Corporation Limited, the polic of differentiated rates of ta ation based on holding periods ill temporaril not be implemented). For in estors ho are ta residents of other co ntries and hose co ntr of domicile is a co ntr hich has entered into a ta treat ith the PRC stip lating a di idend ta rate of lo er than 10%, those enterprises and indi id als ma or ma entr st a ithholding agent to, appl to the competent ta a thorit of the listed compan for the entitlement of the rate nder s ch ta treat Upon appro al b the competent ta a thorit the paid amo nt in e cess of the ta pa able based on the ta rate according to s ch ta treat ill be ref nded.

Holders of H shares

In accordance ith the req irements of the Circ lar on Certain Iss es Concerning the Policies of Indi id al Income Ta (Cai Sh i Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) prom lgated b the Ministr of Finance and the State Administration of Ta ation on 13 Ma 1994, o erseas indi id als are, as an interim meas re, e empted from the PRC indi id al income ta for di idends or bon ses recei ed from foreign-in ested enterprises.

P rs ant to the req irements of the Notice of the State Administration of Ta ation on Matters Concerning Withholding Enterprise Income Ta When China Resident Enterprises Distrib te Di idends to Foreign Non-resident Enterprise Shareholders of H Shares (G o Sh i Han [2008] No. 897) (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), distrib ting di idends to foreign non-resident enterprise shareholders of H shares for 2008 and for the ears on ards shall be s bject to the enterprise income ta ithheld at a niform rate of 10%. Upon receipt of s ch di idends, an o erseas non-resident enterprise shareholder ma appl to the competent ta a thorities for rele ant treatment nder the ta treaties (arrangements) in person or thro gh a pro or a ithholding agent and pro ide e idence in s pport of its stat s as a beneficial o ner as defined in the ta treaties (arrangements). Upon erification b the competent ta a thorities, the difference bet een the ta le ied and the amo nt of ta pa able as calc lated at the ta rate nder the ta treaties (arrangements) ill be ref nded.

According to the req irements of the Notice on the Ta Policies Concerning the Pilot Program of the Shanghai Hong Kong Stock Connect p blished b the Ministr of Finance, the State Administration of Ta ation and the CSRC (Cai Sh i [2014] No. 81) (《財政部、國家稅務總局、中國證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), H-share companies shall ithhold an indi id al income ta at the rate of 20% on di idends from the H shares of the compan in ested b mainland indi id al in estors on the Hong Kong Stock E change thro gh the Shanghai-Hong Kong Stock Connect. For di idends of the shares listed on the Hong Kong Stock E change recei ed b mainland sec rities in estment f nds from in estment thro gh the Shanghai-Hong Kong Stock Connect, indi id al income ta shall be calc lated in accordance ith the abo e req irements. For di idends of the shares listed on the Hong Kong Stock E change recei ed b mainland enterprise in estors from in estment thro gh the Shanghai-Hong Kong Stock Connect, H-share companies shall not ithhold income ta of di idends, and mainland enterprise in estors shall report and pa the ta amo nt b themsel es. In partic lar, the di idends recei ed b resident enterprises in mainland hich hold H shares for at least 12 consec ti e months shall be e empted from enterprise income ta according to la .

According to the req irements of the Notice on the Ta Policies Concerning the Pilot Program of the Shen hen Hong Kong Stock Connect p blished b the Ministr of Finance, the State Administration of Ta ation and the CSRC (Cai Sh i [2016] No. 127) (《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), H-share companies shall ithhold an indi id al income ta at the rate of 20% on di idends from the H shares of the compan in ested b mainland indi id al in estors on the Hong Kong Stock E change thro gh the Shen hen-Hong Kong Stock Connect. For di idends of the shares listed on the Hong Kong Stock E change recei ed b mainland sec rities in estment f nds from in estment thro gh the Shen hen-Hong Kong Stock Connect, indi id al income ta shall be calc lated in accordance ith the abo e req irements. For di idends of the shares listed on the Hong Kong Stock E change recei ed b mainland enterprise in estors from in estment thro gh the Shen hen-Hong Kong Stock Connect, H-share companies shall not ithhold income ta of di idends, and mainland enterprise in estors shall report and pa the ta amo nt b themsel es. In partic lar, the di idends recei ed b resident enterprises in mainland hich hold H shares for at least 12 consec ti e months co ld be e empted from enterprise income ta according to la .

The shareholders of the Compan shall pa the rele ant ta and/or are entitled to ta reliefs in accordance ith the abo e req irements.

Biographies of Directors, Supervisors and Senior Management

EXECUTIVE DIRECTORS

Mr. Ruan Hongliang (阮洪良先生) (Mr. Ruan)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Xu Pan (徐攀女士) (Ms. Xu), aged 35, joined the Gro p in Ma 2021, is c rrentl an independent non-e ec ti e director of the Compan , chairman of the a dit committee, rem neration committee and nomination committee, and also a member of the strategic de elopment committee. Ms. X obtained a doctor's degree in acco nting from Nanjing Uni ersit in September 2019. She is no a teacher of the acco nting department of the school of management of Zhejiang Uni ersit of Technolog * (浙江工業大學). Ms. X obtained the q alification of Certified Internal A ditor (CIA) in 2011. Ms. X obtained the q alification of non-practicing member of the Chinese Instit te of Certified P blic Acco ntants (CICPA) in 2015.

Apart from the Gro p, Ms. X has been an independent director of Star Po er Semicond ctor Ltd.* (嘉興斯達半導體股份有限公司) since October 2017, an independent director of Zhejiang Lante Optics Co., Ltd.* (浙江藍特光學股份有限公司) since December 2017, an independent director of Zhejiang Walt Technolog Co., Ltd.* (華爾科技集團股份有限公司) since December 2017, and an independent director of Zhejiang Jing in Pharmace tical Co., Ltd.* (浙江京新藥業股份有限公司) since September 2022.

Ms. Hua Fulan (華富蘭女士) (Ms. Hua), aged 60, joined the Gro p in No ember 2018 and is c rrentl an independent non-e ec ti e director of the Compan , and a member of the a dit committee, rem neration committee, nomination committee and risk management committee. Ms. H a grad ated from Zhejiang Sci-Tech Uni ersit ith a master degree in engineering in J l 2011.

Apart from the Gro p, Ms. H a has been a director and dep t general manager of Zhejiang Torch Spark Technolog De elopment Co., Ltd.* (浙江火炬星火科技發展有限公司) since 2013. She has been a s per isor of Zhejiang Torch Vent re Capital Management Cons lting Co., Ltd.* (浙江火炬創業投資管理諮詢有限公司) since 2015.

Ms. Ng Yau Kuen Carmen (吳幼娟女士) (Ms. Ng), aged 47, joined the Gro p in Ma 2021 and is c rrentl an independent non-e ec ti e director of the Compan , and a member of the a dit committee. Ms. Ng holds a bachelor's degree of b siness administration from the Chinese Uni ersit of Hong Kong, a master's degree of b siness administration from the Hong Kong Uni ersit of Science and Technolog and a master's degree of la s in corporate and financial la from the Uni ersit of Hong Kong.

Apart from the Gro p, Ms. Ng has been an independent non-e ec ti e director of Get Nice Financial Gro p Limited since March 2016, an independent non-e ec ti e director of Medi Lifest le Limited since 2019. Ms. Ng has been the person-in-charge of C press Certified P blic Acco ntants since 2013, and a director of C press Ad isor & Cons lting Limited since 2013.

SUPERVISORS

Mr. Zheng Wenrong (雲

Mr. Zhu Quanming (祝全明先生) (Mr. Zhu), aged 69, a co-fo nder of the Gro p, is c rrentl a s per isor of the Compan . Mr. Zh has o er 23 ears' e perience in glass ind str . Mr. Zh held ario s positions of the Gro p from 1998 hen he joined the Gro p to 2022. Mr. Zh has been the cons ltant of Jia ing Flat Intelligent Eq ipment Co., LTD* (嘉興福萊特智能裝備有限公司), a s bsidiar of the Gro p, since Febr ar 2023.

Ms. Niu Liping (鈕麗萍女士) (Ms. Niu), aged 37, joined the Gro p in October 2003. Ms. Ni as appointed as a staff representati e s per isor of the Compan on 23 September 2019. Ms. Ni held ario s positions of the Gro p from 2006 hen she joined the Gro p to 2022. She has been the head of treas r of the finance management department nder the financial center of the Compan since 2020. Ms. Ni has also been the s per isor of Jia ing K nl n Flat Energ Management Co., Ltd.* (嘉興崑崙福萊特能源管理有限公司) since A g st 2022, the s per isor of Jia ing Flat Intelligent Eq ipment Co., Ltd.* (嘉興福萊特智能裝備有限公司) and Nantong Flat Port Co., Ltd.* (南通福萊特港務有限公司) since April 2022, and the s per isor of Flat (G ang i) Photoenerg Co., Ltd. * (福萊特(廣西)光能有限公司) since October 2022. Apart from the Compan , Ms. Ni has been the s per isor of F an Photoenerg Co., Ltd.* (福焱光能有限公司) since A g st 2022. Ms. Ni has also been the chairman of the trade nion of the Compan since December 2009. Ms. Ni grad ated from North estern Pol echnical Uni ersit * (西北工業大學) majoring in acco nting.

Ms. Zhang Huizhen (張惠珍女士) (Ms. Zhang), aged 48, joined the Gro p in Febr ar 2006. Ms. Zhang as appointed as the staff representati e s per isor of the Compan on 23 September 2019. Ms. Zhang held ario s positions of the Gro p from 2006 hen she joined the Gro p to 2022. She has been the dep t general manager of energ -sa ing department 鈕麗萍女士

Mr. Jiang Weijie (蔣緯界先生) (Mr. Jiang), aged 36, joined the Gro p in Ma 2017, is c rrentl the financial officer of the Compan . He holds a certificate for professional acco ntants. Mr. Jiang grad ated from the Uni ersit of Nottingham ith a master degree in S ppl Chain and Operations Management in 2011. Mr. Jiang has been holding ario s positions in the financial department since he joined the Gro p in 2017, and has been the financial officer of the Compan since March 2019. Mr. Jiang has been the financial officer of the Flat (G ang i) Photoenerg Co., Ltd.* (福萊特(廣西)光能有限公司) since October 2022. Apart from the Compan , Mr. Jiang has been the s per isor of Jiashan Yicheng Trading Co., Ltd.* (嘉善熠成貿易有限公司) since Jan ar 2020.

Ms. Ruan Zeyun (阮澤雲女士) (Ms. Ruan), formerl kno n as Ms. R an Xiao (阮曉女士), aged 36, joined the Gro p in October 2009, is c rrentl a compan secretar and dep t general manager of the Compan , mainl responsible for the dail affairs of the Board and management and operation of o erall corporate b siness of the Gro p. Ms. Y an is one of the de facto controller of the Compan . Ms. R an grad ated from Sheffield Uni ersit in England in September 2009 ith a master degree in management. Ms. R an has ser ed as a director of Flat (A stralia) Pt Ltd. since Jan ar 2021, a director of Anh i Fengsha Mining Gro p Compan Limited*(安徽鳳砂礦業集團有限公司) since Febr ar 2022 and a director of* (安徽三力礦業有限責任公司)since Febr ar 2022, and the e ec ti e director and general manager of Jia ing K nl n Flat Energ Management Co., Ltd.*(嘉興崑崙福萊特能源管理有限公司) since A g st 2022. Apart from the Compan , Ms. R an has ser ed as a director of Jia ing Yihe In estment Co., Ltd.*(嘉興義和投資有限公司) since J ne 2016, a director of Jia ing Kaihong Flat S ppl Chain Management Co., Ltd.*(嘉興凱鴻福萊特供應鏈管理有限公司) and its holl o ned s bsidiar Kaihong Flat Logistics (Vietnam) Co., Ltd.*(凱鴻福萊特物流(越南)有限公司) since Jan ar 2020, a director of Han ang In estment Holding Compan Limited*(香港瀚洋投資有限公司) since September 2020, a director of Eternit S nn Pte. Ltd since Jan ar 2021, an e ec ti e partner of San a Han ang In estment Partnership (Limited Partnership)*(三亞瀚洋投資合夥企業(有限合夥)) since April 2022.

Ms. R an is the spo se of Mr. Zhao, a dep t general manager, and the da ghter of Mr. R an, an e ec ti e director, and Ms. Jiang, an e ec ti e director.

COMPANY SECRETARY

Ms. Ruan Zeyun (阮澤雲女士) (Ms. Ruan), formerl kno n as Ms. R an Xiao (阮曉女士), aged 36, joined the Gro p in October 2009. Ms. R an as appointed as a joint compan secretar on 1 April 2015 and became a sole compan secretar since 1 March 2019, mainl responsible for the dail affairs of the Board. Please refer to Senior Management abo e for details of the biograph of Ms. R an.

For details of the interest in the shares and nderl ng shares of the Compan held b the directors, s per isors and senior management abo e, hich o ld fall to be disclosed nder the pro isions of Di ision 2 and 3 of Part XV of the SFO, please refer to the Corporate Go ernance Report section of this report.

Corporate Governance Report

The Board recogni es the importance of good corporate go ernance in the management str ct re and internal control proced res of the Gro p for the p rpose of ens ring that all b siness acti ities of the Gro p and the decision-making process are properl reg lated and are in f ll compliance ith the applicable la s and reg lations.

In the opinion of the Directors, the Compan had complied ith the code pro isions in the Corporate Go ernance Code (CG Code) as set forth in Appendi 14 to the R les Go erning the Listing of Sec rities (the Listing R les) on the Stock E change since 1 Jan ar 2022 p to and incl ding 31 December 2022 e cept for code pro ision A.2.1.

Under code pro ision A.2.1 of the CG Code, the roles of the chairman and chief e ec ti e sho ld be separated and sho ld not be performed b the same indi id al. Mr. R an Hongliang c rrentl holds both positions. Thro gho t the Gro p's b siness histor of o er 24 ears, Mr. R an has held the ke leadership position of the Gro p and has been deepl in ol ed in the form lation of corporate strategies and management of b siness and operations of the Gro p. Taking into acco nt the consistent leadership ithin the Gro p and in order to enable more effecti e and efficient o erall strategic planning and contin ation of the implementation of s ch plans, the Board considers that Mr. R an is the best candidate for both positions and the present arrangements are beneficial and in the interest of the Compan and the shareholders as a hole.

BOARD OF DIRECTORS

The Board c rrentl comprises fo r e ec ti e Directors and three independent non-e ec ti e Directors. Biographical details of the Directors are set forth on pages 25 to 28 of this ann al report.

The Directors d ring the ear ended 31 December 2022 ere:

Executive Directors

Mr. R an Hongliang
Ms. Jiang Jinh a
Mr. Wei Ye hong
Mr. Shen Qif

Independent Non-executive Directors

Ms. X Pan
Ms. H a F lan
Ms. Ng Ya K en Carmen

Mr. R an Hongliang, an e ec ti e Director and chairman of the Board, is the spo se of Ms. Jiang Jinh a, an e ec ti e Director.

Ms. R an Ze n, a dep t general manager and the compan secretar of the Compan, is the da ghter of Mr. R an Hongliang and Ms. Jiang Jinh a. Mr. Zhao Xiaofei, a dep t general manager of the Compan, is the spo se of Ms. R an Ze n and the son-in-la of Mr. R an Hongliang and Ms. Jiang Jinh a. Other than that, there is no relationship among members of the Board in respect of financial, b siness or other material relationship.

Corporate Governance Report

The Board is responsible for the form lation of the o erall strategies and objecti es of the Gro p, monitoring and e al ating operating and financial performance, re ie ing the corporate go ernance meas res and s per ising of the o erall management of the Gro p. The Board is also responsible for de eloping, re ie ing and monitoring policies and practices on corporate go ernance and legal and reg lator compliance of the Gro p, and the training and contin o s professional de elopment of directors and senior management. The senior management of the Gro p is responsible for the implementation of b siness strategies and da -to-da operations of the Gro p nder the leadership of the chairman of the Gro p. The Directors ha e f ll access to all the information of the Gro p in relation to b siness operations and financial performance of the Gro p. Senior management of the Gro p also reports to the Directors from time to time regarding the b siness operations of the Gro p. Independent professional ad ice can be so ght to assist the rele ant Directors to discharge their d ties at the Gro p's e pense pon their req est. Thro gho t the ear ended 31 December 2022, all Directors are pro ided ith monthl pdates on the Compan 's performance and financial position to enable the Board as a hole and each Director to discharge their d ties.

Meetings and Directors Attendance Record

The Board meets reg larl either in person or thro gh electronic means of comm nication to disc ss the o erall strateg as ell as the operation and financial performance of the Gro p. The n mber of the Board meetings and general meetings held and the attendance of each Director at these meetings for the ear ended 31 December 2022 ha e been set o t as follo s:

No. of attendance/No. of meetings

	Board meetings	Audit Committee meetings	Remuneration Committee meetings	Nomination Committee meetings	Strategic Development Committee meetings	Risk Management Committee meetings	General meetings
Executive Directors							
Mr. R an Hongliang	20/20	N/A	3/3	1/1	1/1	1/1	9/9
Ms. Jiang Jinh a	20/20	N/A	N/A	N/A	N/A	1/1	9/9
Mr. Wei Ye hong	20/20	N/A	N/A	N/A	1/1	N/A	9/9
Mr. Shen Qif	20/20	N/A	N/A	N/A	N/A	N/A	9/9
Independent Non-executive Directors							
Ms. X Pan	20/20	5/5	3/3	1/1	1/1	N/A	9/9
Ms. H a F lan	20/20	5/5	3/3	1/1	N/A	1/1	9/9
Ms. Ng Ya K en Carmen	20/20	5/5	N/A	N/A	N/A	N/A	9/9

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

All Directors are a are of their responsibilities to the shareholders of the Compan and ha e e ercised their d ties ith care, skill and diligence, in p rs it of the de elopment of the Gro p. E er ne l appointed Director recei es an ind ction to ens re that he has a proper nderstanding of the b siness and operations of the Gro p and that he is f ll a are of his d ties and responsibilities as a director nder applicable r les and req irements.

Thro gho t the ear ended 31 December 2022, briefings and pdates on the latest de elopment regarding the Listing R les and other applicable reg lator req irements in relation to contin o s responsibilities of a Hong Kong listed compan and its directors and other relati e compliance iss es ere pro ided and notified to each of the Directors d ring Board meetings to ens re compliance and enhance their a areness of good corporate go ernance practices.

D ring the ear ended 31 December 2022, the follo ing e isting Directors ha e participated in contin o s professional de elopment b attending briefings and pdates, seminars, training, or reading materials on the follo ing topics to de elop and refresh their kno ledge and skills:

	Corporate governance	Regulatory updates	Finance and accounting	Industry updates
Executive Directors				
Mr. R an Hongliang	✔	✔	✔	✔
Ms. Jiang Jinh a	✔	✔	✔	✔
Mr. Wei Ye hong		✔		✔
Mr. Shen F q an		✔		✔
Independent Non-Executive Directors				
Ms. X Pan	✔	✔	✔	
Ms. H a F lan		✔		✔
Ms. Ng Ya K en Carmen		✔	✔	✔

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Independent non-e ec ti e Directors ha e pla ed a significant role in the Board b bringing their independent j dgment at Board meetings and scr tini ing the Gro p's performance. Their ie s carr significant eight in the Board's decisions. In partic lar, the bring an impartial ie to bear on iss es of the Gro p's strateg performance and control. All independent non-e ec ti e Directors possess e tensi e academic, professional and ind str e pertise and management e perience and ha e pro ided their professional ad ice to the Board. The independent non-e ec ti e Directors pro ide independent ad ice on the Gro p's b siness strateg res lts and management so that all interests of shareholders can be taken into acco nt, and the interests of the Compan and its shareholders can be protected.

The Board has three independent non-e ec ti e Directors.

All of the c rrent independent non-e ec ti e Directors ha e s bmitted their confirmation on independence in accordance ith R le 3.13 of the Listing R les. Based on the content of s ch confirmations, the Compan considers that all the e isting independent non-e ec ti e Directors are independent in accordance ith the Listing R les.

Corporate Governance Report

BOARD PROCEEDINGS

In accordance ith code pro isions A.1.1 and A.1.3 of the CG Code, the Board shall hold at least fo r Board meetings each ear, and a notice of at least 14 da s shall be gi en for a reg lar Board meeting. Since 1 Jan ar 2022 p to and incl ding 31 December 2022, 4 Board meetings ere held ith a notice of at least 14 da s ha ing been gi en to the Directors in compliance ith the rele ant code pro ision.

The q or m for a Board meeting is at least half of the total n mber of the Directors (incl ding Directors attending the meeting on behalf of others) being present at the meeting. A Director ma attend the Board meeting in person, or appoint another Director in riting as his pro to attend the Board meeting.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

In accordance ith the Articles of Association, a person ma be appointed as a Director either b the shareholders in general meeting or b the Board. An Directors appointed b the Board as additional Directors or to fill cas al acancies shall hold office ntil the ne t follo ing general meeting, and are eligible for re-election b the shareholders. In addition, all Directors are req ired to retire b rotation at least once e er three ears at the ann al general meeting, and are eligible for re-election b the shareholders.

D ring the ear, there as no appointment of ne Directors. The c rrent term of the Directors is for a term of three ears ending on the e piration of the term of the 6th session of the Board.

BOARD OF SUPERVISORS

The board of s per isors of the Compan consists of fi e members. The emplo ee representati e s per isors, namel Ms. Ni Liping and Ms. Zhang H i hen, ere elected b emplo ees as the staff representati e s per isors of the 6th session of the s per isor committee of the Compan . The other s per isors ere elected b the shareholders in general meeting. The f nctions and d ties of the board of s per isors incl de, b t are not limited to: re ie the financial operations of the Compan ; s per ise the performance of Directors, general manager and senior e ec ti es of their d ties to the Compan ; req est Directors, general manager and senior e ec ti es to rectif actions hich are damaging to the Compan 's interests; e amine financial information s ch as financial reports, b siness reports and profit distrib tion plans as proposed b the Board to the general meeting, and if there are an q eries, to engage certified p blic acco ntants or practicing a ditors to assist in the e amination; propose the con ening of e traordinar general meetings and motions at the general meetings; cond ct in estigation if there are an n s al circ mstances in the Compan 's operations; and e ercising other rights gi en to them nder the Articles of Association.

DIRECTORS', SUPERVISORS' AND OFFICERS' INSURANCE

The Compan has taken o t appropriate ins rance co erage on Directors', S per isors' and senior management's liabilities in respect of legal actions taken against the same arising o t of corporate acti ities.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Compan has adopted the Model Code for Sec rities Transactions b Directors of Listed Iss ers (the Model Code) as set o t in Appendi 10 to the Listing R les as the Compan 's code of cond ct regarding sec rities transactions b the Directors and s per isors. Directors and s per isors of the Compan are reminded of their obligations nder the Model Code on a reg lar basis. Follo ing specific enq iries b the Compan , all Directors and s per isors of the Compan ha e confirmed that the ha e complied ith the req ired standard set o t in the Model Code thro gho t the ear ended 31 December 2022 and p to the date of this ann al report.

BOARD COMMITTEES

The Board has established the (i) a dit committee (the A dit Committee); (ii) rem neration committee (the Rem neration Committee); (iii) nomination committee (the Nomination Committee); (i) strategic de elopment committee (the Strategic De elopment Committee); and ( ) risk management committee (the Risk Management Committee), ith defined terms of reference. The terms of reference of the Board committees, hich e plain their respecti e roles and the a thorit delegated to them b the Board are a ailable on the ebsites of the Compan and the Stock E change. The Board committees are pro ided ith s fficient reso rces to discharge their d ties and, pon reasonable req est, are able to seek independent professional ad ice and other assistance in appropriate circ mstances, at the Compan 's e pense.

Audit Committee

The A dit Committee as established on 16 October 2015. From 1 Jan ar 2022 to 31 December 2022, members of the A dit Committee comprised of Ms. X Pan, Ms. H a F lan and Ms. Ng Ya K en Carmen all of hom are independent non-e ec ti e Directors. Ms. X Pan, ho has appropriate professional q alification and e perience in acco nting matter, as the chairman of the A dit Committee. The A dit Committee primaril assists the Board to re ie the financial reporting process, e al ate the effecti eness of financial controls and o ersee the a diting processes of the Gro p and relationship ith e ternal a ditors of the Gro p.

D ring FY2022, the A dit Committee held fi e meetings to re ie ann al financial res lts and reports for the ear ended 31 December 2021 and interim financial res lts and reports for the si months ended 30 J ne 2022. Matters re ie ed d ring the meetings incl ded significant matters on the financial reporting, operational and compliance controls, effecti eness of the risk management and internal control s stems and internal a dit f nction, scope of ork and appointment of e ternal a ditors, related parties transactions and arrangements for emplo ees to raise concerns abo t possible improprieties. The attendance records are set o t nder Meetings and Directors Attendance Record on page 30.

The A dit Committee is of the ie that the preparation of the financial res lts of the Gro p for the ear ended 31 December 2022 complied ith the applicable acco nting standards and req irements and that adeq ate disclos re had been made. The A dit Committee is also of the ie that the internal control s stems are effecti e and adeq ate based on its re ie .

Remuneration Committee

The Rem neration Committee as established on 16 October 2015. From 1 Jan ar 2022 to 31 December 2022, members of the Rem neration Committee comprised of Ms. X Pan and Ms. H a F lan, independent non-e ec ti e Directors, and Mr. R an Hongliang, an e ec ti e Director and Ms. X Pan as the chairman of the Rem neration Committee. The primar d ties of the Rem neration Committee incl de preparing assessment codes and e al ating the senior management of the Gro p, determining and re ie ing the terms of the rem neration packages of and determining the a ard of bon ses to Directors and senior management. No Director takes part in an disc ssion on his or her o n rem neration.

D ring FY2022, the Rem neration Committee held fo r meetings to re ie , determine and make recommendation to the Board on the rem neration polic and str ct re of the Compan , the rem neration packages of the e ec ti e Directors and senior management, assessing performance of e ec ti e Directors and other related matters. The attendance records are set o t nder Meetings and Directors Attendance Record on page 30.

P rs ant to code pro ision B1.5 of the CG Code, the rem neration of the members of the senior management (incl ding e ec ti e Directors) b band for the ear ended 31 December 2022 is set forth belo :

In the band of	Number of Individuals
Belo HK$500,000	0
HK$500,000 to HK$10,000,000,000	8

Note: The abo e amo nts in Hong Kong dollars ere ill strated b adoption of the e change rate bet een RMB and Hong Kong dollar p blished b the State Administration of Foreign E change of the PRC on 30 December 2022.

F rther partic lars regarding Directors' rem neration and the fi e highest paid emplo ees as req ired to be disclosed p rs ant to Appendi 16 to the Listing R les are set o t in note (IX) 7 to the financial statements.

The Company has adopted the board diversity policy (the Board Diversity Policy), the purpose of which is to set out the basic principles to be followed to ensure that the Board has appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance. Under the Board Diversity Policy, the selection of Board candidates shall be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to, gender, age, cultural background, educational background, and professional experience, which are the measurable objectives for implementing the Board Diversity Policy. The Nomination Committee is also responsible for reviewing the Board Diversity Policy, developing and reviewing measurable objectives for implementing the policy and monitoring the progress on achieving these measurable objectives. The review of the Board Diversity Policy and the measurable objectives shall be carried out at least annually to ensure the continued effectiveness of the Board.

Having reviewed the Board composition, the Nomination Committee (and the Board) recognises the importance and benefits of gender diversity at the Board level. With four out of seven Directors as female Directors, the Board is of the view that gender diversity has been achieved. In consideration of relatively balanced Board diversity from the perspective of gender, the Company shall maintain the existing diversity among the Board members. Nomination Committee will continue to monitor, from time to time, the implementation of the policy, and review, as appropriate, the policy to ensure the effectiveness of the policy. The committee will also continue to give adequate consideration to these measurable objectives when making recommendations of candidates for appointment to the Board.

The Nomination Committee also has primary responsibility for identifying suitably qualified candidates to become members of the Board and shall give adequate consideration to the Board Diversity Policy in selection of Board candidates. Board nomination and appointments will continue to be made on merit basis based on the Group's business needs from time to time with adequate consideration of diversity of Board members.

During FY2022, the Nomination Committee held one meeting. For the details of members' attendance of the Nomination Committee meeting, please refer to page 30. The Nomination Committee also considered the Board Diversity Policy and whether the Board had the appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance. After due consideration, the Nomination Committee has concluded that based on the Company's existing business model and specific needs, the current composition of the Board satisfies the Board Diversity Policy for the Reporting Period.

As at 31 December 2022, the Group had a total of 7,693 staff (including senior management), comprising of 5,484 male staff and 2,209 female staff. As such, the Group has achieved gender diversity in respect of its workforce. The Group will continue to strive to enhance female representation and achieve and maintain an appropriate balance of gender diversity in its workforce in near future.

Strategic Development Committee

The Strategic Development Committee was established on 16 October 2015. From 1 January 2022 to 31 December 2022, members of the Strategic Development Committee comprised of Mr. Ran Hongliang and Mr. Wei Yehong, executive Directors, and Ms. Xu Pan, an independent non-executive Director. The chairman of the Strategic Development Committee is Mr. Ran Hongliang, an executive Director. The primary duties of Strategic Development Committee are to study,

Risk Management Committee

The Risk Management Committee as established on 16 October 2015. From 1 Jan ar 2022 to 31 December 2022, members of the Risk Management Committee comprised of Mr. R an Hongliang and Ms. Jiang Jinh a, e ec ti e Directors, and Ms. H a F lan, an independent non-e ec ti e Director. The chairman of the Risk Management Committee is Mr. R an Hongliang, an e ec ti e Director. The primar d ties of the Risk Management Committee are to re ie the Gro p's b siness operations, especiall on o erseas and e port b siness to s per ise and control the Gro p's sanct ms-related risks and to monitor and re ie the Gro p's risk management and internal control s stems and form late o r Gro p's risk management strategies.

D ring FY2022, the Risk Management Committee held one meeting to disc ss the risk associated ith o erseas and e port b siness of the Gro p and the attendance records are set o t nder Meetings and Directors Attendance Record on page 30.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the f nctions set o t in the code pro ision D.3.1 of the CG Code. The Board re ie ed the Compan 's corporate go ernance policies and practices, training and contin o s professional de elopment of directors and senior management, and the Compan 's policies and practices on compliance ith legal and reg lator req irements, the compliance of Model Code, and the Compan 's compliance ith the CG Code and disclos re in this Corporate Go ernance Report.

CONSTITUTIONAL DOCUMENTS

P rs ant to R le 13.90 of the Listing R les, the Compan has posted its Articles of Association on the respecti e ebsites of the Stock E change and the Compan . There as no change in the Compan 's constit tional doc ments d ring the ear ended 31 December 2022.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Compan had prepared the consolidated financial statements for the ear ended 31 December 2022, hich ere re ie ed b the A dit Committee and e ternal a ditor, Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)) in the PRC. The Directors ackno ledge that it is their responsibilities in (i) preparing the financial statements of the Gro p for each financial ear ith a ie to ens re that s ch financial statements gi e a tr e and fair ie of the state of affairs of the Gro p, and (ii) selecting s itable acco nting policies and making pr dent and reasonable j dgments and estimates for the preparation of the financial statements of the Gro p. The Board is not a are of an material ncertainties relating to e ents or conditions that ma cast significant do bt pon the Gro p's abilit to contin e as a going concern.

The statement of the e ternal a ditors of the Compan , Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)), regarding their reporting responsibilities on the financial statements of the Gro p is set o t in the Independent A ditors' Report on pages 61 and 64 of this ann al report.

COMPANY SECRETARY

Ms. R an Ze n is the compan secretar of the Compan d ring the ear nder re ie . D ring FY2022, Ms. R an had complied ith the rele ant professional training req irement nder R le 3.29 of the Listing R les. The biographical details of the compan secretar are set o t in the section headed Biographies of Directors, S per isors and Senior Management on page 28 in this ann al report.

EXTERNAL AUDITORS

The Compan appointed Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)) in the PRC as the e ternal a ditor for the ear ended 31 December 2022. The A dit Committee has been notified of the nat re (namel , Report on Use of Pre io s Proceeds and Capital Verification Report etc.) and the ser ice charges of non-a dit ser ices performed b Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)) and considered that these non-a dit ser ices ha e no ad erse effect on the independence of the a ditor. The A dit Committee re ie ed the e ternal a ditors' stat tor a dit scope and non-a dit ser ices and appro ed its fees.

For the ear ended 31 December 2022, the total a ditor's rem neration as appro imatel RMB4,450,000, hich Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)) charged the Gro p for a dit and ass rance ser ices. The rem neration of non-a dit ser ices as appro imatel RMB800,000 hich as mainl pro ided in relation to the re ie of se of proceeds from the Gro p's ario s financing acti ities.

There as no disagreement bet een the Board and the A dit Committee on the selection and appointment of the e ternal a ditors d ring the Reporting Period.

There as no change to the e ternal a ditors of the Gro p d ring the preceding three ears.

RISK MANAGEMENT AND INTERNAL CONTROL

The Gro p has established risk management s stem and internal control s stem, and the internal a dit department is responsible for the internal a dit f nction of the Gro p. The Board is responsible for maintaining so nd and effecti e internal control and risk management s stems (the S stems) o er the Gro p's asset and shareholders' interests, as ell as for re ie ing the S stems' effecti eness. The S stems are designed to pro ide reasonable, b t not absol te, ass rance against misstatement or loss, and to manage risks of fail re in the Gro p's operational s stems. The major controls of the S stems incl de financial, operational and compliance controls, as ell as an established organi ed str ct re ith clearl defined lines of responsibilit and a thorit hich is designed to safeg ard assets from inappropriate se, maintain proper acco nts and ens re compliance ith reg lations (incl ding the handling and dissimilation of inside information). In partic lar, regarding the controls for handling and dissemination of inside information, the emplo ees, senior management and the Directors of the Compan ho possesses or handles inside information are reminded of the inside information req irements nder the Listing R les, the Sec rities and F t res Ordinance (Chapter 571 of the la s of Hong Kong) and the req irements nder other rele ant la s and reg lations. The Directors ith the assistance of Ms. R an Ze n, the compan secretar of the Compan , and the internal a dit department of the Compan , are responsible to ens re the inside information, if an , is kept confidential and dissimilate to the p blic to a oid a false market in the listed shares of the Compan . The Compan ma also seek professional ad ice to consider the dissimilation of inside information to be p blic as and hen necessar to ens re the Compan ill compl ith the req irements nder Listing R les, the Sec rities and F t res Ordinance (Chapter 571 of the la s of Hong Kong) and the req irements nder other rele ant la s and reg lations.

Corporate Governance Report

The Board, being responsible for the re ie ing the effecti eness of the S stems, together ith the A dit Committee and internal a dit team, reg larl assess the effecti eness of the S stems, and ens res that the management has discharged its d t b establishing and maintaining effecti e and adeq ate S stems. The process sed to re ie the effecti eness of the S stems incl des carr ng testing and sampling, and in case if material internal control defects ha e been detected, re-testing and resampling o ld be carried o t to ens re the S stems are effecti e and adeq ate.

For FY2022, the A dit Committee and the Gro p's internal a dit team, ith the assistance of the management of the Gro p, cond cted a re ie of the S stems and assessed the effecti eness of the S stems b taking into acco nt the re ie s b its a ditor. Based on the abo e re ie , the Board considers that the Gro p has f ll complied ith pro isions of the CG Code regarding the S stems in general for FY2022, and the Gro p's S stems are generall appropriate, effecti e and adeq ate.

SHAREHOLDERS' RIGHTS

(i) Participation at general meetings

The general meetings of the Compan pro ide an opport nit for direct comm nication bet een the Board and the shareholders. The Compan enco rages participation of its shareholders thro gh ann al general meetings and other general meetings here shareholders meet and e change ie s ith the Board, and to e ercise their right to ote at meetings. The Compan shall arrange notices of meetings and circ lars containing details on proposed resol tions to be sent to the shareholders no less than 20 b siness da s before the ann al general meeting and 15 b siness da s before the e traordinar general meeting. At general meetings, separate resol tions are proposed on each s bstantial iss e, incl ding the election of indi id al Directors.

(ii) Convening extraordinary general meetings

According to the Articles of Association, an shareholder(s) indi id all or jointl holding more than 10% of the Compan 's total oting shares (incl si e) ma sign one or se eral ritten req ests ith the same format and content to propose to the Board to con ene an e traordinar general meeting or class general meeting, and specif the topics of the meeting. The Board shall con ene an e traordinar or class general meeting ithin 10 da s after receipt of the aforesaid ritten req est. The aforesaid amo nt of shareholding is calc lated ith reference to the date on hich the shareholder(s) makes the ritten req est.

If the Board cannot or fails to con ene a general meeting, the board of s per isors of the Compan shall d l con ene s ch meeting and preside. If the board of s per isors of the Compan also cannot or fails to con ene and preside o er a general meeting, the shareholders indi id all or jointl holding more than 10% of the Compan 's shares for more than 90 consec ti e da s ma b themsel es con ene and preside o er a general meeting, the proced re for con ening s ch meeting shall, to the e tent possible, be the same as the proced re for con ening a general meeting b the board of directors.

Where shareholders con ene and preside o er a meeting beca se the Board fails to con ene the meeting p rs ant to the aforesaid req est, reasonable e penses inc rred shall be borne b the Compan .

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

According to the articles of association of the Company, any shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit a written provisional motion to the convener 10 business days before a general meeting is convened, and the convener shall issue a supplementary notice of the shareholders' meeting announcing the contents of the supplementary motion(s) within two days after receipt of the said motion(s).

Communications with shareholders and investors

The Company is dedicated to developing and maintaining continuous relationship and effective communications with shareholders and investors. To strengthen relationships and enhance communications, the Company has established the following communication channels:

(i) An occasion shall be arranged for shareholders of the Company at the annual general meeting for putting forward their opinions and exchanging views with the Board. Directors shall be present in person at the annual general

Report of the Board of Directors

The Directors are pleased to present this annual report and audited consolidated financial statements of the Group as at 31 December 2022.

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

The Company was established in the PRC and has its registered office and headquarters at 1999 Yunhe Road, Xiaohu District, Jiaxing, Zhejiang Province, the PRC. Its principal place of business in Hong Kong is Unit 6, 11/F, Prosperity Place 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activities of the Group are manufacturing and sale of photovoltaic glass products, float glass products, architectural glass products, household glass products and other types of relevant products in the PRC. The principal activities and other particulars of the subsidiaries are set out in note (VI) 43 to the financial statements.

LIST OF SUBSIDIARIES

Please refer to note (V) 2 to the financial statements in this annual report for details of the subsidiaries as at 31 December 2022.

FINANCIAL STATEMENTS

The profit of the Group for FY2022 and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 65 to 76 of this annual report.

The Group's business review during FY2022 and material factors underlying its results and financial position are set out in the Management Discussion and Analysis section of this annual report.

RESERVES

Details of movements in reserves of the Company and the Group are set out in the consolidated statement of changes in equity.

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the latest five financial years is set out on page 6 of this annual report. This summary does not form part of the audited consolidated financial statements of the Group for FY2022.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during FY2022 are set out in note (VI) 14 to the financial statements.

DIVIDEND AND DIVIDEND POLICY

The payment and the amount of any dividends, if paid, will depend on the Group's results of operations, cash flows, financial condition, statutory and regulatory restrictions on such payment of dividends, future prospects and other factors that the Company may consider relevant. The declaration, payment and amount of dividends will be subject to the Company's discretion. Dividends may be paid only out of the Group's distributable profits as permitted under the relevant laws. To the extent profits are distributed as dividends, such portion of profits will not be available to be reinvested in the Group's operations. There can be no assurance that we will be able to declare or distribute any dividend in the amount set out in any plan of the Board or at all. The Board intends to recommend at the relevant Shareholders meeting an annual dividend of no less than 20% of the Company's profit for the year available for distribution to the Shareholders, after taking into consideration the factors described above in the foreseeable future.

For the year ended 31 December 2022, considering the funding requirements of the Company, the Board does not recommend the declaration and payment of any final dividend.

CHARITABLE DONATIONS

Charitable donations made by the Group during FY2022 amounted to RMB3,602,826.89 (FY2021: RMB1,497,149.47).

PRINCIPAL RISKS AND UNCERTAINTIES FACED BY THE GROUP

The following sets out the key risks and uncertainties faced by the Group. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below. Besides, this annual report does not constitute a recommendation or an advice for anyone to invest in the securities of the Company and investors are advised to make their own judgment or consult their own investment advisors before making any investment in the securities of the Company.

Risks pertaining to the PV glass industry

The Group derived a majority of its revenue from its sales of PV glass. During FY2022, the revenue generated from the sales of PV glass amount to RMB13,681.80 million, representing 88.49% of the total revenue of the Group. The demand for PV glass generally depends on the demand for PV modules, which is subject to a number of macroeconomic and factors outside the control of PV glass manufacturers. The demand for solar energy also depends on the overall demand for electricity and the overall social and governmental support for the use of renewable energy. If there is any significant decrease in the demand for solar energy or investments in the PV industry, the demand and the prices of PV glass will decrease accordingly. Such decreases could be substantial and could result in significant excessive supply. Any market downturn, over-supply or fluctuations in the PV industry or financial difficulties faced by PV module manufacturers could have a material adverse impact on the business, financial condition and results of operations of the Group.

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

The Gro p is s bject to ario s PRC en ironmental la s and reg lations for the prod ction and sales of its PV glass, float glass, ho sehold glass and architect ral glass prod cts, hich impose standards on the emission and treatment of poll tants created d ring the man fact ring process, and are req ired to obtain en ironmental protection assessment appro al and acceptance from the rele ant go ernment a thorities in the PRC for the operation of the prod ction facilities. The Gro p is also s bject to ario s PRC la s and reg lations in relation to its mine. As a res lt, the Gro p is req ired to obtain permits, licenses and consents, s ch as the mining permit for its mining acti ities and the prod ction safet permit for its man fact ring operations. An nfa orable changes in the scope of these la s and reg lations, or application and interpretation of these la s and reg lations, ma limit or restrict its prod ction capacit or abilit or its man fact ring operation, or increase the costs in poll tion control or safet impro ement, or other ise increase its cost, hich ma materiall and ad erse affect the Gro p's b siness and operations. If the Gro p fails to compl ith the la s and reg lations, it ma be penali ed for non-compliance and ma materiall and ad erse affect its b siness, operations and financial res lts.

Past performance and forward-looking statements

The performance and the res lts of operation of the Gro p as set o t in this ann al report are historical in nat re and past performance is not a g arantee of f t re performance. This ann al report ma contain for ard-looking statements and opinions that in ol e risks and ncertainties. Act al res lts ma also differ materiall from e pectations disc ssed in s ch for ard-looking statements and opinions. Neither the Gro p nor the Directors, emplo ees or agents of the Gro p ass me an obligations or liabilities in the e ent that an of the for ard-looking statements or opinions does not materiali e or t rns o t to be incorrect.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Gro p's operations are s bject to c rrent en ironmental la s, r les and reg lations enacted b the Chinese go ernment, incl ding the En ironmental Protection La of the PRC (《中華人民共和國環境保護法》), the La on En ironmental Impact Assessment of the PRC (《中華人民共和國環境影響評價法》), the La on Pre ention and Control of Water Poll tion of the PRC (《中華人民共和國水污染防治法》), the La on Pre ention and Control of Noise Poll tion of the PRC (《中華人民共和國環境噪聲污染防治法》), the La on Pre ention and Control of Soil Poll tion of the PRC (《中華人民共和國土壤污染防治法》), the La on Pre ention and Control of En ironmental Poll tion b Solid Wastes of the PRC (《中華人民共和國固體廢物污染環境防治法》) and the La on Pre ention and Control of Atmospheric Poll tion (《中華人民共和國大氣污染防治法》). In addition, the b siness of the Compan 's prod ction base in Vietnam m st compl ith the c rrent la s and reg lations on en ironmental protection iss ed b the Vietnamese go ernment, incl ding the En ironmental Protection La 2 2020-QH14; Decree No. 06 2022-ND-CP; Decree No. 08 2022-ND-CP; Circ lar No. 01 2022-TT-BTNMT; Circ lar 02 2022-TT-BTNMT.

One of o r major poll tants prod ced from o r prod ction is nitrogen o ides and s lph r dio ide. In order to be a sociall responsible man fact rer, the Compan has installed en ironmental protection and energ sa ing eq ipment to minimi e the impact on the en ironment from its prod ction, incl ding fl e-gas des lph ri ation facilit fl e-gas denitration facilit, resid al heat po er generator and emissions monitoring s stem. The Compan also monitors, thro gh the emissions monitoring s stem, hether it satisfies the PRC standards on e ha st gas emissions. The Compan as accredited ith ISO14001:2004 for its en ironmental management s stem relating to the prod ction processes of PV glass. For the ear ended 31 December 2022, the Compan complied ith applicable en ironmental r les and reg lations.

In recognition of the Compan 's contin o s efforts in en ironmental protection and energ sa ing, the China B ilding Materials Federation* (中國建築材料聯合會), China Concrete Association* (中國水泥協會), China Architect ral Land Ind strial Glass Association* (中國建築玻璃與工藝玻璃協會) and China Constr ction Health Ceramics Association* (中國建築衛生陶瓷協會) a arded the Compan ith Ad anced E emplar Enterprise for Energ Conser ation and Emission Red ction in the Concrete Glass Ceramics Ind str of the PRC* (全國水泥玻璃陶瓷產業節能減排先進典型企業) in October 2015.

KEY RELATIONSHIPS

Employees

The Gro p maintains a good relationship ith its emplo ees and pro ides trainings to emplo ees. Ne joiners m st attend mandator in-ho se training. F rthermore, emplo ees ma attend e ternal trainings s ch as trainings for man fact ring management, q alit control management and h man reso rce management. Rem neration of emplo ees is re ie ed periodicall b reference to the market rate. After considering performance of the Gro p and job performance of specific emplo ees, the Gro p ma pa them discretionar bon s.

The Gro p makes contrib tions for its emplo ees in relation to the mandator social sec rit f nds incl ding pension, ork-related inj r ins rance, maternit ins rance, medical and nemplo ment ins rance and ho sing pro ident f nd contrib tions in the PRC.

Suppliers

The main ra materials of the Gro p incl de, silica sand and soda ash. The Gro p does not rel on an one single ra material s pplier. The Gro p generall enters into legall binding long-term agreements ith ra material s ppliers in order to ens re smooth prod ction operation.

Aggregate p rchases from the Gro p's largest and fi e largest s ppliers acco nted for 10.14% and 32.47%, respecti el , of the Gro p's total p rchases for FY2022.

Customers

The Gro p has established and maintained strong and stable relationships ith its c stomers, ith a majorit of the top ten c stomers ha ing had a relationship of fi e ears or abo e ith the Gro p. The Gro p's PV glass c stomers are primaril domestic and o erseas PV mod le man fact rers, hereas its float glass c stomers are primaril domestic and o erseas glass processing man fact rers and domestic glass holesalers. In addition, the Gro p sells ho sehold glass prod cts to domestic and o erseas f rnit re man fact rers and processing companies and m ltinational f rnit re

Report of the Board of Directors

COMPLIANCE WITH LAWS AND REGULATIONS

Since the Company is established and conducts its operations mainly in the PRC, its H shares are listed on the Stock Exchange, and subsequent to the year ended 31 December 2022. A shares are listed on the Shanghai Stock Exchange. During FY2022 and up to the date of this annual report, the Company had materially complied with the relevant laws and regulations in the PRC and Hong Kong including relating to its establishment and operations, and the rules of the relevant Stock Exchange.

BANK BORROWINGS

Details of bank borrowings of the Company and its subsidiaries as at 31 December 2022 are set out in note (VI) 20, 28, 30 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during FY2022 are set out in note (VI) 36 to the financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, the Company has maintained the prescribed public float under the Listing Rules from 1 January 2022 to 31 December 2022 and at all times up to the date of this annual report.

PRE-EMPTIVE RIGHTS

Pursuant to the Articles of Association and the laws of the PRC, the Company is not subject to any pre-emptive rights requiring it to propose new issues to its existing shareholders in proportion to their shareholdings.

2. Non-public Issuance of A Shares

In order to f rther increase the compan 's capacit scale, meet the gro ing market demand of the photo oltaic ind str , pro ide c stomers ith better q alit prod cts and efficient and timel ser ices, f rther impro e the compan 's comprehensi e competiti e strength, and consolidate and enhance the compan 's market position, on 1 J ne 2022, the Board appro ed the proposed non-p blic iss ance of A shares hich as also appro ed b shareholders of the Compan at the 2022 first e traordinar general meeting, the 2022 first A share class meeting and the 2022 first H share class meeting held on 29 J l 2022. The price determination date of the A shares to be iss ed nder the Non-P blic Iss ance shall be the first da of the iss e period. The iss e price shall be not less than 80% of the a erage trading price of the A shares o er the 20 trading da s before the price determination date. The a erage trading price of the A shares o er the 20 trading da s before the price determination date eq als to the total t rno er of the A shares o er the 20 trading da s before the price determination date di ided b the total trading ol me of the A shares o er the 20 trading da s before the price determination date. On 1 J ne 2022, the anno ncement in relation to the proposed non-p blic iss ance of A shares as p blished on the ebsite of the Stock E change and the closing price of A share on that da as RMB43.18 per share. The target s bscribers incl ding sec rities in estment f nd management companies, sec rities firms, tr st companies, finance companies, ins rance instit tional in estors, q alified foreign instit tional in estors hich satisf the rele ant req irements of the CSRC and other corporate bodies, indi id als or other instit tional in estors hich satisf the rele ant req irements of the rele ant la s and reg lations. The shares to be iss ed nder the non-p blic iss ance are RMB denominated ordinar shares (A shares) ith a nominal al e of RMB0.25 each, hich ill be listed on the Shanghai Stock E change. In No ember 2022, the Compan has rece i ed the Appro al in Relation to the Non-p blic Iss ance of Shares b Flat Glass Gro p Co., Ltd. (Zheng Jian X Ke [2022] No. 2742) (《關於核准福萊特玻璃集團股份有限公司非公開發行股票的批覆》(證監許可[2022] 2742號)) from the CSRC, hich appro ed the Compan 's non-p blic iss ance of not more than 509,068,000 ne A shares. As of the date of this report, this proposed non-p blic iss ance of A shares of the Compan has not been completed.

The total proceeds from the non-p blic iss ance of A shares b the Compan is e pected to be amo nted to appro imatel RMB6,000,000,000, as the non-p blic iss ance of A shares has not been completed, the total net proceeds from the non-p blic iss ance of A shares can not be calc lated. As at 31 December 2022, the intended se of s ch proceeds ere as follo s:

Unit: RMB10,000

Project		Percentage of proceeds	Amount utilized	Amount unutilized	Amount of proceeds to be used
Ann al prod ction of 1,950,000 tons of ne energ eq ipment high-transparent panel man fact ring project	Ann al prod ction of 750,000 tons of ne energ eq ipment high-transparent panel man fact ring project Ann al prod ction of 1,200,000 tons of ne energ eq ipment high-transparent panel man fact ring project	32.17%			193,000.00[note 2]
Ann al prod ction of 1,500,000 tons of ne energ eq ipment ltra-thin and ltra-high-transparent panel man fact ring project		37.83%			227,000.00[note 1, 3]
Working capital		30%			180,000.00[note 4]
Total		100%			600,000.00

Notes:

1. This project ill be implemented in phases, and s ch proceeds from the non-p blic iss ance of A shares ill be sed for the first phase of the project.

2. The proceeds of the non-p blic iss ance of A shares ill be tili ed according to its progress.

3. The proceeds of the non-p blic iss ance of A shares ill be tili ed according to its progress, and the project is e pected to be p t in operation before end of 2023.

4. The proceeds of the non-p blic iss ance of A shares ill be sed to ret rn bank loans and for general b siness operation, hich is e pected to be sed p ithin si months pon receipt of the proceeds.

As at the date of the report, the Directors confirm that the proceeds are proposed to be sed according to the intentions pre io sl disclosed.

E cept as disclosed abo e, neither the Compan nor an of its s bsidiaries had p rchased, sold or redeemed an of the Compan 's listed sec rities d ring the period from 1 Jan ar 2022 to 31 December 2022.

PROCEEDS BROUGHT FORWARD FROM ISSUANCE OF EQUITY SECURITIES MADE IN PREVIOUS FINANCIAL YEAR

1. Non-public Issuance of A Shares

In order to meet the de elopment needs of the Compan , enhance the Compan 's core competiti eness, s stainable profitabilit , and safeg ard the interests of minorit shareholders of the Compan , on 12 J ne 2020 and 15 J l 2020, the Board appro ed the proposed non-p blic iss ance of A shares and its re ised ersion hich as also appro ed b shareholders at the 2020 first e traordinar general meeting, the 2020 second A share class meeting and the 2020 second H share class meeting held on 10 A g st 2020. On 12 October 2020, the Iss ance Appro al Committee of the CSRC cond cted a re ie of the Compan 's application for non-p blic iss ance of A shares. P rs ant to the res lts of the re ie , the Compan 's application for non-p blic iss ance of A shares as appro ed.

The shares to be iss ed nder the non-p blic iss ance are RMB denominated ordinar Shares (A Shares) ith a nominal al e of RMB0.25 each, hich ill be listed on the Shanghai Stock E change. On 18 Jan ar 2021, the Compan completed the non-p blic iss ance of A shares ith the iss ance of 84,545,147 A Shares in toiid red8emed an of

The total net proceeds from the non-p blic iss ance of A shares b the Compan amo nted to appro imatel RMB2,483,081,943.69. As at 31 December 2022, the se of s ch proceeds ere as follo s:

Use for	Percentage of net proceeds	Amount of net proceeds (RMB'0,000)	Amount utilized (RMB'0,000)	Amount unutilized (RMB'0,000)
Phase II of PV glass as co ers ith an ann al prod ction capacit of 750,000 tons project	56.38%	140,000	140,000	0
PV backplane glass ith an ann al prod ction capacit of 42 millions q are meters project	13.41%	33,308.19	33,308.19	0
Working capital	30.21%	75,000	75,000	0

As at the date of the report, the Directors confirm that the proceeds ha e been f ll sed according to the intentions pre io sl disclosed.

2. Issuance of New H Shares under Specific Mandate

In order to pro ide long-term capital at a relati e lo financing cost, promote the stable de elopment and gro th of the Compan , e pand the in estor base of H shares and enhance the Compan 's access to international in estor(s) of strategic al e, as ell as optimi e the compan 's capital str ct re, on 5 Febr ar 2021, the Compan anno nced to propose to iss e p to 76,000,000 ne H shares, hich as appro ed b the Board. The capital raised b the ne H shares proposed to be iss ed shall represent: (i) appro imatel 3.5%of the total iss ed share capital of the Compan as at the date of the Board meeting; (ii)appro imatel 3.4% of the total iss ed share capital of the Compan enlarged b this iss ance; (iii) appro imatel 16.9% of the total iss ed H Shares of the Compan as at the date of the Board meeting; and (i) appro imatel 14.4% of the total iss ed H Shares of the Compan enlarged b this iss ance. This iss ance as considered and appro ed at the 2021 first e traordinar general meeting, the 2021 first A share class meeting and the 2021 first H share class meeting held on 25 March 2021. The Compan recei ed the Appro al Regarding the Iss ance of O erseas Listed Foreign In estment Shares b Flat Glass Gro p Co., Ltd. (the Appro al) iss ed b CSRC in J ne 2021.

The ne H Shares to be iss ed are o erseas-listed foreign shares hich shall be listed on the Main Board of the Stock E change ith a par al e of RMB0.25 each. On 5 Febr ar 2021, the anno ncement in relation to the proposed iss ance of ne H shares nder specific mandate as p blished on the ebsite of the Stock E change and the closing price of the Compan of H Share on that da as HK$32.48 per share. The target places of the

DIRECTORS

For the year ended 31 December 2022 and up to the date of this annual report, the Directors and Supervisors of the Company in office are shown as below:

Executive directors

Mr. Ran Hongliang *(Chairman of the Board of Directors)*
Ms. Jiang Jinhua
Mr. Wei Yehong
Mr. Shen Qifu

Independent non-executive directors

Ms. Xu Pan
Ms. Hua Fulan
Ms. Ng Yau Kuen Carmen

Supervisors

Mr. Zheng Wenrong *(Chairman of the Board of Supervisors)*
Mr. Shen Fuqian
Mr. Zhou Qianming
Ms. Ni Liping
Ms. Zhang Huichen

The Company has received, from each of the independent non-executive Directors, an annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules and considers that all of the independent non-executive Directors are independent of the Company.

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of Directors, supervisors and senior management of the Company are set out on pages 25 to 28 of this annual report.

CONTROLLING SHAREHOLDERS' MATERIAL INTERESTS IN CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

No contracts of significance between the Company or any of its subsidiaries and its controlling shareholders or any of its subsidiaries, or for the provision of services to the Group or any of its subsidiaries by any of its controlling shareholders or any of its subsidiaries, subsisted at the end of the year or at any time during the Reporting Period.

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

Each of the executive Directors and independent non-executive Directors has entered into a service contract with the Company. All Directors retired and were re-elected at the 2020 AGM for a term of three years ending on the expiration of the term of the 6th session of the Board subject to retirement and re-election at annual general meeting in accordance with the articles of association.

Each of the s per isors of the Compan has entered into a ser ice contract ith the Compan . All s per isors retired and ere re-elected at the 2020 AGM for a term of three ears ending on the e piration of the term of the 6th session of the Board s bject to his or her retirement and re-election at ann al general meeting in accordance ith the articles of association.

Sa e as disclosed abo e, none of the Directors or s per isors of the Compan has entered into an ser ice contract ith the Compan hich is not determinable b the Compan ithin one ear itho t pa ment of compensation (other than stat tor compensation).

PERMITTED INDEMNITY PROVISION

Since 1 Jan ar 2022 p to and incl ding 31 December 2022, the Compan had taken o t appropriate corporate liabilit ins rance for the its Directors, s per isors and senior management. As of the date of this ann al report, s ch corporate liabilit ins rance remained effecti e.

REMUNERATION OF DIRECTORS AND SUPERVISORS

The rem neration of Directors are based on ind str condition and b siness operation of the Compan .

Details of the rem neration of the Directors and s per isors of the Compan are set o t as follo s:

	Directors' fee RMB'000	Salaries and other benefits RMB'000	Retirement benefit scheme contributions RMB'000	Discretionary bonus RMB'000	Total RMB'000
Executive directors:					
Mr. R an Hongliang	.	1,026	40	142	1,208
Ms. Jiang Jinh a	.	761	.	116	877
Mr. Wei Ye hong	.	590	40	61	691
Mr. Shen Qif	.	587	32	63	682
Independent non-executive directors:					
Ms. H a F lan	100	.	.	.	100
Ms. X Pan	100	.	.	.	100
Ms. Ng Ya K en Carmen	192	.	.	.	192
Supervisors:					
Mr. Zheng Wenrong	.	295	26	29	350
Mr. Shen F q an	.	232	.	24	256
Mr. Zh Q anming	.	194	.	20	214
Ms. Ni Liping	.	158	13	16	187
Ms. Zhang H i hen	.	299	21	26	346
Total	392	4,142	172	497	5,202

D ring the Reporting Period, neither ere there an amo nts paid or recei able b Directors or s per isors of the Compan as an ind cement to join or pon joining the Compan , nor as there an compensation paid or recei able b an Directors, s per isors of the Compan or past Directors or past s per isors of the Compan for the loss of office as a Director or s per isor of the Compan of an member of the Gro p or of an other office in connection ith the management of the affairs of an member of the Gro p. D ring the Reporting Period, there as no arrangement nder hich an Director or s per isor of the Compan has ai ed or agreed to ai e an emol ments.

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

As at 31 December 2022, the interests and short positions of the Directors, s per isors and the chief e ec ti e of the Compan in the shares (the Shares), nderl ng shares or debent res of the Compan and its associated corporations (ithin the meaning of Part XV of the Sec rities and F t res Ordinance (the SFO)), as recorded in the register req ired to be kept b the Compan p rs ant to section 352 of the SFO; or as other ise notified to the Compan and the Stock E change p rs ant to the Di isions 7 and 8 of Part XV of the SFO (incl ding interest or short positions hich the Directors or the chief e ec ti e ere taken or deemed to ha e nder s ch pro isions) and the Model Code for Sec rities Transactions b Directors of Listed Companies (the Model Code) contained in the Listing R les, ere as follo s:

Shareholder	Number of Shares held	Class	Nature of interest	Approximate percentage of shareholding in the relevant class of Shares[1]	Approximate percentage of shareholding in the total share capital of the Company[2]
Directors					
Mr. R an Hongliang[3]	1,108,798,241 (L)	A Shares	Beneficial o ner and parties acting in concert	65.34%	51.65%
	70,132,167 (S)	A Shares	Beneficial o ner and parties acting in concert	4.13%	3.27%
	1,569,000 (L)	H Shares	Beneficial o ner and parties acting in concert	0.35%	0.07%
Ms. Jiang Jinh a[3]	1,108,798,241 (L)	A Shares	Beneficial o ner and parties acting in concert	65.34%	51.65%
	70,132,167 (S)	A Shares	Beneficial o ner and parties acting in concert	4.13%	3.27%
	1,569,000 (L)	H Shares	Beneficial o ner and parties acting in concert	0.35%	0.07%
Mr. Wei Ye hong[4]	16,374,725 (L)	A Shares	Beneficial o ner	0.96%	0.76%
Mr. Shen Qif [5]	10,961,233 (L)	A Shares	Beneficial o ner	0.65%	0.51%
Supervisors					
Mr. Zheng Wenrong	299,174,255 (L)	A Shares	Beneficial o ner	17.63%	13.94%
Mr. Shen F q an	48,206,462 (L)	A Shares	Beneficial o ner	2.84%	2.25%
Mr. Zh Q anming	191,598,741 (L)	A Shares	Beneficial o ner	11.29%	8.92%
	7,850,000 (S)	A Shares	Beneficial o ner	0.46%	0.37%

Notes:

(1) The calc lation is based on the total n mber of 1,696,893,967 A Shares or 450,000,000 H Shares of the Compan in iss e as at 31 December 2022.

(2) The calc lation is based on the total n mber of 1,696,893,967 A Shares and the total n mber of 450,000,000 H Shares (i.e. a total of 2,146,893,967 Shares) in iss e as at 31 December 2022.

(3) Mr. R an Hongliang is the spo se of Ms. Jiang Jinh a. As at 31 December 2022, Mr. R an Hongliang o ns 463,050,187 A Shares and 485,000 H Shares. Ms. Jiang Jinh a o ns 341,557,235 A Shares and 111,000 H Shares. Ms. R an Ze n is the spo se of Mr. Zhao Xiaofei, and the da ghter of Mr. R an Hongliang and Ms. Jiang Jinh a. Ms. R an Ze n o ns 369,264,144 A Shares and 973,000 H Shares. Mr. Zhao Xiaofei o ns 5,058,842 A Shares. On 31 Ma 2022, the Compan completed the grant of 10,355,680, 7,638,600, 8,262,040 and 113,140 A share con ertible bonds to Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei, respecti el . As at 31 December 2022, Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei o ns 10,355,680, 7,638,600, 8,187,820 and 113,140 A share con ertible bonds, respecti el hich are con ertible into 23,691,787, 17,475,635, 18,732,144 and 258,842 A shares, respecti el P rs ant to a concert part agreement dated 19 September 2016 entered into among Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei, each of Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei is considered to be interested in 1,108,798,241 A Shares and 1,569,000 H Shares nder the SFO.

As at 31 December 2022, Mr. R an Hongliang, Ms. Jiang Jinh a and Ms. R an Ze n had 8,845,670, 7,630,000 and 5,000,000 A share con ertible bonds pledged to a lender other than a q alified lender as sec rit for certain borro ings, respecti el hich are con ertible into 20,237,177, 17,455,960 and 11,439,030 A shares, respecti el .

(4) In Ma 2022, the Compan completed the grant of 367,710 A share con ertible bonds listed on the Shanghai Stock E change to Mr. Wei Ye ong here Mr. Wei Ye ong acq ired the right to con ert s ch con ertible bonds into A shares. As at 31 December 2022, Mr. Wei Ye ong o ns 338,370 A share con ertible bonds hich are con ertible into 774,125 A shares.

(5) In Ma 2022, the Compan completed the grant of 245,140 A share con ertible bonds listed on the Shanghai Stock E change to Mr. Shen Qif here Mr. Shen Qif acq ired the right to con ert s ch con ertible bonds into A shares. As at 31 December 2022, Mr. Shen Qif o ns 245,140 A share con ertible bonds hich are con ertible into 560,833 A shares.

Sa e as disclosed abo e, as at 31 December 2022, to the kno ledge of the Compan , none of the Directors or s per isors and the chief e ec ti e of the Compan had or as deemed nder the SFO to ha e an interests or short positions in an of the Shares or the nderl ing Shares and debent res of the Compan and an of its associated corporations (ithin the meaning of Part XV of the SFO) hich as req ired to be recorded in the register req ired to be kept b the Compan p rs ant to section 352 of the SFO, or as other ise req ired to be notified to the Compan and the Stock E change p rs ant to the Di isions 7 and 8 of Part XV of the SFO or to be notified to the Compan and the Stock E change p rs ant to the Model Code.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2022, the persons or corporations, other than the Directors, s per isors and the chief e ec ti e of the Compan , ho had an interest or short position in the Shares, nderl ing Shares or debent res of the Compan hich ere req ired to be disclosed to the Compan nder the pro isions of Di ision 2 and 3 of Part XV of the SFO, or hich ere recorded in the register req ired to be kept nder section 336 of the SFO ere as follo s:

Shareholder	Number of Shares held	Class	Nature of Interest	Approximate percentage of shareholding in the relevant class of Shares[1]	Approximate percentage of shareholding in the total share capital of the Company[2]
Ms. R an Ze n[3]	1,108,798,241 (L)	A Shares	Beneficial o ner and parties	65.34%	51.65%
	70,132,167 (S)	A Shares	acting in concert	4.13%	3.27%
	1,569,000 (L)	H Shares	Beneficial o ner and parties acting in concert	0.35%	0.07%
Mr. Zhao Xiaofei[3]	1,108,798,241 (L)	A Shares	Beneficial o ner and parties	65.34%	51.65%
	70,132,167 (S)	A Shares	acting in concert	4.13%	3.27%
	1,569,000 (L)	H Shares	Beneficial o ner and parties acting in concert	0.35%	0.07%
JPMorgan Chase & Co.[4]	53,366,713 (L)	H Shares	Interest of controlled	11.86%	2.49%
	16,889,196 (S)		corporation, in estment	3.75%	0.79%
	5,262,682 (P)		manager, sec rit interest in shares and appro ed	1.17%	0.25%
Schroders PLC.	45,101,000 (L)	H Shares	Lending agent	10.02%	2.10%
BlackRock, Inc.[5]	38,754,068 (L)	H Shares	Interest of controlled	8.61%	1.81%
	2,455,000 (S)		corporation	0.55%	0.11%
Bank of America Corporation[6]	32,107,372 (L)	H Shares	Interest of controlled	7.13%	1.50%
	31,504,975 (S)		corporation	7.00%	1.47%
Pacific Asset Management Co., Ltd.	31,525,000 (L)	H Shares	In estment manager	7.01%	1.47%

Shareholder	Number of Shares held	Class	Nature of Interest	Approximate percentage of shareholding in the relevant class of Shares[1]	Approximate percentage of shareholding in the total share capital of the Company[2]
UBS Gro p AG[7]	27,324,799 (L) 21,203,883 (S)	H Shares	Interest of controlled corporation	6.07% 4.71%	1.27% 0.99%
Shanghai Green oods Asset Management Compan Limited[8]	27,042,000 (L)	H Shares	In estment manager	6.01%	1.26%
Xi ang Jingning Corporate Management Compan Limited[8]	27,042,000 (L)	H Shares	Interest of controlled corporation	6.01%	1.26%
The Bank of Ne York Mellon Corporation[9]	25,787,375 (L) 19,583,511 (P)	H Shares	Interest of controlled corporation	5.73% 4.35%	1.20% 0.91%
CICC P cheng In estment Co., Ltd.	23,870,000 (L)	H Shares	Beneficial o ner	5.30%	1.11%
China International Capital Corporation Limited[10]	22,573,000 (L)	H Shares	Interest of controlled corporation	5.02%	1.05%
P blic In estment F nd	22,549,000 (L)	H Shares	Interest of controlled corporation	5.01%	1.05%

Notes:

(1) The calc lation is based on the total n mber of 1,696,893,967 A Shares or 450,000,000 H Shares, as the case ma be, in iss e as at 31 December 2022.

(2) The calc lation is based on the total n mber of 1,696,893,967 A Shares and the total n mber of 450,000,000 H Shares (i.e. a total of 2,146,893,967 Shares) in iss e as at 31 December 2022.

(3) Mr. R an Hongliang is the spo se of Ms. Jiang Jinh a. As at 31 December 2022, Mr. R an Hongliang o ns 463,050,187 A Shares and 485,000 H Shares. Ms. Jiang Jinh a o ns 341,557,235 A Shares and 111,000 H Shares. Ms. R an Ze n is the spo se of Mr. Zhao Xiaofei, and the da ghter of Mr. R an Hongliang and Ms. Jiang Jinh a. Ms. R an Ze n o ns 369,264,144 A Shares and 973,000 H Shares. Mr. Zhao Xiaofei o ns 5,058,842 A Shares. On 31 Ma 2022, the Compan completed the grant of 10,355,680, 7,638,600, 8,262,040 and 113,140 A share con ertible bonds to Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei, respecti el . As at 31 December 2022, Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei o ns 10,355,680, 7,638,600, 8,187,820 and 113,140 A share con ertible bonds, respecti el hich are con ertible into 23,691,787, 17,475,635, 18,732,144 and 258,842 A shares, respecti el . P rs ant to a concert part agreement dated 19 September 2016 entered into among Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei, each of Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei is considered to be interested in 1,108,798,241 A Shares and 1,569,000 H Shares nder the SFO.

As at 31 December 2022, Mr. R an Hongliang, Ms. Jiang Jinh a and Ms. R an Ze n had 8,845,670, 7,630,000 and 5,000,000 A share con ertible bonds pledged to a lender other than a q alified lender as sec rit for certain borro ings, respecti el hich are con ertible into 20,237,177, 17,455,960 and 11,439,030 A shares, respecti el .

(4) JPMorgan Chase & Co. held rele ant interests and short positions thro gh a series of its controlled corporations, incl ding holding of certain listed deri ati es (cash settlement: 9,600 shares (short positions)) and nlisted deri ati es (ph sical settlement: 275,634 shares (short positions); cash settlement:10,301,000 shares (long positions) and 771,270 shares (short positions)).

(5) BlackRock, Inc. indirectl held rele ant interests and short positions thro gh a series of its controlled corporations, incl ding holding of certain nlisted deri ati es (cash settlement: 120,000 shares (long positions) and 808,000 shares (short positions)).

(6) Bank of America Corporation indirectl held rele ant interests and short positions thro gh a series of its controlled corporations, incl ding holding of certain nlisted deri ati es (cash settlement: 14,995,000 shares (long positions) and 1,549,000 shares (short positions)).

(7) UBS Gro p AG indirectl held rele ant interests and short positions thro gh a series of its controlled corporations, incl ding holding of certain nlisted deri ati es (cash settlement: 1,634,505 shares (long positions) and 1,270,770 shares (short positions)).

(8) Xi ang Jingning Corporate Management Compan Limited indirectl held 100% eq it interest in Shanghai Green oods Asset Management Compan Limited.

(9) The Bank of Ne York Mellon Corporation Limited held 100% eq it interest in The Bank of Ne York Mellon.

(10) China International Capital Corporation Limited indirectl held rele ant interests thro gh a series of its controlled corporations.

Sa e as disclosed abo e, as at 31 December 2022, so far as is kno n to the Directors, there is no other person (other than the Directors, s per isors or the chief e ec ti e of the Compan) ho had interests or short positions in the Shares or nderl ing Shares of the Compan hich o ld fall to be disclosed to the compan and the Stock E change nder the pro isions of Di ision 2 and 3 of Part XV of the SFO, or hich ere recorded in the register req ired to be kept nder section 336 of the SFO.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the hole or an s bstantial part of the b siness of the Gro p ere entered into or in e istence d ring the ear ended 31 December 2022.

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

No contract of significance to hich the Compan , or an of its holding compan , s bsidiaries or fello s bsidiaries as a part , and in hich a Director or s per isor of the Compan or an entit connected ith a Director or s per isor had a material interest, either directl or indirectl , s bsisted at the end of the ear or at an time d ring the ear ended 31 December 2022.

RELATED PARTY TRANSACTIONS

The related party transactions in relation to the emol ments of Directors, S per isors and employees are connected transactions e empt from reporting, anno ncement and independent shareholders' appro al req irements p rs ant to R le 14A.95 of the Listing R les. The related party transactions cond cted d ring the ear nder re ie as disclosed in note (IX) to the financial statement of the Gro p ere transactions not falling nder the definition of connected transaction or contin ing connected transactions as defined in chapter 14A of the Listing R les or ere connected transactions e empt from reporting, anno ncement and independent shareholders' appro al req irements p rs ant to R le 14A.76 of the Listing R les.

CONNECTED TRANSACTION

D ring the Reporting Period, there ere no connected transaction or contin ing connected transactions as defined in chapter 14A of the Listing R les that are req ired to be disclosed in this report.

Independent Non-executive Directors Confirmation

The independent non-e ec ti e Directors ha e re ie ed the contin ing connected transactions cond cted d ring the Reporting Period and confirmed that s ch transactions ere:

(1) entered into in the ordinary and s al co rse of b siness of the Gro p;

(2) cond cted either on normal commercial terms or better; and

(3) in accordance ith the rele ant agreement go erning them on terms that are fair and reasonable and in the interests of the Shareholders as a hole.

Auditor's Confirmation

The Company's a ditor, Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)), as engaged to report on the Gro p's contin ing connected transactions in accordance ith Hong Kong Standard on Ass rance Engagements 3000 (Re ised) Ass rance Engagements Other Than A dits or Re ie s of Historical Financial Information and ith reference to Practice Note 740 A ditor's Letter on Contin ing Connected Transactions nder the Hong Kong Listing R les iss ed by the Hong Kong Instit te of Certified P blic Acco ntants. The a ditor has iss ed its nq alified letter containing its findings and concl sions in respect of the contin ing connected transactions disclosed by the Gro p in this ann al report (if any) in accordance ith R le 14A.56 of the Listing R les. A copy of the a ditor's letter has been pro ided by the Company to the Stock E change.

COMPETING BUSINESS

None of the Directors and their associates had an interest in any competing business with the Company or any of its subsidiaries during the year ended 31 December 2022.

COMPLIANCE WITH NON-COMPETITION UNDERTAKING

Each of Mr. Ran Hongliang, Ms. Jiang Jinhua, Ms. Ran Zexin and Mr. Zhao Xiaofei has confirmed to the Company that he/she has complied with the non-competition undertaking given by them to the Company pursuant to the deed of non-competition dated 16 October 2015. The independent non-executive Directors of the Company have reviewed the status of compliance and enforcement of the non-competition undertaking and confirmed that all the undertakings thereunder have been complied with throughout the period from 1 January 2022 up to and including 31 December 2022.

ARRANGEMENT FOR DIRECTORS AND SUPERVISORS TO PURCHASE SHARES OR DEBENTURES

At no time during the year ended 31 December 2022 were rights to acquire benefits by means of acquisition of shares in or debentures of the Company granted to any Director or supervisors of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors or supervisors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

RETIREMENT SCHEMES

The Group abides by the laws and regulations in relation to employee benefits and retirement planning promulgated by the Chinese government. Details of the Group's retirement plans are set out in note (VI) 25 to the financial statements.

SIGNIFICANT LEGAL PROCEEDINGS

For the year ended 31 December 2022, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

EVENTS AFTER THE REPORTING PERIOD

As of the date of this report, there is no significant s bseq ent e ent.

AUDIT COMMITTEE

The a dit committee of the Compan had re ie ed together ith the Board and e ternal a ditors the acco nting standards and practices adopted b the Gro p and the a dited consolidated financial statements of the Gro p for the ear ended 31 December 2022.

EXTERNAL AUDITORS

Deloitte To che Tohmats Certified P blic Acco ntants LLP ill be the onl a ditor a diting the Compan 's financial statements in accordance ith the CASBE and ndertaking the role of international a ditors in compliance ith the Listing R les. The consolidated financial statements for the ear ended 31 December 2022 ha e been a dited b Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)).

Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)) ill retire and, being eligible, offer themsel es for re-appointment at the forthcoming ann al general meeting of the Compan . A resol tion for the re-appointment of Deloitte To che Tohmats Certified P blic Acco ntants LLP (德勤華永會計師事務所(特殊普通合夥)) as a ditors of the Gro p is to be proposed at the ann al general meeting of the Compan .

There as no change to the Gro p's a ditor d ring the preceding three ears.

On behalf of the Board of Directors

Ruan Hongliang
Chairman

Jia ing, Zhejiang, the PRC
27 March 2023

Report of the Board of Supervisors

The c rrent session of the board of s per isors of the Compan (the Board of S per isors) is comprised of fi e s per isors, namel Mr. Zheng Wenrong, Mr. Shen F q an, Mr. Zh Q anming, Ms. Ni Liping and Ms. Zhang H i hen.

In the ear ended 31 December 2022, for the Compan 's long-term interests and shareholders' interests, the Board of S per isors acted in strict compliance ith rele ant la s, reg lations, r les, reg lator doc ments, the Articles of Association and the Listing R les and earnestl performed their d ties of s per ision o er the acti ities of the Directors and senior management of the Compan . The major orks performed b of the Board of S per isors are presented belo :

I. MEETINGS CONDUCTED BY THE BOARD OF SUPERVISORS

In the ear ended 31 December 2022, the Board of S per isors con ened 13 meetings.

II. WORK OF THE BOARD OF SUPERVISORS

The ork of the S per isor Committee d ring the ear ended 31 December 2022 mainl incl des the follo ing:

1. Monitoring implementation of resolutions of general meetings

The Board of S per isors e ercised s per ision and inspection of the implementation of the resol tions of the general meetings b the Board and the senior management thro gh obser ation and attendance at Board meetings and general meetings. The Board of S per isors considers that the Board and the senior management ha e diligentl performed their d ties in compliance ith the resol tions of the general meetings. No iolation of an la s or reg lations or the Articles of Association or an act hich jeopardi es the interests of the Compan or shareholders' interests of the Compan has been fo nd ithin the performance of the Board and the senior management of the Compan .

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

The Board of S per isors of the Compan e ercised s per ision on a reg lar basis o er the legal compliance, rationalit of the Gro p's general operation, management of its general ordinar ork and the ork performance of the Board and senior management. The Board of S per isors considers that the general operation of the Gro p is so nd and rational, hich has also complied ith all applicable la s, reg lations, r les and the Articles of Association. The members of the Board and the senior management of the Compan ha e conscientio sl and diligentl performed their d ties, and none of their actions ill harm the interests of the Compan or the shareholders of the Compan .

3. Monitoring daily operating activities of the Group

The Board of S per isors of the Compan e ercised s per ision o er the operating acti ities of the Gro p. The Board of S per isors considers that the Compan has alread established a so nd internal control s stem, and has made a h ge progress in the form lation and implementation of its internal ork proced res, th s effecti el controlled its e pos re to ario s operating risks. The operation of the Gro p is in compliance ith the PRC la s and reg lations and the Articles of Association.

4. Monitoring the Group's financial conditions

The Board of S per isors has re ie ed the Gro p's 2022 consolidated financial statements, s per ised and monitored the Gro p's implementation of rele ant financial policies and legislations as ell as details of the Gro p's assets, financial income and e pendit re. It is of the opinion that the Gro p's 2022 consolidated financial statements tr l and completel reflect the financial position and operating res lts of the Gro p.

Chairman of the Board of S per isors
Zheng Wenrong

Jia ing, Zhejiang, the PRC
27 March 2023

Independent Auditor's Report

(De Shi Bao (Shen) Zi (23) No. P03164

TO ALL THE SHAREHOLDERS OF FLAT GLASS GROUP CO., LTD.

1. AUDIT OPINION

We ha e a dited the financial statements of Flat Glass Gro p Co., Ltd. (hereinafter referred to as Flat Gro p), incl ding the consolidated and parent compan 's balance sheet as at 31 December 2022, the consolidated and parent compan 's income statement, the consolidated and parent compan 's statement of cash flo , the consolidated and parent compan 's statement of changes in shareholders' eq it and notes to the financial statements in 2022.

In o r opinion, the attached financial statements ha e been prepared in accordance ith the acco nting standards for b siness enterprises in all material aspects, and ha e gi en a fair ie of the consolidated and parent compan 's financial position as at 31 December 2022, and of its consolidated and parent compan 's operating res lts and consolidated and parent compan 's cash flo in 2022.

2. BASIS FOR FORMING AUDIT OPINION

We cond cted o r a dit in accordance ith the Chinese standards on a diting for certified p blic acco ntants. O r responsibilities nder those standards are f rther described in the A ditor's Responsibilities for the A dit of the Consolidated Financial Statements section of o r a dit report. We are independent of the Flat Gro p in accordance ith the code of professional ethics for Chinese certified p blic acco ntants, and e ha e f lfilled other responsibilities in terms of professional ethics. We belie e that the a dit e idence e ha e obtained is s fficient and appropriate to pro ide a basis for o r opinion.

3. KEY AUDIT MATTERS

Ke a dit matters are those matters that, in o r professional j dgment, ere of most significance in o r a dit of financial statements in 2022. The responses to these matters ere based on the a dit of the financial statements as a hole and the formation of a dit opinions. We do not pro ide a separate opinion on these matters and e confirm that the follo ing matters are the ke a dit matters to be comm nicated in the a dit report.

(1) Cut-off of revenue recognition

Item description

As stated in Note (VI), 43 to the financial statements, the sales re en e of Flat Gro p in 2022 as mainl from the sales of PV glass amo nting to RMB13,681,797,758.21. The sales re en e of PV glass is recognised hen the c stomer obtains the control right of rele ant goods. According to the agreement of the sales contract, for domestic sales, Flat Gro p transported the goods to the agreed place of deli er or picked p b the b ers on their o n, ith the re en e recognised on recei ing the goods; and for e port sales, Flat Gro p recognises the sales re en e according to the time hen the control of goods is transferred nder different trade modes. As re en e is one of the ke performance indicators of Flat Gro p, and the timing of the transfer of control of goods is different, there ma be a risk that the sales re en e is not recognised in the appropriate period. Therefore, e consider hether the sales re en e of PV glass is incl ded in the appropriate acco nting period as the ke a dit matter.

How our audit addressed the key audit matter

O r main a dit proced res for the ke a dit matters related to the c t-off of re en e recognition of the abo e PV glass incl de:

(1) Obtain an nderstanding of the ke internal control related to the c t-off of sales re en e recognition for PV glass, e al ate the design and implementation of the rele ant internal control, and test the effecti eness of its operation;

(2) Check the sales contracts of major c stomers and inter ie ith the management, identif the contract terms related to the transfer time of control of prod cts, and e al ate hether the time point of re en e recognition of Flat Gro p is in line ith the pro isions of acco nting standards for b siness enterprises;

(3) Obtain the sales records for a transaction c cle prior to the balance sheet date. For e port sales, e cond cted sampling inspection of c stoms declarations or cargo receipt records according to different trade patterns. For domestic sales, e sampled the receipt records of the goods;

(4) Perform c t-off tests on the re en e of the last transaction c cle after the balance sheet date, and sample s pporting doc ments related to re en e recognition incl ding receipt records and c stoms declarations. In addition, e also took into acco nt hether there ere major post-sales recalls and assessed their impacts on the financial statements.

4. OTHER INFORMATION

The management of Flat Gro p is responsible for the other information. The other information comprises the information incl ded in the ann al report b t does not incl de the financial statements and o r a dit reports thereon.

O r opinion on the financial statements does not co er the other information and e do not e press an form of ass rance concl sion thereon.

In connection ith o r a dit of the financial statements, o r responsibilit is to read the other information and, in doing so, consider hether the other information is materiall inconsistent ith the financial statements or o r kno ledge obtained in the a dit or other ise appears to be materiall misstated.

If, based on the ork e ha e performed, e concl de that there is a material misstatement of this other information, e are req ired to report that fact. We ha e nothing to report in this regard.

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

The management of Flat Gro p is responsible for the preparation of the financial statements that gi e a fair ie in accordance ith the acco nting standards for b siness enterprises, and designing, implementing and maintaining the necessar internal controls so that the financial statements are free from material misstatement d e to fra d or error.

In preparing the financial statements, the management is responsible for assessing the Flat Gro p's abilit to contin e as a going concern, disclosing, as applicable, matters related to going concern and sing the going concern ass mption nless the management either intend to liq idate the Gro p or to cease operations, or ha e no realistic alternati e b t to do so.

Those charged ith go ernance are responsible for o erseeing the Flat Gro p's financial reporting process.

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

O r objecti es are to obtain reasonable ass rance on hether the financial statements as a hole are free from material misstatement d e to fra d or error, and to iss e a dit reports containing a dit opinions. Reasonable ass rance is a high- le el ass rance, b t it does not g arantee that the a dit cond cted in accordance ith the a diting standards ill al a s detect a material misstatement hen it e ists. Misstatements can arise from fra d or error and are considered material if, indi id all or in the aggregate, the co ld reasonabl be e pected to infl ence the economic decisions of sers taken on the basis of these financial statements.

As part of an a dit in accordance ith a diting standards, e e ercise professional j dgment and maintain professional skepticism thro gho t the a dit. At the same time, e also:

(1) Identif and assess the risks of material misstatement of the financial statements d e to fra d or error, design and perform a dit proced res responsi e to those risks, and obtain a dit e idence that is s fficient and appropriate to pro ide a basis for o r opinion. The risk of not detecting a material misstatement res lting from fra d is higher than for one res lting from error, as fra d ma in ol e coll sion, forger , intentional omissions, misrepresentations, or the o erride of internal control.

(2) Obtain an nderstanding of internal control rele ant to the a dit in order to design a dit proced res that are appropriate in the circ mstances.

(3) E al ate the appropriateness of acco nting policies sed and the reasonableness of acco nting estimates and related disclos res made b the management.

(4) Dra a concl sion on the appropriateness of management's se of going concern ass mption. At the same time, concl de on hether a material ncertaint e ists related to e ents or conditions that ma cast significant do bt on the Flat Gro p's abilit to contin e as a going concern based on the a dit e idence obtained. If e concl de that a material ncertaint e ists, e are req ired b the a diting standards to dra attention in o r a dit report to the related disclos res in the financial statements or, if s ch disclos res are inadeq ate, to iss e a non- nq alified opinion. O r concl sions are based on the a dit e idence obtained p to the date of o r a dit report. Ho e er, f t re e ents or conditions ma ca se the Flat Gro p to cease to contin e as a going concern.

Independent Auditor's Report

(5) E al ate the o erall presentation (incl ding the disclos res), str ct re and content of the financial statements, and hether the financial statements represent the rele ant transactions and e ents in a manner that achie es fair presentation.

(6) Obtain s fficient appropriate a dit e idence regarding the financial information of the entities or b siness acti ities ithin the Flat Gro p to e press an a dit opinion on the financial statements. We are responsible for the direction, s per ision and performance of the gro p a dit. We remain solel responsible for o r a dit opinion.

We comm nicate ith those charged ith go ernance regarding the planned scope and timing of the a dit and significant a dit findings, incl ding an significant deficiencies in internal control that e identif d ring o r a dit.

We also pro ide a statement to those charged ith go ernance that e ha e complied ith rele ant ethical req irements regarding independence, and comm nicate ith those charged ith go ernance all relationships and other matters that ma reasonabl be considered to bear on o r independence, and here applicable, related safeg ards.

From the matters comm nicated ith those charged ith go ernance, e determine those matters that ere of most significance in the a dit of the financial statements for the c rrent period and are therefore the ke a dit matters. We describe these matters in o r a ditor's report nless la or reg lation precl des p blic disclos re abo t the matter or hen, in e treme rare circ mstances, e determine that a matter sho ld not be comm nicated in o r report beca se the ad erse conseq ences of doing so o ld reasonabl be e pected to o t eigh the p blic interest benefits of s ch comm nication.

Deloitte Touche Tohmatsu
Certified P blic Acco ntants LLP
Shanghai, China

Chinese certified p blic acco ntant:
(engagement partner)

Chinese certified p blic acco ntant:

27 March 2023

Consolidated Balance Sheet

31 December 2022

RMB

Items	NOTE (VI)	Closing balance	Opening balance
Current assets:			
Cash at bank and on hand	1	**2,932,152,844.19**	2,842,677,267.48
Trading financial assets	2	**2,000,000.00**	200,000,000.00
Deri ati e financial assets	3	**–**	62,739.00
Bills recei able	4	**2,505,753,674.34**	939,748,112.41
Trade recei ables	5	**2,811,090,070.19**	1,105,759,571.75
Financing recei ables	6	**784,825,969.52**	531,196,547.78
Ad ance pa ment	7	**578,012,656.23**	692,261,958.13
Other recei ables	8	**101,299,773.96**	54,999,617.97
In entories	9	**2,396,316,964.60**	2,276,469,528.29
Assets held for sale	10	**35,107,159.30**	
Other c rrent assets	11	**234,733,656.64**	255,127,082.80
Total current assets		**12,381,292,768.97**	8,898,302,425.61
Non-current assets:			
Long-term eq it in estments	12	**82,753,089.96**	71,530,334.22
In estment properties	13	**17,370,760.63**	18,802,231.03
Fi ed assets	14	**11,225,965,058.08**	6,316,279,511.19
Constr ction in progress	15	**1,874,354,593.74**	3,067,207,867.50
Right-of- se asset	16	**194,194,008.63**	170,070,872.22
Intangible assets	17	**3,783,656,023.65**	662,708,796.08
Long-term prepaid e penses		**15,689,934.37**	6,948,461.94
Deferred income ta assets	18	**92,555,237.76**	4,162,665.30
Other non-c rrent assets	19	**2,713,891,130.26**	866,903,935.41
Total non-current assets		**20,000,429,837.08**	11,184,614,674.89
Total assets		**32,381,722,606.05**	20,082,917,100.50

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed b

Legal Representati e: Chief Financial Officer: Chief Acco ntant:

Consolidated Balance Sheet

31 December 2022

RMB

Items	NOTE (VI)	Closing balance	Opening balance
Current liabilities:			
Short-term borro ings	20	**3,095,354,079.23**	1,860,696,500.00
Deri ati e financial liabilities	21	**1,765,968.98**	
Bills pa ables	22	**964,727,516.59**	1,036,982,577.72
Trade pa ables	23	**4,100,044,464.81**	2,306,910,116.65
Contract liabilities	24	**115,048,763.64**	352,681,717.14
Pa roll pa able	25	**102,797,701.22**	67,519,702.61
Ta pa able	26	**186,516,829.00**	48,629,486.85
Other pa ables	27	**655,490,858.12**	136,664,417.03
Non-c rrent liabilities d e ithin one ear	28	**1,302,218,275.31**	310,100,070.52
Other c rrent liabilities	29	**9,449,715.18**	44,277,908.91
Total current liabilities		**10,533,414,172.08**	6,164,462,497.43
Non-current liabilities:			
Long-term borro ings	30	**3,889,070,000.00**	1,967,748,428.04
Bonds pa ables	31	**3,588,678,749.97**	
Lease liabilities	32	**11,926,193.55**	10,879,703.29
Deferred income	33	**58,535,568.54**	25,441,145.12
Deferred ta liabilities	18	**123,532,426.28**	104,216,253.83
Long-term pa able	34	**137,660,340.97**	
Estimated liabilities	35	**6,457,941.49**	
Total non-current liabilities		**7,815,861,220.80**	2,108,285,530.28
Total liabilities		**18,349,275,392.88**	8,272,748,027.71
Shareholders' equity:			
Share capital	36	**536,723,491.75**	536,723,313.50
Other eq it instr ments	37	**491,731,580.66**	
Capital reser e	38	**4,864,749,251.17**	4,832,768,261.83
Less: Treas r stock	36	**23,806,600.00**	32,096,200.00
Other comprehensi e income	39	**42,350,277.12**	(7,613,180.72)
Special reser e	40	**28,583,407.89**	17,266,053.61
S rpl s reser e	41	**268,361,745.88**	268,361,656.75
Undistrib ted profit	42	**7,823,754,058.70**	6,194,759,167.82
Total eq it attrib table to shareholders of the parent compan		**14,032,447,213.17**	11,810,169,072.79
Minorit interests		**–**	
Total shareholders' equity		**14,032,447,213.17**	11,810,169,072.79
Total liabilities and shareholders' equity		**32,381,722,606.05**	20,082,917,100.50

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed b

Legal Representati e: Chief Financial Officer: Chief Acco ntant:

Balance Sheet of the Parent Company

31 December 2022

RMB

Items	NOTE (XIV)	Closing balance	Opening balance
Current assets:			
Cash at bank and on hand	1	**1,344,936,876.17**	593,095,104.71
Trading financial assets		**2,000,000.00**	
Bills recei able	2	**978,734,026.78**	448,120,747.17
Trade recei ables	3	**866,961,465.37**	347,593,588.48
Financing recei ables	4	**352,288,693.13**	176,107,817.92
Ad ance pa ment	5	**223,591,163.60**	113,797,898.71
Other recei ables	6	**1,796,012,370.71**	1,837,334,934.64
In entories	7	**550,731,004.00**	319,598,489.09
Other c rrent assets	8	**30,915,492.40**	20,480,374.08
Total current assets		**6,146,171,092.16**	3,856,128,954.80
Non-current assets:			
Long-term eq it in estments	9	**4,175,936,572.86**	1,350,059,171.12
Fi ed assets	10	**2,806,194,051.34**	1,280,018,460.38
Constr ction in progress	11	**311,715,690.72**	1,309,136,814.51
Intangible assets	12	**390,586,647.85**	392,286,140.98
Long-term prepaid e penses		**7,149,939.45**	2,596,418.88
Deferred income ta assets	13	**–**	
Other non-c rrent assets	14	**7,015,771,026.31**	4,622,171,949.91
Total non-current assets		**14,707,353,928.53**	8,956,268,955.78
Total assets		**20,853,525,020.69**	12,812,397,910.5s

RMB

Items	NOTE (XIV)	Closing balance	Opening balance
Current liabilities:			
Short-term borro ings	15	**1,582,350,831.00**	1,261,939,500.00
Bills pa ables	16	**756,215,273.27**	557,046,846.40
Trade pa ables	17	**1,224,166,055.55**	874,183,753.59
Contract liabilities	18	**10,618,004.63**	172,956,634.95
Pa roll pa able	19	**40,625,739.50**	28,878,501.78
Ta pa able	20	**30,206,386.78**	17,775,591.40
Other pa ables	21	**1,411,260,098.53**	565,827,131.31
Non-c rrent liabilities d e ithin one ear		**500,330,000.00**	3,200,000.00
Other c rrent liabilities		**1,380,340.60**	22,438,022.78
Total current liabilities		**5,557,152,729.86**	3,504,245,982.21
Non-current liabilities:			
Long-term borro ings	22	**2,775,070,000.00**	786,800,000.00
Bonds pa ables		**3,588,678,749.97**	
Deferred income	23	**8,833,570.90**	13,423,678.16
Deferred income ta liabilities	13	**46,362,774.56**	8,557,857.51
Total non-current liabilities		**6,418,945,095.43**	808,781,535.67
Total liabilities		**11,976,097,825.29**	4,313,027,517.88
Shareholders' equity:			
Share capital		**536,723,491.75**	536,723,313.50
Other eq it instr ments		**491,731,580.66**	
Capital reser e		**4,864,749,251.17**	4,832,768,261.83
Less: Treas r stock		**23,806,600.00**	32,096,200.00
Other comprehensi e income	24	**(1,086,203.62)**	(609,915.05)
S rpl s reser e		**268,361,745.88**	268,361,656.75
Undistrib ted profit	25	**2,740,753,929.56**	2,894,223,275.67
Total shareholders' eq it		**8,877,427,195.40**	8,499,370,392.70
Total liabilities and shareholders' eq it		**20,853,525,020.69**	12,812,397,910.58

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed b :

Legal Representati e: Chief Financial Officer: Chief Acco ntant:

Consolidated Income Statement

For the year ended 31 December 2022

RMB

Items		NOTE (VI)	Amount incurred in the current year	Amount incurred in the previous year
I.	**Operating revenue**	43	**15,460,843,227.36**	8,713,228,065.59
	Less: Operating costs	43	**12,048,190,879.61**	5,620,391,966.94
	Taxes and surcharges	44	**134,772,326.23**	48,466,185.37
	Selling expenses	45	**118,877,978.75**	85,724,646.32
	General and administrative expenses	46	**277,541,944.49**	221,778,736.93
	Research and development expenses	47	**523,230,185.51**	408,417,461.35
	Financial expenses	48	**240,434,620.48**	52,518,443.24
	Including: Interest expenses		**338,235,144.15**	90,252,414.76
	Interest income		**59,295,478.89**	37,314,406.92
	Add: Other income	49	**77,452,388.08**	58,331,820.26
	Investment income	50	**12,864,496.08**	31,886,225.40
	Including: Gains on investment in associates		**7,566,505.74**	5,558,487.56
	Losses from changes in fair value	51	**(1,828,707.98)**	(1,382,927.57)
	Gains (losses) on credit impairment	52	**(39,074,459.18)**	23,554,616.85
	Asset impairment loss	53	**(3,094,217.86)**	(10,202,178.73)
	Gains (losses) on disposal of assets	54	**(8,899,606.56)**	3,599,005.34
II.	**Operating profit**		**2,155,215,184.87**	2,381,717,186.99
	Add: Non-operating income	55	**1,435,472.21**	2,674,782.95
	Less: Non-operating expenses	56	**3,774,893.58**	4,176,927.50
III.	**Total profit**		**2,152,875,763.50**	2,380,215,042.44
	Less: Income tax expense	57	**30,095,335.07**	260,295,716.01
IV.	**Net profit**		**2,122,780,428.43**	2,119,919,326.43
	Net profit attributable to shareholders of the parent company		**2,122,780,428.43**	2,119,919,326.43
	Profit or loss attributable to minority interests		**–**	
V.	**Other comprehensive income, net of tax**		**49,963,457.84**	13,594,620.59
	Other comprehensive income, net of tax attributable to the owners of the parent company		**49,963,457.84**	13,594,620.59
	(1) Other comprehensive loss that cannot be reclassified to profit or loss		**–**	(1,913,160.00)
	9 0716.01			

Income Statement of the Parent Company

For the year ended 31 December 2022

RMB

Items		NOTE (XIV)	Amount incurred in the current year	Amount incurred in the previous year
I.	**Operating revenue**	26	**5,163,792,304.43**	4,240,815,109.00
	Less: Operating costs	26	**4,307,788,238.64**	3,243,247,134.09
	Taxes and surcharges	27	**6,143,594.29**	9,793,483.01
	Selling expenses	28	**56,008,878.46**	21,974,383.56
	General and administrative expenses	29	**152,673,066.25**	137,560,070.42
	Research and development expenses	30	**182,071,321.18**	162,189,552.61
	Financial expenses	31	**113,892,718.33**	24,219,360.35
	Including: Interest expenses		**243,702,867.66**	44,142,410.74
	Interest income		**39,915,635.70**	16,825,294.54
	Add: Other income	32	**33,830,556.61**	22,642,494.29
	Investment income	33	**10,883,515.73**	804,952,405.23
	Including: Gains on investment in associates		**6,277,401.74**	3,506,986.46
	Gains (losses) on credit impairment	34	**(16,741,308.91)**	23,816,457.19
	Asset impairment loss	35	**(824,680.43)**	(9,739,396.44)
	Gains on disposal of assets	36	**515,053.81**	4,838,620.24
II.	**Operating profit**		**372,877,624.09**	1,488,341,705.47
	Add: Non-operating income	37	**685,390.38**	516,476.14
	Less: Non-operating expenses	38	**2,133,889.98**	2,921,500.29
III.	**Total profit**		**371,429,124.49**	1,485,936,681.32
	Less: Income tax expenses	39	**31,112,933.05**	84,328,997.76
IV.	**Net profit**		**340,316,191.44**	1,401,607,683.56
V.	**Other comprehensive income, net of tax**		**(476,288.57)**	5,354,652.39
	I. Other comprehensive income that cannot be classified into profit or loss		**–**	
	II. Other comprehensive income that will be classified into profit or loss		**(476,288.57)**	5,354,652.39
	Changes in fair value of receivables financing		**(476,288.57)**	5,354,652.39
VI.	**Total comprehensive income**		**339,839,902.87**	1,406,962,335.95

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Consolidated Statement of Cash Flow

For the year ended 31 December 2022

RMB

		NOTE (VI)	Amount incurred in the current year	Amount incurred in the previous year
I.	**Cash flow from operating activities:**			
	Cash received from sale of goods or rendering of services		**6,801,275,904.86**	6,537,348,276.08
	Cash received from refunds of taxes		**513,984,013.73**	342,619,295.00
	Cash received relating to other operating activities	59 (1)	**177,358,576.29**	91,022,670.51
	Subtotal of cash inflows		**7,492,618,494.88**	6,970,990,241.59
	Cash paid for goods and services		**5,500,683,742.51**	4,871,746,794.88
	Cash paid to and on behalf of employee		**699,612,904.48**	470,096,109.60
	Cash paid for payments of taxes and surcharges		**493,778,700.20**	559,917,652.96
	Cash paid relating to other operating activities	59 (2)	**621,645,499.94**	489,500,831.78
	Subtotal of cash outflows		**7,315,720,847.13**	6,391,261,389.22
	Net cash flow from operating activities	60 (1)	**176,897,647.75**	579,728,852.37
II.	**Cash flow from investing activities:**			
	Cash received from disposal of investments		**900,000,000.00**	2,250,000,000.00
	Cash received from returns on investments		**6,141,740.34**	26,327,737.84
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**10,158,032.80**	8,928,538.57
	Cash received relating to other investing activities	59 (3)	**49,299,089.45**	79,910,754.58
	Subtotal of cash inflows		**965,598,862.59**	2,365,167,030.99
	Cash paid to purchase fixed assets, intangible assets and other long-term assets		**8,071,332,385.21**	3,768,701,734.64
	Cash paid for investments		**702,000,000.00**	2,124,350,906.30
	Net cash amount received from subsidiaries and other operating entities		**4,500,000.00**	
	Cash paid relating to other investing activities	59 (4)	**56,781,643.64**	34,674,633.39
	Subtotal of cash outflows		**8,834,614,028.85**	5,927,727,274.33
	Net cash flow from investing activities		**(7,869,015,166.26)**	(3,562,560,243.34)
III.	**Cash flow from financing activities:**			
	Cash received from capital contribution		**–**	2,509,960,996.79
	Cash received from bonds issuing		**3,978,000,000.00**	
	Cash received from borrowings		**8,548,815,246.07**	3,541,798,869.71
	Cash received relating to other financing activities	59 (5)	**1,659,478,591.77**	319,363,076.09
	Subtotal of cash inflows		**14,186,293,837.84**	6,371,122,942.59
	Cash paid for payment of borrowings		**4,050,788,050.00**	1,375,236,336.06
	Cash paid for distribution of dividends, and profits or payment of interest		**741,173,921.59**	413,877,420.11
	Cash paid relating to other financing activities	59 (6)	**1,540,582,744.11**	627,807,055.77
	Subtotal of cash outflows		**6,332,544,715.70**	2,416,920,811.94
	Net cash flow from financing activities		**7,853,749,122.14**	3,954,202,130.65
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**		**55,719,181.42**	(15,811,990.35)
V.	**Net increase in cash and cash equivalents**		**217,350,785.05**	955,558,749.33
	Add: Cash and cash equivalents at the beginning of the year	60 (2)	**2,101,730,679.46**	1,146,171,930.13
VI.	**Cash and cash equivalents at the end of the year**	60 (2)	**2,319,081,464.51**	2,101,730,679.46

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Statement of Cash Flow of the Parent Company

For the year ended 31 December 2022

RMB

		NOTE (XIV)	Amount incurred in the current year	Amount incurred in the previous year
I.	**Cash flow from operating activities:**			
	Cash received from sale of goods or rendering of services		**1,677,675,095.57**	3,432,057,551.27
	Cash received from refunds of taxes		**113,963,166.53**	14,957,610.82
	Cash received relating to other operating activities	40 (1)	**81,285,539.72**	30,470,047.46
	Subtotal of cash inflows		**1,872,923,801.82**	3,477,485,209.55
	Cash paid for goods and services		**1,987,939,916.91**	1,885,775,659.34
	Cash paid to and on behalf of employee		**271,694,713.51**	192,145,789.57
	Cash paid for payments of taxes and surcharges		**111,455,575.58**	132,990,917.72
	Cash paid relating to other operating activities	40 (2)	**205,701,515.85**	184,791,705.57
	Subtotal of cash outflows		**2,576,791,721.85**	2,395,704,072.20
	Net cash flow from operating activities	41 (1)	**(703,867,920.03)**	1,081,781,137.35
II.	**Cash flow from investing activities:**			
	Cash received from disposal of investments		**300,000,000.00**	300,000,000.00
	Cash received from returns on investments		**804,606,113.99**	1,445,418.77
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**2,280,595.51**	9,408,471.16
	Cash received relating to other investing activities	40 (3)	**5,280,669,322.94**	343,610,274.28
	Subtotal of cash inflows		**6,387,556,032.44**	654,464,164.21
	Cash paid to purchase fixed assets, intangible assets and other long-term assets		**713,626,039.77**	792,779,466.15
	Cash paid for investments		**302,000,000.00**	300,000,000.00
	Net cash amount received from subsidiaries and other operating entities		**2,298,652,400.00**	
	Cash paid relating to other investing activities	40 (4)	**8,314,753,459.99**	3,194,456,828.46
	Subtotal of cash outflows		**11,629,031,899.76**	4,287,236,294.61
	Net cash flow from investing activities		**(5,241,475,867.32)**	(3,632,772,130.40)
III.	**Cash flow from financing activities:**			
	Cash received from capital contribution		**–**	2,509,960,996.79
	Cash received from bonds issuing		**3,978,000,000.00**	
	Cash received from borrowings		**5,541,898,697.84**	2,474,530,801.75
	Cash received relating to other financing activities	40 (5)	**839,236,131.02**	198,072,651.19
	Subtotal of cash inflows		**10,359,134,828.86**	5,182,564,449.73
	Cash paid for payment of borrowings		**2,503,749,500.00**	677,938,960.00
	Cash paid for distribution of dividends, and profits or payment of interest		**640,454,288.21**	366,054,219.60
	Cash paid relating to other financing activities	40 (6)	**806,951,764.34**	1,326,530,943.23
	Subtotal of cash outflows		**3,951,155,552.55**	2,370,524,122.83
	Net cash flow from financing activities		**6,407,979,276.31**	2,812,040,326.90
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**		**11,243,800.70**	(4,504,508.71)
V.	**Net increase in cash and cash equivalents**		**473,879,289.66**	256,544,825.14
	Add: Cash and cash equivalents at the beginning of the year	41 (2)	**445,104,022.54**	188,559,197.40
VI.	**Cash and cash equivalents at the end of the year**	41 (2)	**918,983,312.20**	445,104,022.54

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

RMB

Items	The current year									
	Equity attributable to the owners of the parent company									
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Minority interests	Total shareholders' equity
I. Opening balance of the current year	536,723,313.50	-	4,832,768,261.83	32,096,200.00	(7,613,180.72)	17,266,053.61	268,361,656.75	6,194,759,167.82	-	11,810,169,072.79
II. Increase/decrease for the current year										
(I) Total comprehensive income	-	-	-	-	49,963,457.84	-	-	2,122,780,428.43	-	2,172,743,886.27
(II) Contribution of shareholders	178.25	491,731,580.66	31,980,989.34	(7,070,600.00)	-	-	-	-	-	530,783,348.25
1. Common shares contributed by owners	-	-	-	(7,070,600.00)	-	-	-	-	-	7,070,600.00
2. Contribution of capital by other equity instrument owners	178.25	491,731,580.66	32,400.14	-	-	-	-	-	-	491,764,159.05
3. Amount of share-based payment included in owners' equity	-	-	31,948,589.20	-	-	-	-	-	-	31,948,589.20
(III) Profit distribution	-	-	-	(1,219,000.00)	-	-	89.13	(493,785,537.55)	-	(492,566,448.42)
1. Appropriation to surplus reserve	-	-	-	-	-	-	89.13	(89.13)	-	-

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2022

RMB

Items		The last year									
		Equity attributable to the owners of the parent company									
		Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Minority interests	Total shareholders' equity
I.	**Opening balance of the last year**	510,312,197.00	49,401,670.49	2,045,095,156.05	28,359,000.00	(26,338,876.15)	14,369,931.38	220,705,199.31	4,449,556,361.77		7,234,742,639.85
II.	**Increase/decrease for the current year**										
	(I) Total comprehensive income					13,594,620.59			2,119,919,326.43		2,133,513,947.02
	(II) Contribution of shareholders	26,411,116.50	(49,401,670.49)	2,787,673,105.78	4,427,200.00						2,760,255,351.79
	1. Common shares contributed by owners	21,311,286.75		2,471,731,656.94	4,427,200.00						2,488,615,743.69
	2. Contribution of capital by other equity instrument owners	5,099,829.75	(49,401,670.49)	278,934,138.94							234,632,298.20
	3. Amount of share-based payment included in owners' equity			37,007,309.90							37,007,309.90
	(III) Profit distribution				(690,000.00)			47,656,457.44	(369,585,445.54)		(321,238,988.10)
	1. Appropriation to surplus reserve							47,656,457.44	(47,656,457.44)		
	2. Appropriation to shareholders				(690,000.00)				(321,928,988.10)		(321,238,988.10)
	(IV) Internal transfers of other owners' equity					5,131,074.84			(5,131,074.84)		
	1. Other comprehensive income transferred to retained earnings					5,131,074.84			(5,131,074.84)		
	(V) Special reserve						2,896,122.23				2,896,122.23
	1. Provision of special reserves						2,998,977.20				2,998,977.20
	2. Utilization of special reserves						(102,854.97)				(102,854.97)
III.	**Closing balance of the last year**	536,723,313.50		4,832,768,261.83	32,096,200.00	(7,613,180.72)	17,266,053.61	268,361,656.75	6,194,759,167.82		11,810,169,072.79

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Statement of Changes in Shareholders' Equity of the Parent Company

For the year ended 31 December 2022

RMB

Items	The current year							
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Surplus reserve	Undistributed profit	Total shareholders' equity
I. Opening balance of the current year	536,723,313.50	-	4,832,768,261.83	32,096,200.00	(609,915.05)	268,361,656.75	2,894,223,275.67	8,499,370,392.70
II. Increase/decrease for the current year								
(I) Total comprehensive income	-	-	-	-	(476,288.57)	-	340,316,191.44	339,839,902.87
(II) Contribution and withdrawal of capital by shareholders	178.25	491,731,580.66	31,980,989.34	(7,070,600.00)	-	-	-	530,783,348.25
1. Common shares contributed by owners	-	-	-	(7,070,600.00)	-	-	-	7,070,600.00
2. Contribution of capital by other equity instrument owners	178.25	491,731,580.66	32,400.14	-	-	-	-	491,764,159.05
3. Amount of share-based payment included in owners' equity			31,948,589.20	-	-	-	-	31,948,589.20
(III) Profit distribution	-	-	-	(1,219,000.00)	-	89.13	(493,785,537.55)	(492,566,448.42)
1. Appropriation to surplus reserve	-	-	-		-	89.13	(89.13)	-
2. Appropriation to shareholders	-	-	-	(1,219,000.00)	-		(493,785,448.42)	(492,566,448.42)
III. Closing balance of the current year	536,723,491.75	491,731,580.66	4,864,749,251.17	23,806,600.00	(1,086,203.62)	268,361,745.88	2,740,753,929.56	8,877,427,195.40

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Statement of Changes in Shareholders' Equity of the Parent Company

For the year ended 31 December 2022

RMB

Items		The last year							
		Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Surplus reserve	Undistributed profit	Total shareholders' equity
I.	**Opening balance of the last year**	510,312,197.00	49,401,670.49	2,045,095,156.05	28,359,000.00	(5,964,567.44)	220,705,199.31	1,862,201,037.65	4,653,391,693.06
II.	**Increase/decrease for the current year**								
	(I) Total comprehensive income					5,354,652.39		1,401,607,683.56	1,406,962,335.95
	(II) Contribution and withdrawal of capital by shareholders	26,411,116.50	(49,401,670.49)	2,787,673,105.78	4,427,200.00				2,760,255,351.79
	1. Common shares contributed by owners	21,311,286.75		2,471,731,656.94	4,427,200.00				2,488,615,743.69
	2. Contribution of capital by other equity instrument owners	5,099,829.75	(49,401,670.49)	278,934,138.94					234,632,298.20
	3. Amount of share-based payment included in owners' equity			37,007,309.90					37,007,309.90
	(III) Profit distribution				(690,000.00)		47,656,457.44	(369,585,445.54)	(321,238,988.10)
	1. Appropriation to surplus reserve						47,656,457.44	(47,656,457.44)	
	2. Appropriation to shareholders				(690,000.00)			(321,928,988.10)	(321,238,988.10)
III.	**Closing balance of the last year**	536,723,313.50		4,832,768,261.83	32,096,200.00	(609,915.05)	268,361,656.75	2,894,223,275.67	8,499,370,392.70

The notes are an integral part of the financial statements.

The financial statements on pages 65 to 76 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

(I) CORPORATE INFORMATION

1. Company Overview

Flat Glass Group Co., Ltd. (the "Company") was established on 24 June 1998 with its registered address at

(I) CORPORATE INFORMATION (Contin ed)

1. Company Overview (Contin ed)

As appro ed b the China Sec rities Reg lator Commission, the Compan p blicl iss ed 14.50 million A share con ertible corporate bonds (the Con ertible Bonds) ith a par al e of RMB100 each on 27 Ma 2020. The total amo nt of this iss ance is RMB1,450,000,000.00 and the term is 6 ears. P rs ant to the R les Go erning the Listing of Stocks on Shanghai Stock E change and other rele ant reg lations and the Prospect s of A Share Con ertible Corporate Bond thro gh P blic Iss ance of Flat Glass Gro p Co., Ltd., the Con ertible Bonds can be con erted into the RMB ordinar shares (A shares) of the Compan from 3 December 2020. The initial con ersion price is RMB13.56 per share. The Compan ill adj st the con ersion price based on the prospect s pon the occ rrence of distrib tion of stock di idend, capitalisation iss e, iss ance of ne shares (e cl ding the increase in share capital d e to the con ertible corporate bonds in this iss ance), rights iss e or distrib tion of cash di idend. On 9 No ember 2020, the Compan adj sted the con ersion price to RMB13.48 per share based on the A-share restricted share incenti e scheme and 2020 interim profit distrib tion proposal. On 28 Jan ar 2021, the Compan adj sted the con ersion price to RMB14.15 per share d e to the non-p blic iss ance of RMB ordinar shares (A shares). D ring the period from 3 December 2020 to 27 Jan ar 2021, the con ertible bonds of the Compan amo nting to RMB1,358,240,000.00 ere con erted into 100,754,542 RMB ordinar shares (A shares) at a con ersion price of RMB13.48 per share. D ring the period from 28 Jan ar 2021 to 29 Jan ar 2021, the con ertible bonds of the Compan amo nting to RMB89,057,000.00 ere con erted into 6,293,565 RMB ordinar shares (A shares) at a con ersion price of RMB14.15 per share. D ring the period from 3 December 2020 to 23 December 2020, the closing prices of shares of the Compan for at least 15 trading da s o t of an 30 consec ti e trading da s d ring the con ersion period ere no less than 130% (130% incl si e) of the pre ailing con ersion price, triggering the conditional redemption terms of con ertible bonds. On 23 December 2020, the Resol tion on Earl Redemption of Flat Con ertible Bonds b the Compan as considered and appro ed at the 28th meeting of the fifth session of the Board, nder hich the Compan decided to e ercise the earl redemption right of Flat Con ertible Bonds, and redeemed all the Flat Con ertible Bonds registered on the redemption registration date ith the redemption registration date of 29 Jan ar 2021. As of 29 Jan ar 2021, the con ertible bonds in an amo nt of RMB1,447,297,000.00 ha e been con erted into RMB ordinar shares (A shares), and the c m lati e n mber of con erted shares amo nted to 107,048,107 shares (incl ding: con ersion of 86,648,788.00 shares in 2020, hich e panded the registered capital b RMB21,662,197.00 and capital reser e b RMB1,162,828,718.24; and con ersion of 20,399,319.00 shares, hich e panded the registered capital b RMB5,099,829.75 and capital reser e b RMB278,934,138.94), and the non-con erted con ertible bonds of RMB2,703,000.00 ha e been redeemed b the Compan . D e to the con ersion of con ertible bonds, the registered capital of the Compan increased b RMB26,762,026.75, the n mber of shares increased b 107,048,107 shares and the capital reser e increased b RMB1,441,762,857.18.

As considered and appro ed at the 20th meeting of the fifth session of the Board, 2020 first e traordinar general meeting, 2020 second A shareholders class meeting and 2020 second H shareholders class meeting of the Compan , and appro ed b the Appro al of the Non-p blic Iss ance of Shares of Flat Glass Gro p Co., Ltd. (CSRC Appro al [2020] No. 2648) iss ed b China Sec rities Reg lator Commission, the Compan as permitted to iss e not more than 450,000,000 RMB ordinar shares (A shares) b a of non-p blic iss ance. As of 7 Jan ar 2021, the Compan has completed the non-p blic iss ance of 84,545,147 RMB ordinar shares (A shares) at a par al e of RMB0.25 per share at an iss e price of RMB29.57 per share ith the total amo nt of f nds raised of RMB2,499,999,996.79. The net proceeds ere RMB2,483,081,943.69 after ded cting the iss e cost of RMB16,918,053.10, of hich the amo nt of RMB21,136,286.75 and RMB2,461,945,656.94 as incl ded in total share capital and capital reser e, respecti el . All pa ments of s bscription amo nts ere made b cash in Renminbi. D e to the non-p blic iss ance of A shares, the registered capital of the Compan increased b RMB21,136,286.75, the n mber of shares increased b 84,545,147 shares and the capital reser e increased b RMB2,461,945,656.94.

(I) CORPORATE INFORMATION (Contin ed)

1. Company Overview (Contin ed)

On 25 Ma 2021, the Compan held the second meeting of the si th session of the Board, at hich the Resol tion in relation to the Reser ed Grant of the Restricted A Shares to Participants as considered and appro ed to grant restricted shares to three participants. The participants act all s bscribed for 700,000 RMB ordinar shares (A shares), ith a par al e of RMB0.25 per share at a grant price of RMB14.23 per share. Upon the completion of the abo e grant of restricted shares, the registered capital of the Compan became RMB536,723,313.50.

As appro ed b the China Sec rities Reg lator Commission, the Compan p blicl iss ed 40 million A share con ertible corporate bonds ith a par al e of RMB100 each on 20 Ma 2022. The total amo nt of this iss ance is RMB4,000,000,000.00 and the term is 6 ears. P rs ant to the R les Go erning the Listing of Stocks on Shanghai Stock E change and other rele ant reg lations and the Prospect s of A Share Con ertible Corporate Bond thro gh P blic Iss ance of Flat Glass Gro p Co., Ltd., the Con ertible Bonds can be con erted into the RMB ordinar shares (A shares) of the Compan from 28 No ember 2022. The initial con ersion price is RMB43.94 per share. The Compan ill adj st the con ersion price based on the prospect s pon the occ rrence of distrib tion of stock di idend, capitalisation iss e, iss ance of ne shares (e cl ding the increase in share capital d e to the con ertible corporate bonds in this iss ance), rights iss e or distrib tion of cash di idend. On 23 No ember 2022, the Compan adj sted the con ersion price to RMB43.71 per share based on the 2022 interim profit distrib tion proposal. D ring the period from 28 No ember 2022 to 31 December 2022, the con ertible bonds of the Compan amo nting to RMB32,000 ere con erted into 713 RMB ordinar shares (A shares) at a con ersion price of RMB43.71 per share. D e to the con ersion of con ertible bonds, the registered capital of the Compan increased b RMB178.25, the n mber of shares increased b 713 shares and the capital reser e increased b RMB40,713.73.

The principal acti ities of the Compan and its s bsidiaries (the Gro p) are the man fact ring and sales of glass prod cts.

The de facto controllers of the Compan are Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei, of hom Mr. R an Hongliang and Ms. Jiang Jinh a are directors of the Compan.

2. Scope of the Consolidated Financial Statements

On 27 March 2023, the Compan 's compan and consolidated financial statements ha e been appro ed b the Board of Directors of the Compan.

Details of the scope of consolidated financial statements of the Gro p are set o t in Note (V) Interests in other entities .

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

The Gro p has implemented the Acco nting Standards for B siness Enterprises and other rele ant reg lations iss ed b the Ministr of Finance (hereinafter referred to as the CASBE) and has also disclosed rele ant financial information in accordance ith the Preparation Con ention of Information Disclos re b Companies Offering Sec rities to the P blic No.15 General Pro isions on Financial Reporting (re ised in 2014). In addition, the financial statements also incl de disclos res req ired b the Companies Ordinance and the Listing R les of the Stock E change of Hong Kong.

Going concern

The Gro p has assessed the abilit to contin e as a going concern for a 12-month period since 31 December 2022 and is not a are of an e ents or conditions that ma cast significant do bt pon the abilit to contin e as a going concern. So the financial statements ha e been prepared on a going concern basis.

Basis of accounting and principle of measurement

The Gro p has adopted accr al basis for acco nting meas rement. E cept some financial instr ments are meas red at fair al e, the financial statements are based on historical cost. If the assets are impaired, corresponding pro isions for impairment shall be made according to rele ant reg lations.

Under the historical cost con ention, assets are meas red at the amo nt of cash or cash eq i alents paid or the fair al e of the consideration gi en to acq ire them at the time of acq isition. Liabilities are meas red according to the amo nt of pa ment or assets act all recei ed d e to the ass mption of c rrent obligations, or the contract amo nt of the c rrent obligation, or in accordance ith the amo nt of cash or cash eq i alents e pected to be paid in dail acti ities to meet liabilities.

Fair al e is the price that o ld be recei ed to sell an asset or paid to transfer a liabilit in an orderl transaction bet een market participants at the meas rement date, regardless of hether that price is directl obser able or estimated sing al ation techniq e. Fair al e meas red and disclosed in the financial statements are determined according to the abo e basis.

The fair al e meas rement is di ided into three le els based on the obser abilit of the inp ts of the fair al e and the importance of the inp ts to the fair al e meas rement as a hole:

– Le el 1 inp ts are the nadj sted q oted prices of the same assets or liabilities in the acti e market that can be obtained on the meas rement date.

– Le el 2 inp ts are inp ts, other than q oted prices incl ded ithin Le el 1, that are obser able for the asset or liabilit , either directl or indirectl .

– Le el 3 inp ts are nobser able inp ts for the rele ant asset or liabilit .

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The principal acti ities of the Gro p are the man fact ring and sales of glass prod cts. Therefore, the acco nting policies for recognition of re en e, impairment of financial instr ments, depreciation of fi ed assets and amortisation of intangible assets are based on the characteristics of the glass man fact ring ind str . For details, please refer to Notes (III) 25, (III) 9, (III) 15 and (III) 18.

1. Statement of Compliance with CASBE

The financial statements of the Compan ha e been prepared in accordance ith the CASBE, and present tr l and completel the consolidated and the Compan 's financial position as at 31 December 2022 and the consolidated and the Compan 's res lts of operations, the consolidated and the Compan 's changes in shareholders' eq it and the consolidated and the Compan 's cash flo s in 2022.

2. Accounting Period

The acco nting ear of the Gro p is the calendar ear, i.e. from 1 Jan ar to 31 December of each ear.

3. Operating Cycle

Operating c cle refers to the period from the p rchase of assets sed for processing to the realisation of cash or cash eq i alents. The Gro p's operating c cle s all takes appro imatel 12 months.

4. Functional Currency

Renminbi (RMB) is the c rrenc in the primar economic en ironment in hich the Compan and its s bsidiaries other than the Vietnam s bsidiar operate, The Compan and its s bsidiaries other than the Vietnam s bsidiar se RMB as their f nctional c rrenc . The Compan 's Vietnam s bsidiar determines VND as its f nctional c rrenc based on the c rrenc in the primar economic en ironment in hich it operates. The c rrenc sed b the Compan in preparing the financial statements is RMB.

5. Business Combinations

B siness combinations are classified into b siness combinations in ol ing enterprises nder common control and b siness combinations not in ol ing enterprises nder common control.

For transactions not nder common control, the acq irer ill consider hether to adopt the simplified j dgment method of concentration test hen j dging hether the acq ired combination constit te a b siness. If the combination passes the concentration test, it does not constit te a b siness. If the combination fails the concentration test, the j dgment shall be made according to b siness conditions.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

5. Business Combinations (Contin ed)

5.1 Business combinations involving enterprises under common control

A b siness combination in ol ing enterprises nder common control is a b siness combination in hich all of the combining enterprises are ltimatel controlled b the same part or parties both before and after the combination, and that control is not transitor.

Assets and liabilities acq ired in a b siness combination are meas red at their carr ng amo nt of the combined part at the combination date. The difference bet een the carr ng amo nt of the net assets acq ired b the combining part and the carr ng amo nt of the consideration paid for the combination (or the aggregate face al e of the shares iss ed) is adj sted to share premi m nder capital reser e, if the share capital premi m is ins fficient to offset the difference, the retained earnings ill be adj sted.

The costs that are directl attrib table to the b siness combination are charged to profit or loss in the period in hich the are inc rred.

5.2 Business combinations not involving enterprises under common control and goodwill

A b siness combination not in ol ing enterprises nder common control is a b siness combination in hich all of the combining enterprises are not ltimatel controlled b the same part or parties both before and after the combination.

The cost of combination is meas red at the aggregate of the fair al es, at the acq isition date, of assets gi en, liabilities inc rred or ass med, and eq it instr ments iss ed b the acq irer in e change for control of the acq iree. The intermediar fees inc rred b the acq irer in respect of a diting, legal ser ices, al ation and cons ltanc ser ices, etc. and other related administrati e e penses attrib table to the b siness combination are charged to profit or loss in the period in hich the are inc rred.

The identifiable assets, liabilities and contingent liabilities of the acq iree that meet the recognition conditions acq ired b the acq irer in a b siness combination, are meas red at their fair al es at the acq isition date.

Where the cost of combination e ceeds the acq irer's interest in the fair al e of the acq iree's identifiable net assets, the difference is recognised as an asset as good ill and is initiall meas red at cost. Where the cost of combination is less than the acq irer's interest in the fair al e of the acq iree's identifiable net assets, the acq irer firstl reassesses the meas rement of the fair al es of the acq iree's identifiable assets, liabilities and contingent liabilities and the meas rement of the cost of combination. If after that reassessment, the cost of combination is still less than the acq irer's interest in the fair al e of the acq iree's identifiable net assets acq ired in the combination, the difference is recognised in profit or loss.

Good ill occ rred as a res lt of combination shall be recognised separatel in the consolidated financial statements and meas red at cost less acc m lated impairment pro ision.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

6. Preparation of Consolidated Financial Statements

The scope of consolidation for the consolidated financial statements is determined based on control. Control refers to the po er that the in estor has o er the in estee; it means that the in estor enjo s ariable ret rns b taking part in the rele ant acti ities of the in estee and is capable of sing its po er o er the in estee to infl ence the amo nt of ret rn. In case of changes in the rele ant elements in ol ed in the aforesaid definition of control as a res lt of the changes in facts and circ mstance, the Gro p ill cond ct re-assessment.

Consolidation of a s bsidiar begins hen the Gro p obtains control o er the s bsidiar and ceases hen the Gro p loses control of the s bsidiar .

For a s bsidiar disposed of b the Gro p, the operating res lts and cash flo s before the date of disposal (the date hen control is lost) are incl ded in the consolidated income statement and consolidated statement of cash flo s, as appropriate.

For a s bsidiar acq ired thro gh a b siness combination not in ol ing enterprises nder common control, the operating res lts and cash flo s from the acq isition date (the date hen control is obtained) are incl ded in the consolidated income statement and consolidated statement of cash flo s, as appropriate.

No matter hen the b siness combination occ rs in the reporting period, s bsidiaries acq ired thro gh a b siness combination in ol ing enterprises nder common control or the part being absorbed nder merger b absorption are incl ded in the Gro p's scope of consolidation as if the had been incl ded in the scope of consolidation from the date hen the first came nder the common control of the ltimate controlling part . Their operating res lts and cash flo s from the beginning of the earliest reporting period or from the date hen the first came nder the common control of the ltimate controlling part are incl ded in the consolidated income statement and consolidated statement of cash flo s, as appropriate.

The significant acco nting policies and acco nting periods adopted b the s bsidiaries are determined in accordance ith the Compan 's nified acco nting policies and acco nting periods.

The impact of internal transactions bet een the Compan and its s bsidiaries and among the s bsidiaries on the consolidated financial statements is eliminated on consolidation.

The portion of a s bsidiar 's eq it that is not attrib table to the Compan is treated as minorit interests and presented as minorit interests nder shareholders' eq it in the consolidated balance sheet. The portion of a s bsidiar 's net profit or loss for the period attrib table to minorit interests is presented as profit or loss attrib table to minorit interests nder net profit in the consolidated income statement.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

6. Preparation of Consolidated Financial Statements (Contin ed)

When the amo nt of loss for the period attrib table to the minorit shareholders of a s bsidiar e ceeds the minorit shareholders' portion in the opening balance of o ners' eq it of the s bsidiar, the balance is still allocated against minorit interests.

A transaction is acco nted for as an eq it transaction hen the p rchase of minorit interest in a s bsidiar or the disposal of part of eq it in estment in a s bsidiar does not res lt in the Gro p losing control o er the s bsidiar, and the carr ng amo nt of eq it attrib table to the o ner of the Compan and minorit shareholders ill be adj sted to reflect the changes of their related interests in the s bsidiar. The difference bet een the adj sted eq it of minorit shareholders and the fair al e of the consideration paid/recei ed is adj sted to capital reser e. If the capital reser e is ins fficient to offset the difference, the retained earnings ill be adj sted.

7. Recognition Criteria of Cash and Cash Equivalents

Cash comprises cash on hand and deposits that can be readil ithdra n on demand. Cash eq i alents are short-term (generall means d e ithin three months from the date of p rchase), highl liq id in estments held b the Gro p that are readil con ertible to kno n amo nts of cash and hich are s bject to an insignificant risk of changes in al e.

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

8.1 Foreign currency business

Foreign c rrenc transactions are translated at the spot e change rate on the date of transaction at initial recognition.

At the balance sheet date, foreign c rrenc monetar items are translated into RMB sing the spot e change rates at the balance sheet date. E change differences arising from the differences bet een the spot e change rates pre ailing at the balance sheet date and those on initial recognition or at the pre io s balance sheet date are recognised in profit or loss for the period, e cept that: (1) e change differences related to special borro ings denominated in foreign c rrenc eligible for capitalisation shall be capitalised into the cost of the related assets d ring the capitalisation period; (2) e change differences on hedging instr ments for the p rpose of hedging against foreign c rrenc risk are acco nted for sing hedge acco nting; and (3) e change differences arising from changes in carr ng amo nt (other than amortised cost) of monetar items at fair al e thro gh comprehensi e income are recognised in other comprehensi e income.

Non-monetar items denominated in foreign c rrencies that are meas red at historical cost are translated to f nctional c rrenc at the spot e change rate at the date of the transaction. Non-monetar items denominated in foreign c rrencies that are meas red at fair al e are translated sing the foreign e change rate at the date the fair al e is determined. The difference bet een the translated f nctional c rrenc amo nt and the original f nctional c rrenc amo nt is treated as changes in fair al e (incl ding changes in e change rates) and is recognised in profit or loss or as other comprehensi e income.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

8. Translation of Foreign Currency Business and Financial Statements Denominated in Foreign Currency (Contin ed)

8.2 Translation of foreign currency financial statements

For the p rpose of preparing the consolidated financial statements, the foreign c rrenc financial statements of o erseas operations are translated into RMB financial statements sing the follo ing method: all assets and liabilities in the balance sheet are translated at the spot e change rate at the balance sheet date; eq it items con erted at the spot e change rate at the time of occ rrence; all items in the income statement and items reflecting the amo nt of profit distrib tion are translated at the e change rates appro imating the foreign e change rates r ling at the dates of the transactions; the difference bet een assets and the s m of liabilities and shareholders' eq it after translation is recognised in other comprehensi e income and incl ded in shareholders' eq it.

Cash flo s arising from a transaction in foreign c rrenc and the cash flo s of a foreign s bsidiar are translated at an e change rate hich appro imates the spot e change rate on the date of the cash flo s. The effect of e change rate changes on cash and cash eq i alents is regarded as a reconciliation item and presented separatel in the statement of cash flo s as effect of e change rate changes on cash and cash eq i alents .

The opening balances and the act al fig res of prior ear are presented at the translated amo nts in the prior ear's financial statements.

9. Financial Instruments

The Gro p recognises a financial asset or a financial liabilit hen it becomes a part to a financial instr ment contract.

Where financial assets are p rchased or sold in a reg lar a assets to be recei ed and liabilities to be borne are recognised on the date of transaction, or assets sold are derecognised on the date of transaction.

Financial assets and financial liabilities are initiall meas red at fair al e. For financial assets and financial liabilities at fair al e thro gh profit or loss, the related transaction costs are direct recognised in profit or loss in the period in hich the are inc rred. For other categories of financial assets and financial liabilities, the related transaction costs are incl ded in the initiall recognised amo nt. When the Gro p initiall recognises recei ables that do not contain a significant financing component or do not consider the financing component in a contract not e ceeding one ear in accordance ith the Acco nting Standards for B siness Enterprises No. 14 Re en e (the Re en e Standard), the Gro p initiall meas res the recei ables at the transaction price as defined in the Re en e Standard.

Effecti e interest rate method is the method that is sed in the calc lation of the amortised cost of a financial asset or a financial liabilit and in the allocation and recognition of the interest re en e or interest e pense in profit or loss o er the rele ant period.

The effecti e interest rate is the rate that disco nts estimated f t re cash flo s thro gh the e pected d ration of a financial asset or a financial liabilit to the carr ng amo nt of the financial asset or to the amortised cost of the financial liabilit. In determining the effecti e interest rate, the e pected cash flo is estimated on the

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

The amortised cost of a financial asset or a financial liabilit is the amo nt initiall recognised for a financial asset or a financial liabilit net of principal repaid, pl s or less the c m lati e amortised amo nt arising from amortisation of the difference bet een the amo nt initiall recognised and the amo nt at the mat rit date sing the effecti e interest method, net of c m lati e loss allo ance (onl applicable to financial assets).

9.1 Classification, recognition and measurement of financial assets

S bseq ent to initial recognition, the Gro p's financial assets of ario s categories are s bseq entl meas red at amortised cost, fair al e thro gh other comprehensi e income (FVTOCI) or fair al e thro gh profit or loss (FVTPL).

If the contract al terms of the financial asset stip late that the cash flo s generated on a specific date are solel payments of the principal and the interest on the principal amo nt o tstanding and the financial asset is managed b the Gro p in a b siness model aimed at collecting contract al cash flo s, the Gro p shall classif the financial asset into the financial asset meas red at amortised cost. S ch financial assets mainl incl de cash and bank balances, bills recei able and recei ables, other recei ables, etc.

If the contract al terms of the financial asset stip late that the cash flo s generated on a specific date are solel payments of the principal and the interest on the principal amo nt o tstanding and the financial asset is managed b the Gro p in a b siness model aimed at both collecting contract al cash flo s and selling s ch financial assets, the Gro p shall classif the financial asset into the financial asset at FVTOCI. These financial assets ere classified as bills recei able at fair al e thro gh other comprehensi e income hen obtaining, and presented nder recei ables financing.

On initial recognition, the Gro p ma based on an indi id al financial asset, irre ocabl designate a non-tradable eq it instr ment in estment other than contingent consideration recognised in b siness combination not in ol ing enterprises nder common control as financial asset at FVTOCI. S ch financial assets are presented as other eq it instr ment in estments.

The Gro p's p rpose of holding the financial assets is for trading if one of the follo ing conditions is satisfied:

– The p rpose of acq iring the financial assets is to sell the assets in the near f t re.

– The rele ant financial assets are part of a portfolio of identified financial instr ments that are centrall managed on initial recognition, and there is objecti e e idence of act all a recent short-term profit-taking model.

– The rele ant financial assets are deri ati es, e cept for deri ati es defined nder financial g arantee contracts and deri ati es designated as effecti e hedging instr ments.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.1 Classification, recognition and measurement of financial assets (Contin ed)

Financial assets at FVTPL incl de financial assets classified as at FVTPL and financial assets designated as at FVTPL.

– Financial assets that do not meet the classification criteria for financial assets at amortised cost or financial assets at FVTOCI are classified as financial assets at FVTPL.

– On initial recognition, the Gro p ma irre ocabl designate a financial asset as at FVTPL if doing so eliminates or significantl red ces an acco nting mismatch or hen the criteria for the h brid contract ith embedded deri ati es are met.

E cept for deri ati e financial assets, financial assets at FVTPL are presented as held-for-trading financial assets.

9.1.1 Financial assets meas red at amortised cost

Financial asset at amortised cost is s bseq entl meas red at amortised cost sing the effecti e interest method. Gains or losses arising from derecognition, impairment or amortisation are recognised in profit or loss.

The Gro p recognises interest income on financial assets meas red at amortised cost sing the effecti e interest method. The Gro p determines the interest income based on the carr ng amo nt of financial assets m ltiplied b the effecti e interest rate, e cept for:

– For p rchased or originated credit impaired financial assets, the Gro p recognises their interest income based on amortised cost and credit-adj sted effecti e interest rate of s ch financial assets since initial recognition.

– For p rchased or originated financial assets itho t credit impairment b t ith credit impairment inc rred in s bseq ent periods, the Gro p calc lates and determines its interest income based on amortised cost of the financial asset and the effecti e interest rate in s bseq ent periods. If the credit risk of the financial instr ment impro es in s bseq ent periods and the financial instr ment is no longer credit impaired and the impro ement can be linked to an e ent occ rring after the application of the abo e req irements, the Gro p ill determine the interest income based on the effecti e interest rate m ltiplied b the carr ng amo nt of the financial assets.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.1 Classification, recognition and measurement of financial assets (Contin ed)

9.1.2 Financial assets classified as at FVTOCI

E cept for impairment losses or gains related to financial assets at FVTOCI, interest income calc lated sing the effecti e interest method and e change gains and losses are recognised in profit or loss, changes in fair al e of the financial assets are recognised in other comprehensi e income. The amo nt of the financial assets incl ded in profit or loss for each period shall be eq al to the amo nt deemed as meas red at amortised cost and incl ded in profit or loss for each period. Upon derecognition of the financial assets, c m lati e gains or losses pre io sl recognised in other comprehensi e income are transferred and reclassified into profit or loss for the period.

After the non-tradable eq it instr ment in estment is designated as a financial asset at FVTOCI, the changes in fair al e of the financial asset are recognised in other comprehensi e income. When the financial asset is derecognised, the c m lati e gains or losses pre io sl recognised in other comprehensi e income are transferred from other comprehensi e income and recognised in retained earnings. D ring the period that the Gro p holds these non-tradable eq it instr ment, the di idend income is recognised and incl ded in profit or loss hen the Gro p's right to recei e di idends has been established and the economic benefits associated ith the di idends are likel to flo into the Gro p and the amo nt of the di idends can be reliabl meas red.

9.1.3 Financial assets at FVTPL

Financial assets at FVTPL shall be s bseq entl meas red at fair al e. Gains or losses from change in fair al e and di idends and interest income related to s ch financial assets shall be recognised in profit or loss.

9.2 Impairment of financial instruments

The Gro p performs impairment acco nting for financial assets meas red at amortised cost and financial assets at FVTOCI based on e pected credit losses (ECL) and recognises loss allo ance.

The Gro p meas res the loss reser es of all commercial acceptance, bills recei able and trade recei able formed d e to the income standard in accordance ith the amo nt eq i alent to lifetime ECL.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.2 Impairment of financial instruments (Contin ed)

For other financial instr ments, e cept for p rchased or originated credit impaired financial assets, at each balance sheet date, the Gro p assesses changes in credit risk of rele ant financial instr ments since initial recognition. If the credit risk on the financial instr ment has increased significantl since initial recognition, the Gro p meas res its loss allo ance at an amo nt eq al to lifetime ECL of the financial instr ment. If the credit risk on the financial instr ment has not increased significantl since initial recognition, the Gro p meas res the loss allo ance at an amo nt eq al to ne t 12-month ECL of the financial instr ment. E cept for financial assets meas red at FVTOCI, the increased or re ersed amo nt of credit loss pro ision shall be incl ded in profit and loss for the period as impairment loss or gain. The Gro p recognises credit loss pro ision for financial assets at FVTOCI in other comprehensi e income and recognises loss/gain on impairment in profit or loss for the period, itho t red cing the carr ing amo nt of the financial assets presented in the balance sheet.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.2 Impairment of financial instruments (Contin ed)

9.2.1 Significant increase in credit risk (Contin ed)

Irrespecti e of a significant increase in credit risk since abo e assessment, the credit risk of the financial instr ment is considered to ha e increased significantl hen the contract al pa ments are past d e more than 30 da s (incl si e).

As at the balance sheet date, if the Gro p j dges that the financial instr ment sole has lo er credit risk, the Gro p ill ass me that the credit risk of the financial instr ment has not significantl increased since initial recognition. If the defa lt risk of a financial instr ment is lo , and the borro er is high capable of meeting its contract cash flo obligations in short term, the financial instr ment is considered to ha e a lo er credit risk e en if there is a negati e change in the economic sit ation and operating en ironment o er a longer period of time, b t it ma not necessaril red ce the borro er's performance of its contract cash obligations.

9.2.2 Credit impaired financial assets

A financial asset is credit impaired hen one or more e ents that ha e an ad erse impact on the estimated f t re cash flo s of the financial asset occ rred. E idence that a financial asset is credit impaired incl des the follo ing obser able information:

(1) Significant financial diffic lt of the iss er or the debtor;

(2) The debtor breaches the contract, s ch as defa lt or o erd e on interest or principal pa ment;

(3) The creditor, for economic or contract al reasons relating to the financial diffic lties of the debtor, granted to the debtor a concession that the creditor o ld not other ise consider;

(4) The debtor is likel to enter bankr ptc or other financial reorganisation;

(5) The acti e market for the financial asset disappeared d e to the financial diffic lties of the iss er or the debtor.

Based on the Gro p's internal credit risk management, the Gro p considers an e ent of defa lt occ rs hen information proposed internall or obtained e ternall indicates that the debtor of the financial instr ment is nable to pa its creditors (incl ding the Gro p) in f ll (itho t taking into acco nt an g arantees obtained b the Gro p).

Irrespecti e of the abo e assessment, the Gro p pres mes that defa lt has occ rred hen the contract al pa ments for a financial instr ment are past d e for more than 90 da s (incl si e).

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.2 Impairment of financial instruments (Contin ed)

9.2.3 Determination of ECL

The Gro p ses impairment matri to determine the credit loss of related financial instr ments on the basis of combination of bills recei able, financing recei ables, trade recei able and other recei ables. The Gro p di ides financial instr ments into different gro ps based on common risk feat res. The common credit risk feat res adopted b the Gro p incl de: t e of financial instr ments, credit risk rating, initial recognition date, etc.

The Gro p determines ECL of rele ant financial instr ments according to the follo ing methods:

– For financial assets, the credit loss shall be the present al e of the difference bet een the contract al cash flo to be recei ed b the Gro p and the e pected cash flo to be recei ed.

– As for the financial assets ith credit impairment occ rred on the balance sheet date b t not p rchased or generated, the credit loss is the difference bet een the book balance of the financial assets and the present al e of the estimated f t re cash flo disco nted at the original effecti e interest rate.

The factors reflected in the Gro p's methods of meas ring ECL of financial instr ments incl de: the nbiased probabilit eighted a erage amo nt determined b e al ating a series of possible res lts; the time al e of mone ; the reasonable and s pportable information abo t past e ents, c rrent sit ation and f t re economic sit ation forecast that is a ailable itho t nd e costs or efforts on the balance sheet date.

9.2.4 Write-do n of financial assets

When the Gro p no longer reasonabl e pects that the contract al cash flo of the financial assets can be reco ered in hole or in part, the book balance of the financial assets shall be ritten do n directl . S ch rite do n constit tes derecognition of related financial assets.

9.3 Transfer of financial assets

A financial asset is derecognised hen one of the follo ing conditions is met: (1) the contract al rights to recei e the cash flo s from the financial asset e pire; (2) the financial asset has been transferred and s bstantiall all the risks and re ards of o nership of the financial asset has been transferred to the transferee; or (3) the financial asset has been transferred, altho gh the Gro p neither transfers nor retains s bstantiall all the risks and re ards of o nership of the financial asset, it does not retain control o er the financial asset.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.3 Transfer of financial assets (Contin ed)

If the Gro p neither transfers nor retains s bstantiall all the risks and re ards of o nership of a financial asset, it retains control of the financial asset, it recognises the financial asset to the e tent of its contin ing in ol ement in the transferred financial asset and recognises the related liabilit accordingl . The Gro p meas res the related liabilities in the follo ing a s:

– If the transferred financial asset is meas red at amortised cost, the carr ng amo nt of the related liabilit is the carr ng amo nt of the contin ing in ol ement in the transferred financial asset less the amortised cost of the rights retained b the Gro p (if the Gro p retains the rights d e to the transfer of the financial asset) pl s the amortised cost of the obligations ass med b the Gro p (if the Gro p ass mes the obligations d e to the transfer of the financial asset), and the related liabilit is not designated as financial liabilit at FVTPL.

– If the transferred financial asset is meas red at fair al e, the carr ng amo nt of the related liabilit is the carr ng amo nt of the contin ing in ol ement in the transferred financial asset less the fair al e of the rights retained b the Gro p (if the Gro p retains the rights d e to the transfer of the financial asset) pl s the fair al e of the obligations ass med b the Gro p (if the Gro p ass mes the obligations d e to the transfer of the financial asset), the fair al e of the rights and the obligations shall be the fair al e at the time of meas rement on an independent basis.

For a transfer of a financial asset in its entiret that satisfies the derecognition criteria, especiall for a financial asset classified at amortised cost and financial asset classified as at FVTOCI, the difference bet een the carr ng amo nt of the financial asset transferred and the s m of the consideration reci ed from the transfer and an c m lati e gain or loss that has been pre io sl recognised in other comprehensi e income is recognised in profit or loss for the period. While regarding non-trading eq it instr ment in estment designated as at FVTOCI b the Gro p, c m lati e gains or losses pre io sl recognised in other comprehensi e income are transferred and incl ded in retained earnings.

If part of the transferred financial asset satisfies the derecognition criteria, the carr ng amo nt of the financial asset as a hole is allocated bet een the part that is derecognised and the part that contin es to be recognised, based on the relati e fair al es of those parts on the date of the transfer. The difference bet een the carr ng amo nt allocated to the part derecognised and the s m of the consideration reci ed for the part derecognised and an c m lati e gain or loss allocated to the part derecognised that has been pre io sl recognised in other comprehensi e income is recognised in profit or loss. If the transferred financial asset is the non-tradable eq it instr ment in estment designated as at FVTOCI, c m lati e gain or loss that has been recognised in other comprehensi e income sho ld be remo ed from other comprehensi e income b t be recognised in retained earnings.

For a transfer of a financial asset in its entiret that does not satisf the derecognition criteria, the Gro p ill contin o sl recognise the transferred financial asset in its entiret . Considerations reci ed sho ld be recognised as a financial liabilit .

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.4 Classification and measurement of financial liabilities and equity instruments

Based on the contract al terms of the financial instr ments iss ed and the economic s bstance rather than onl the form of legal contracts reflected, along ith the definition of financial liabilities and eq it instr ments, the Gro p classifies the financial instr ments or its components as financial liabilit or eq it instr ment at initial recognition.

9.4.1 Classification, recognition and meas rement of financial liabilities

Upon initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

9.4.1.1 Financial liabilities at FVTPL

Financial liabilities at fair al e thro gh profit and loss incl de held-for-trading financial liabilities (incl ding deri ati es that are financial liabilities) and financial liabilities designated as at FVTPL. In addition to the deri ati e financial liabilities listed separatel financial liabilities at FVTPL are listed as transactional financial liabilities.

The Gro p's p rpose of ndertaking the financial liabilities is for trading if one of the follo ing conditions is satisfied:

– The p rpose of ndertaking rele ant financial liabilities is mainl for the recent rep rchase.

– The rele ant financial liabilities are part of a portfolio of identified financial instr ments that are centrall managed on initial recognition, and there is objecti e e idence of act all a recent short-term profit-taking model.

– The rele ant financial liabilities are deri ati es, e cept for deri ati es defined nder financial g arantee contracts and deri ati es designated as effecti e hedging instr ments.

The Gro p ma designate, on initial recognition, a financial liabilit as at FVTPL if one of the follo ing conditions is satisfied: (1) s ch designation eliminates or significantl red ces an acco nting mismatch; (2) manage and e al ate the financial liabilit portfolio or the portfolio of financial assets and financial liabilities at fair al e based on the risk management or in estment strateg as stated in the official ritten doc ments of the Gro p, and report to ke management of the Gro p internall ; or (3) a q alified h brid contract containing embedded deri ati es.

Held-for-trading financial liabilities are s bseq entl meas red at fair al e, and an gains or losses arising from changes in fair al e and di idends or interest e penses paid on the financial liabilities are recognised in profit or loss for the period.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.4 Classification and measurement of financial liabilities and equity instruments (Contin ed)

9.4.1 Classification, recognition and meas rement of financial liabilities (Contin ed)

9.4.1.1 Financial liabilities at FVTPL (Contin ed)

For financial liabilities designated at fair al e thro gh profit or loss, changes in the fair al e of s ch financial liabilities arising from changes in the Gro p's o n credit risk are recognised in other comprehensi e income and changes in other fair al es are recognised in profit or loss in the c rrent period. On de-recognition of the financial liabilit, the c m lati e change in fair al e attrib table to changes in o n credit risk pre io sl recognised in other comprehensi e income is transferred to retained earnings. Di idends or interest e penses related to these financial liabilities are recognised in profit or loss for the period. If the treatment of the effects of changes in the o n credit risk of s ch financial liabilities as described abo e o ld ca se or enlarge an acco nting mismatch in profit or loss, the Gro p recognises the entire gain or loss on s ch financial liabilities (incl ding the amo nt of the effect of changes in o n credit risk) in profit or loss for the period.

9.4.1.2 Other financial liabilities

Other financial liabilities other than financial liabilities arising from the transfer of financial assets that do not q alif for derecognition or contin ing in ol ement in the transferred financial assets and financial g arantee contracts are classified as financial liabilities at amortised cost and s bseq entl meas red at amortised cost, ith gains or losses arising from derecognition or amortisation recognised in profit or loss for the period.

When the Gro p and a co nterpart modif or renegotiate a contract that does not res lt in derecognition of a financial liabilit s bseq entl meas red at amortised cost b t res lt in changes in contract al cash flo s, the Gro p recalc lates the carr ng amo nt of the financial liabilit and recognises an related gains or losses in profit or loss for the period. In recalc lating the financial liabilit, the Gro p determines the carr ng amo nt of the renegotiated or modified contract al cash flo s at the present al e disco nted at the original effecti e interest rate of the financial liabilit. For all costs or e penses inc rred in connection ith the modification or renegotiation of a contract, the Gro p adj sts the modified carr ng amo nt of the financial liabilit and amortises it o er the remaining period of the modified financial liabilit.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.4 Classification and measurement of financial liabilities and equity instruments (Contin ed)

9.4.1 Classification, recognition and meas rement of financial liabilities (Contin ed)

9.4.1.2 Other financial liabilities (Contin ed)

9.4.1.2.1 Financial g arantee contracts

A financial g arantee contract is a contract that req ires the iss er to make specified pa ments to reimb rse the holder of the contract for a loss it inc rs beca se a specified debtor fails to make pa ment hen d e in accordance ith the original or modified terms of a debt instr ment. S bseq ent to initial recognition, financial g arantee contracts that are not designated as financial liabilities at FVTPL are meas red at the higher of the amo nt of loss pro ision and the amo nt initiall recognised less c m lati e amortisation amo nt determined in accordance ith the rele ant reg lations set o t in Re en e Standard.

9.4.2 Derecognition of financial liabilities

The Gro p derecognises a financial liabilit (or part of it) onl hen the nderl ing present obligation (or part of it) is discharged. Where an agreement bet een the Gro p as borro er and lender is signed to replace the original financial liabilit and the contract al terms of the ne financial liabilit and the original financial liabilit are s bstantiall different, the Gro p derecognised the original financial liabilit and recognised the ne financial liabilit .

On derecognition of a financial liabilit in its entiret or partiall , the difference bet een the carr ing amo nt of the part derecognised and the consideration paid (incl ding an non-cash asset transferred or ne financial liabilit ass med) is recognised in profit or loss for the period.

9.4.3 Eq it instr ments

Eq it instr ments are an contract that e idences a resid al interest in the assets of the Gro p after andard.st

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.5 Derivative instruments

Deri ati e instr ments incl ding for ard foreign e change contracts, c rrenc s ap contracts and interest rate s ap contracts, etc. Deri ati es are initiall meas red at fair al e on the signing dates of the rele ant contracts and s bseq entl meas red at fair al e.

9.6 Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amo nt is presented in balance sheet hen the Gro p has a legall enforceable right to set off the recognised financial assets and financial liabilities, and the Gro p intends to settle ith net amo nt, or realise the financial asset and settle the financial liabilit sim ltaneo sl . Other ise, the financial assets and financial liabilities ill be presented separatel in balance sheet and ill not be m t all set off.

9.7 Reclassification of financial instruments

When the Gro p changes the b siness model to manage the financial assets, all of the financial assets affected ill be reclassified and no financial liabilities ill be reclassified.

The financial assets are reclassified b the Gro p and are acco nted for prospecti el since the date of reclassification (i.e. the first date of the first reporting period after the b siness model of hich the financial assets are reclassified b the enterprise is changed).

Where a financial asset at FVTOCI is reclassified as a financial asset at amortised cost b the Gro p, the acc m lated gains or losses pre io sl recognised in other comprehensi e income are transferred o t and the fair al e is adj sted as the fair al e at the date of reclassification. The adj sted fair al e is recognised as the ne carr ng amo nt, as if the financial asset had been meas red at amortised cost. The reclassification of the financial asset does not affect the meas rement of its effecti e interest rate and e pected credit loss.

9.8 Convertible bonds

The con ertible bonds iss ed b the Gro p hich contain liabilities and con ersion options, shall be split pon initial recognition and recognised separatel . Of hich, con ersion options for settlement of fi ed amo nt of cash or other financial assets in e change for fi ed amo nt of self-eq it instr ments is acco nted for as eq it instr ments.

On initial recognition, the fair al e of the liabilit portion is determined at c rrent market prices similar to those of bonds itho t con ersion options. The difference bet een the o erall iss e price of con ertible bonds and the fair al e of the liabilit portion shall be taken as the al e of the con ersion options of the bondholders to con ert the bonds into eq it instr ments and recorded in other eq it instr ments.

In the s bseq ent meas rement, the liabilit portion of con ertible bonds are meas red at amortised cost sing the effecti e interest rate method. The al e of the con ersion option di ided into eq it instr ments contin es to be retained in the eq it instr ments. No loss or gain is inc rred hen a con ertible bond e pires or is con erted.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

9. Financial Instruments (Contin ed)

9.8 Convertible bonds (Contin ed)

The transaction costs inc rred in iss ing con ertible bonds shall be apportioned bet een the liabilit component and the eq it component according to their respecti e fair al e. Transaction costs related to the eq it component are directl recorded in the eq it instr ments; transaction costs related to the liabilit component are recorded in the carr ng amo nt of the liabilit and amortised o er the term of the con ertible bonds sing the effecti e interest rate method.

10. Financing receivables

For notes recei able classified as at FVTOCI, the portion ithin one ear (incl si e) from the date of acq isition is presented as financing recei ables. For details of the rele ant acco nting policies, please refer to Note (III) 9.1, 9.2 and 9.3.

11. Inventories

11.1 Classification of inventories

The Gro p's in entories mainl incl de ra materials, lo - al e cons mables, orks in progress and finished goods, etc. In entories are initiall meas red at cost, hich comprises p rchase costs, processing costs and other e penses inc rred in bringing the in entories to their c rrent location and condition.

11.2 Pricing of inventories delivered

The act al cost of in entories pon deli er is calc lated sing the eighted a erage method.

11.3 Determination of net realisable value of inventories

At the balance sheet date, in entories are meas red at the lo er of cost and net realisable al e. If the net realisable al e is belo the cost of in entories, a pro ision for impairment of in entories is made.

Net realisable al e is the estimated selling price of in entories in the ordinar co rse of b siness less the estimated costs to completion, estimated selling e penses and related ta es. Net realisable al e of in entories is determined on the basis of clear e idence obtained, taking into acco nt the p rpose of holding in entories and the effect of e ents aft1.3 Tdirmined on the Td[(to the (pos (of) estimai ents aft1.he of T

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

11. Inventories (Contin ed)

11.4 Inventory system

The in entor system is a perpet al in entor system.

11.5 Amortisation of low-value consumables

Lo - al e cons mables are amortised sing one-off rite-off method.

12. Assets Held for Sale

A non-c rrent asset or disposal gro p is classified as asset held for sale hen the carr ng amo nt of the asset is reco ered principall thro gh a sale transaction (incl ding an e change of non-monetar assets ith commercial s bstance) rather than thro gh contin ing se.

Non-c rrent assets or disposal gro ps held for sale are req ired to satisf the follo ing conditions: (1) an immediate sale can be made nder the c rrent conditions according to the practice of selling s ch assets or disposal gro ps in similar transactions; and (2) it is highl probable that a sale ill occ r, that is, the Gro p has made a resol tion on a sale plan and obtained a definite p rchase commitment, and the sale is e pected to be completed ithin one ear.

The Gro p meas res non-c rrent assets or disposal gro ps held for sale at the lo er of carr ng amo nt and fair al e less costs to sell. If the carr ng amo nt is higher than the net amo nt of the fair al e less costs to sell, the carr ng amo nt shall be ritten-off to the fair al e less costs to sell, the amo nt ritten-off is recognised as an impairment loss of assets and incl ded in profit or loss for the period, and the pro ision for impairment of assets held for sale is made sim ltaneo sl . Where there is an increase in the net amo nt of fair al e less costs to sell of non-c rrent assets held for sale at the s bseq ent balance sheet date, the amo nt pre io sl ritten-off sho ld be reco ered and re ersed in the amo nt of impairment loss recognised for the assets after being classified as held for sale, and the re ersed amo nt is incl ded in profit or loss for the period.

Depreciation or amortisation shall not be made for non-c rrent assets in the non-c rrent assets or disposal gro ps held for sale. The interest of liabilities and other e penses in the disposal gro ps held for sale shall be contin o sl recognised.

The eq it in estments in associates are classified in hole or in part as assets held for sale. The part of s ch eq it in estments in associates classified as held for sale ill cease to calc late sing eq it method from the date of being classified as held for sale.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

13. Long-term Equity Investments

13.1 Basis of determination of joint control and significant influence

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

13. Long-term Equity Investments (Contin ed)

13.3 Subsequent measurement and recognition of profit or loss

13.3.1 Long-term eq it in estments acco nted for sing the cost method

Long-term eq it in estments in s bsidiaries are acco nted for sing the cost method in the financial statements of the Compan . A s bsidiar is an in estee that is controlled b the Gro p.

Long-term eq it in estments acco nted for sing the cost method are meas red at initial in estment cost. When additional in estment is made or the in estment is reco ped, the cost of the long-term eq it in estment is adj sted accordingl . The c rrent in estment income is recognised in accordance ith the cash di idends or profit distrib tions declared b the in estee.

13.3.2 Long-term eq it in estment acco nted for b eq it method

The Gro p's in estment in associates is acco nted for b eq it method. Associates refer to in ested entities to hich the Gro p can e ert a significant infl ence.

When adopting eq it method acco nting, if the initial in estment cost of long-term eq it in estment e ceeds the share of the fair al e of identifiable net assets of the in ested entit at the in estment date, no adj stment shall be made to the initial in estment cost of long-term eq it in estment. If the initial in estment cost is less than the share of the fair al e of identifiable net assets of the in ested entit at the in estment date, the difference shall be charged to c rrent profit or loss, and the long-term eq it in estment cost shall be adj sted at the same time.

When adopting eq it method acco nting, the in estment income and other comprehensi e income shall be recognised separatel according to the share of net profit or loss and other comprehensi e income realised b the in ested entit , and the carr ing amo nt of long-term eq it in estment shall be adj sted at the same time; the carr ing amo nt of long-term eq it in estment shall be red ced accordingl b calc lating the portion to be enjo ed according to the profit or cash di idend declared b the in ested entit ; the carr ing amo nt of long-term eq it in estment shall be adj sted and incl ded in the capital reser e for other changes in the o ner's rights and interests of the in ested entit e cept net profit or loss, other comprehensi e income and profit distrib tion. When recognising the share of the net profit or loss of the in ested entit , the net profit of the in ested entit shall be adj sted and recognised on the basis of the fair al e of the identifiable assets of the in ested entit at the acq isition date. If the acco nting policies and periods adopted b the in ested entit are inconsistent ith those of the Compan , the financial statements of the in ested entit shall be adj sted in accordance ith the acco nting policies and period of the Compan . The in estment income and other comprehensi e income shall be recognised accordingl . For transactions bet een the Gro p and associates, the assets in ested or sold do not constit te b siness, and the nrealised gains and losses of internal transactions are offset b the shareholding attrib table to the Gro p. On this basis, the in estment gains and losses are recognised. Ho e er, the nrealised internal transaction losses bet een the Gro p and the in ested entit shall not be offset if the belong to the impairment losses of the transferred assets.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

13. Long-term Equity Investments (Contin ed)

13.3 Subsequent measurement and recognition of profit or loss (Contin ed)

13.3.2 Long-term eq it in estment acco nted for b eq it method (Contin ed)

The Gro p discontin es recognising its share of net losses of the in ested entit after the carr ing amo nt of the long-term eq it in estment together ith an long-term interests that in s bstance form part of its net in estment in the in ested entit is red ced to ero. In addition, if the Gro p has inc rred obligations to ass me additional losses of the in ested entit , estimated liabilit is recognised according to the e pected obligation, and recorded as in estment loss for the period. Where net profits are s bseq entl made b the in ested entit , the Gro p res mes recognising its share of those profits onl after its share of the profits e ceeds the share of losses pre io sl not recognised.

13.4 Disposal of long-term equity investments

On disposal of a long-term eq it in estment, the difference bet een the carr ing amo nt and the act al p rchase price is recognised in profit or loss for the period.

14. Investment Properties

In estment properties are properties held for the p rpose of earning rentals or capital appreciation, or both. In estment properties incl de leased land se rights, land se rights held and prepared for transfer after appreciation, b ildings leased o t, etc.

In estment properties are initiall meas red at cost. S bseq ent e pendit res related to an in estment propert shall be incl ded in cost of in estment propert onl hen the economic benefits associated ith the asset ill likel flo to the Gro p and its cost can be meas red reliabl . All other s bseq ent e pendit res on an in estment propert shall be incl ded in profit or loss for the c rrent ear hen inc rred.

The Gro p adopts the cost model for s bseq ent meas rement of in estment properties, and in estment properties are depreciated or amortised based on the same polic consistent ith ho ses and b ildings or land se rights.

An in estment propert is derecognised pon disposal or hen the in estment propert is permanentl ithdra n from se and no f t re economic benefits are e pected from its disposals.

When an in estment propert is sold, transferred, retired or damaged, the amo nt of an proceeds on disposal of the propert net of the carr ing amo nt and related ta es is recognised in profit or loss for the period.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

15. Fixed Assets

15.1 Conditions of recognition

Fi ed assets are tangible assets that are held for se in the prod ction of goods or s ppl of ser ices, for rental to others, or for administrati e p rposes and ha e a sef l life of more than one acco nting ear. A fi ed asset is recognised onl hen the economic benefits associated ith the asset are probable to flo to the Gro p and the cost of the asset can be meas red reliabl . Fi ed assets are initiall meas red at cost.

S bseq ent e pendit res inc rred for a fi ed asset are incl ded in the cost of the fi ed asset if it is probable that the economic benefits associated ith the asset ill flo to the Gro p and the cost of the asset can be meas red reliabl , and the carr ng amo nt of the replaced part is derecognised. Other s bseq ent e pendit res other than the abo e are charged to profit or loss for the c rrent period hen inc rred.

15.2 Depreciation methods

Fi ed assets are depreciated sing the straight-line method o er their estimated sef l li es from the ne t month hen the are a ailable for intended se. The estimated sef l li es, resid al al es and ann al depreciation rates of each class of fi ed assets are as follo s:

Class	Depreciation period (Years)	Residual value rate (%)	Annual depreciation rate (%)
Ho ses and b ildings	20 ears	5	4.75
Machiner and eq ipment	4 10 ears	5	9.50 23.75
Transportation eq ipment	4 5 ears	5	19.00 23.75
Other eq ipment	3 5 ears	5	19.00 31.67

Estimated net resid al al e of a fi ed asset is the estimated amo nt that the Gro p o ld c rrentl obtain from disposal of the asset, after ded cting the estimated costs of disposal, if the asset ere alread of the age and in the condition e pected at the end of its sef l life.

15.3 Other description

If a fi ed asset is pon disposal or no f t re economic benefits are e pected to be generated from its se or disposal, the fi ed asset is derecognised. When a fi ed asset is sold, transferred, retired or damaged, the amo nt of an proceeds on disposal of the asset net of the carr ng amo nt and related ta es is recognised in profit or loss for the period.

The Gro p re ie s the sef l life, estimated net resid al al e of a fi ed asset and the depreciation method applied at least at each financial ear-end, and an change is acco nted for as a change in acco nting estimate.

16. Construction in Progress

Constr ction in progress is meas red at act al cost, hich incl des ario s constr ction e pendit res inc rred d ring the constr ction period, capitalised borro ing costs before the constr ction is read for its intended se and other rele ant costs. Constr ction in progress is not depreciated. Constr ction in progress is transferred to fi ed asset hile it is read for its intended se.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

17. Borrowing Costs

The borro ing costs that are directl attrib table to the acq isition, constr ction or prod ction of a q alif ing asset are capitalised hen e pendit res for the asset are being inc rred, borro ing costs are being inc rred and acti ities relating to the acq isition, constr ction or prod ction of the asset that are necessar to prepare the asset for its intended se or sale ha e commenced. The capitalisation of q alif ing assets nder constr ction or prod ction ceases hen the assets are read for their intended se or sale. The remaining borro ing costs are recognised as e penses in the period in hich the are inc rred.

Where f nds are borro ed nder a special borro ing, the amo nt to be capitalised is the act al interest e pense inc rred on that borro ing for the period less an interest income earned from depositing the n sed borro ing f nds into bank or an in estment income on the temporar in estment of those f nds. Where f nds are borro ed nder a general borro ing, the amo nt capitalised is determined b appl ing the eighted a erage of the e cess amo nts of c m lati e e pendit res on the asset o er the special borro ings m ltiplied b the capitalisation rate of the general borro ings sed. The capitalisation rate is determined based on the eighted a erage interest rate of the general borro ings. D ring the capitalisation period, the e change differences on special foreign c rrenc borro ings are all capitalised; the e change differences on general-p rpose foreign c rrenc borro ings are recognised in profit or loss for the period.

18. Intangible Assets

18.1 Intangible assets

Intangible assets incl de soft are, poll tant discharge rights, mining rights, land se rights and energ cons mption rights, etc.

The intangible assets shall be initiall meas red at cost. When an intangible asset ith a finite sef l life is a ailable for se, its original cost less net resid al al e and an acc m lated impairment losses is amortised o er its estimated sef l life sing the straight-line method. Intangible assets are not amortised hile their sef l li es are assessed to be indefinite. The amortisation method, sef l life and estimated net resid al al e rate of each class of intangible assets are as follo s:

Class	Amortisation method	Useful life (Years)	Residual value rate (%)
Land se rights	Straight line method	42 50 ears	
Poll tant discharge rights	Straight line method	5 20 ears	
Mining rights	O tp t method		
Soft are	Straight line method	5 10 ears	
Energ cons mption rights	Intangible assets ith an indefinite sef l life are not amortised		

At the end of the ear, the sef l life and amortisation method of intangible assets ith finite sef l li es are re ie ed and adj sted if necessar .

For the impairment test of intangible assets, please refer to Note (III) 19. Impairment of Long-term Assets .

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

20. Long-term Deferred Expenses

Long-term deferred e penses are e penses hich ha e inc rred b t shall be amortised o er the c rrent period and s bseq ent periods of more than one ear. Long-term deferred e penses are amortised e enl o er the estimated benefit period.

21. Contract Liabilities

A contract liabilit represents the Gro p's obligation to transfer goods or ser ices to a c stomer for hich the Gro p has recei ed consideration (or an amo nt of consideration is d e) from the c stomer. Contract assets and contract liabilities nder common contract are presented on a net basis.

22. Employee Compensation

22.1 Accounting for short-term employee compensation

In the acco nting period in hich an emplo ee has rendered ser ices, the Gro p recognises the short-term emplo ee compensation act all inc rred as liabilities, and incl des in profit or loss for the period or related asset costs. The emplo ee benefits e penses inc rred b the Gro p are recognised in profit or loss for the period or related asset costs based on the act al amo nt hen act all inc rred. The nonmonetar emplo ee benefits e penses are meas red at fair al e.

In determining the corresponding amo nt of emplo ee compensation, social sec rit contrib tions s ch as medical ins rance, ork inj r ins rance and maternit ins rance and ho sing f nds, as ell as labo r nion r nning e penses and emplo ee ed cation e penses pro ided b the Gro p are calc lated according to the prescribed pro ision bases and percentages d ring the acco nting period in hich the emplo ees pro ide ser ices to the Gro p, and the corresponding liabilities are recognised, and incl ded in profit or loss for the period or related asset costs.

22.2 Accounting for post-employment benefits

Post-emplo ment benefits are all defined contrib tion plans.

In the acco nting period in hich an emplo ee has rendered ser ice, the Gro p recognises the amo nt pa able nder the defined contrib tion plan as a liabilit , and incl des in profit or loss for the period or related asset costs.

22.3 Accounting for termination benefits

When the Gro p pro ides termination benefits to emplo ees, emplo ee compensation liabilities arising from termination benefits are recognised in profit or loss at the earlier of the follo ing dates: hen the Gro p cannot nilaterall ithdra the termination benefits pro ided beca se of an emplo ee termination plan or a la off proposal, or hen the Gro p confirms the costs or e penses related to the restr ct ring in ol ing the pa ment of dismiss benefits.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

23. Provisions

Obligations related to prod ct q alit g arantee contingencies are recognised as pro isions hen the Gro p has a c rrent obligation, it is probable that an o tflo of economic benefits ill be req ired to settle the obligation, and the amo nt of the obligation can be meas red reliabl .

On the balance sheet date, pro ision shall be meas red at the best estimate of the e pendit re for settling the c rrent obligation, taking into acco nt the risk and ncertaint and time al e of mone and other factors related to the contingencies. Where the effect of the time al e of mone is material, the best estimate of the e pendit re is determined b disco nting the e pected f t re cash o tflo s.

24. Share-based Payments

The Gro p's share-based pa ments are transactions in hich eq it instr ments are granted to emplo ees in e change for ser ices rendered b emplo ees or for the ass mption of liabilities based on eq it instr ments. The Gro p's share-based pa ments are eq it -settled share-based pa ments.

24.1 Equity settled share-based payments

Eq it -settled share-based pa ments to emplo ees

Eq it -settled share-based pa ments to emplo ees in e change for ser ices rendered b emplo ees are meas red at the fair al e of the eq it instr ments granted to emplo ees at the grant date. S ch amo nt is recognised as related costs or e penses on a straight-line basis o er the esting period, based on the best estimate of the n mber of eq it instr ments e pected to est./When the grant is ested immediatel , the amo nt of the fair al e is incl ded in the related costs or e penses on the grant date, ith a corresponding increase in capital reser e.

At each balance sheet date d ring the pending period, the Gro p, based on the latest s bseq ent information s ch as the latest pdate on the change in the n mber of entitled emplo ees, makes best estimates to adj st the e pected n mber of eq it instr ments that can be ested. The effect of the abo e estimate is incl ded in rele ant costs or e penses for the period and the capital reser e is adj sted accordingl .

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

When the Gro p modifies the share-based pa ment plan, and if s ch modification increases the fair al e of the eq it instr ments granted, the increase in ser ices recei ed ill be recognised accordingl follo ing the increase in fair al e of the eq it instr ments. If the modification increases the n mber of the eq it instr ments granted, the increase in fair al e of the eq it instr ments ill be recognised accordingl as the increase in ser ices recei ed. The increase in fair al e of the eq it instr ments refers to the difference in fair al e on the date of modification before and after the modification in respect of the eq it instr ments. If the modification red ces the total fair al e of the share-based pa ments or adopts an form that is nfa orable to emplo ees to modif the terms and conditions of the share-based pa ment plan, acco nting treatment ill be contin ed to be cond cted in respect of the ser ices recei ed and the modification ill be deemed to ha e ne er occ rred, nless the Gro p had cancelled part or all of the eq it instr ments granted.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

24. Share-based Payments (Contin ed)

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

D ring the pending period, if the eq it instr ments granted are cancelled, the Gro p ill ndertake an accelerated esting in respect of the cancelled eq it instr ments that had been granted, incl de the remaining amo nt that shall be recognised d ring the pending period in the profit and loss for the period immediatel and recognise capital reser e accordingl . Where emplo ees or other parties are permitted to choose to f lfill non- esting conditions b t ha e not f lfilled d ring the pending period, the Gro p ill treat the granted eq it instr ments as cancelled.

25. Revenue

The Gro p's re en e is mainl deri ed from the sales of glass prod cts, hich mainl incl de photo oltaic glass, ho sehold glass, architect ral glass, float glass and mining prod cts, etc. Re en e from other b siness mainl represents rental income from properties and sales income of materials.

The Gro p recognises re en e based on the transaction price allocated to s ch performance obligation hen a performance obligation is satisfied, i.e. hen control of the goods or ser ices nderl ing the partic lar performance obligation is transferred to the c stomer. A performance obligation represents the commitment that a good and ser ice that is distinct shall be transferred b the Gro p to the c stomer. The transaction price is the amo nt of consideration to hich the Gro p e pects to be entitled in e change for transferring promised goods or ser ices to a c stomer, e cl ding amo nts collected on behalf of third parties and amo nts e pected to be ref nded to a c stomer.

For the performance obligations to be performed d ring a certain period of time, the Gro p recognises re en e o er time b reference to the progress of a performance obligation if one of the follo ing criteria is met: (1) the c stomer recei es and cons mes the economic benefits bro ght b the Gro p hile performing obligations; (2) the c stomer can control the goods nder constr ction d ring the performance of the Gro p; (3) the goods prod ced d ring the performance of the Gro p ha e irreplaceable ses, and the Gro p has the right to recei e pa ment for the part of the completed performance so far thro gho t the contract period. Other ise, the Gro p ill recognise re en e at the time point hen the c stomer obtains control o er rele ant goods or ser ices.

26. Government Grants

Go ernment grants are transfer of monetar assets and non-monetar assets from the go ernment to the Gro p at no consideration. A go ernment grant is recognised onl hen the Gro p can compl ith the conditions attaching to the grant and the Gro p ill recei e the grant.

If a go ernment grant is in the form of monetar asset, it shall be meas red at the amo nt recei ed or recei able.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

26. Government Grants (Contin ed)

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

For details, please see Note (VI) 31 for the Gro p's go ernment grants related to assets. S ch grants are go ernment grants as the related to fi ed assets that ere b ilt or acq ired.

A go ernment grant related to assets is recognised as deferred income and incl ded in c rrent profit or loss o er the sef l life of the related asset sing the straight-line method.

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

Please refer to Note (VI) 60 for details of the grants related to re en e of the Gro p. As the are directl related to the e penses inc rred d ring the period, s ch go ernment grants are go ernment grants related to re en e.

A go ernment grant related to re en e sed to compensate for rele ant costs, e penses and losses in s bseq ent periods is recognised as deferred income, and is incl ded in profit or loss for the period directl o er the periods in hich the rele ant costs, e penses or losses are recognised. The go ernment grants related to re en e sed to compensate for rele ant costs, e penses or losses alread inc rred is incl ded in profit or loss for the period directl .

The go ernment grants related to the Gro p's dail acti ities are incl ded in other income/offset the rele ant costs and e penses according to the nat re of economic b siness. Other ise, go ernment grants are incl ded in non-operating income or e pense.

27. Safety Production Expenses

P rs ant to the req irements of the Administrati e Meas res for the Withdra al and Use of Safet Prod ction E penses of Enterprises iss ed b the Ministr of Finance and the State Administration of Work Safet , the Gro p has made pro ision for safet prod ction e penses of RMB2 per ton based on the o tp t of ra ore of open-pit non-metallic mines. The safet prod ction e penses are specificall sed for the impro ement, transformation and maintenance of the Gro p's safet prod ction conditions.

The pro ision for safet prod ction e penses is directl incl ded in the cost of the rele ant prod cts or the e penses for the period, and is presented separatel in the special reser e item nder the o ners' eq it . When safet prod ction e penses is being sed according to the prescribed scope, the e pense e pendit re is sed to directl offset against special reser e ; as for the capital e pendit re, the e pendit re inc rred is firstl collected thro gh constr ction in progress item and recognised as fi ed assets hen the safet project is completed and read for its intended se; at the same time, the special reser e ill be ritten do n based on the cost of the fi ed asset formed and the acc m lated depreciation of the same amo nt ill be recognised, no depreciation ill be pro ided for the fi ed assets in s bseq ent periods.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

28. Deferred Income Tax Assets/Deferred Income Tax Liabilities

Income ta e penses comprise c rrent income ta e pense and deferred income ta e pense.

28.1 Current income tax

At the balance sheet date, c rrent income ta liabilities (or assets) for the c rrent and prior periods are meas red at the amo nt e pected to be paid (or reco ered) according to the req irements of ta la s.

28.2 Deferred income tax assets and deferred income tax liabilities

For temporar differences bet een the carr ing amo nt of certain assets or liabilities and their ta base, or bet een the carr ing amo nt of those items that are not recognised as assets or liabilities b t the ta base can be determined according to ta la s and their ta base, deferred income ta assets and deferred income ta liabilities are recognised sing the balance sheet liabilit method.

Deferred income ta is generall recognised for all temporar differences. Ho e er, as for ded ctible temporar differences, deferred income ta assets are recognised to the e tent that it is probable that ta able profits ill be a ailable against hich the ded ctible temporar differences can be tilised. In addition, for temporar differences associated ith the initial recognition of good ill and the initial recognition of an asset or liabilit arising from a transaction (not a b siness combination) that affects neither the acco nting profit nor ta able profit (or ded ctible loss) at the time of transaction, no deferred income ta asset or liabilit is recognised.

For ded ctible losses and ta credits in s bseq ent ears that can be carried for ard, deferred income ta assets are recognised to the e tent that it is probable that f t re ta able profits ill be a ailable against hich the ded ctible losses and ta credits can be tilised.

Deferred income ta liabilities are recognised for ta able temporar differences associated ith in estments in s bsidiaries, e cept here the Gro p is able to control the timing of the re ersal of the temporar difference and it is probable that the temporar difference ill not re erse in the foreseeable f t re. Deferred income ta assets arising from ded ctible temporar differences associated ith the in estments in s bsidiaries are onl recognised to the e tent that it is probable that there ill be s fficient ta able profits against hich to tilise the benefits of the temporar differences and the are e pected to re erse in the foreseeable f t re.

At the balance sheet date, deferred income ta assets and deferred income ta liabilities are meas red at the ta rates that are e pected to appl to the period hen the asset is realised or the liabilit is settled according to the req irements of ta la s.

C rrent and deferred income ta e penses or income are recognised in profit or loss for the period, e cept hen the arise from transactions or e ents that are directl recognised in other comprehensi e income or in shareholders' eq it , in hich case the are recognised in other comprehensi e income or in shareholders' eq it and hen the arise from b siness combinations, in hich case the are adj sted to the carr ing amo nt of good ill.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

28. Deferred Income Tax Assets/Deferred Income Tax Liabilities (Contin ed)

28.2 Deferred income tax assets and deferred income tax liabilities (Contin ed)

The carr ing amo nt of a deferred income ta asset is re ie ed at each balance sheet date and is red ced to the e tent that it is probable that s fficient ta able profits ill not be a ailable to offset the benefits of deferred income ta assets. An s ch red ction is re ersed to the e tent that it becomes probable that s fficient ta able profits ill be a ailable.

28.3 Offsetting of income tax

When the Gro p has a legal right to settle on a net basis and intends either to settle on a net basis or to realise the assets and settle the liabilities sim ltaneo sl , c rrent ta assets and c rrent ta liabilities are offset and presented on a net basis.

When the Gro p has a legal right to settle c rrent ta assets and liabilities on a net basis, and deferred income ta assets and deferred ta liabilities relate to income ta es le ied b the same ta ation a thorit on either the same ta able entit or different ta able entities hich intend either to settle c rrent ta assets and liabilities on a net basis or to realise the assets and settle the liabilities sim ltaneo sl in each f t re period in hich significant amo nts of deferred income ta assets or liabilities are e pected to be re ersed, deferred income ta assets and deferred ta liabilities are offset and presented on a net basis.

29. Lease

Lease is defined as a contract that the lessor transfers the right-of- se of assets to the lessee ithin a certain period of time in e change for consideration.

For a contract entered into or changed after the date of initial adoption, the Gro p assesses hether the contract is or contains lease on the commencement or changing date of the contract. The Gro p does not reassess nless the terms and conditions of the contract are changed.

29.1 The Group as lessee

29.1.1 Separation of leases

For a contract that contains one or more lease or non-lease components, the Gro p separates each indi id al lease component from non-lease components and allocates the consideration in the contract to each lease component on the basis of the stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

29. Lease (Contin ed)

29.1 The Group as lessee (Contin ed)

29.1.2 Right-of- se assets

E cept for short-term leases and leases of lo al e assets, the Gro p recognises right-of- se assets at the commencement date of the lease. The lease commencement date refers to the starting date for the lessor to pro ide leased assets for se b the Gro p. Right-of- se assets are initiall meas red at cost. S ch cost incl des:

– the amo nt of the initial meas rement of the lease liabilit ;

– an lease pa ments made at or before the commencement date, less the relati e amo nt of an lease incenti es enjo ed if there are lease incenti es;

– an initial direct costs inc rred b the Gro p;

– an estimate of costs to be inc rred b the Gro p in dismantling and remo ing the nderl ing assets, restoring the site on hich it is located or restoring the nderl ing asset to the condition req ired b the terms of the lease.

The Gro p accr es depreciation for the right-of- se assets according to the rele ant depreciation reg lations of Acco nting Standards for B siness Enterprises No. 4 Fi ed Assets. Right-of- se assets are depreciated ithin the remaining sef l li es hen the Gro p is reasonabl certain to obtain the o nership of leased assets at the end of the lease term. The depreciation is pro ided d ring the period bet een the lease term and the remaining sef l li es of the leased assets if it is not.

The Gro p determines hether the right-of- se assets are impaired and performs acco nting treatment for recognised impairment loss according to the rele ant reg lations of Acco nting Standard for B siness Enterprise No. 8 Impairment of Assets.

29.1.3 Lease liabilities

E cept for short-term leases, the Gro p initiall meas res the lease liabilit at the present al e of lease pa ments that are npaid at the lease commencement date. In calc lating the present al e of lease pa ments, the Gro p ses the interest rate implicit in the lease as disco nt rate, and adopts the incremental borro ing rate if the interest rate implicit in the lease is not readil determinable.

The lease pa ments refer to the amo nt paid b the Gro p to the lessor in relation to the right to se the leased asset d ring the lease term, incl ding fi ed pa ments and in-s bstance fi ed pa ments.

The Gro p calc lates the interest e pense of lease liabilities for each period of the lease term at a fi ed periodic interest rate and incl des it in profit and loss for the period or related asset costs after the lease commencement date.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

29. Lease (Contin ed)

29.1 The Group as lessee (Contin ed)

29.1.4 Short-term leases and lo - al e leases

For short-term leases of machiner and eq ipment, the Gro p chooses the right-of- se assets and lease liabilities that are not certain to se. Short-term lease is defined as a lease has a lease term of no more than 12 months and e cl des a p rchase option from the lease commencement date. The Gro p ill incl de the lease pa ments for short-term leases in profit or loss for the period or related asset costs sing the straight-line method.

29.2 The Group as lessor

29.2.1 Classification of leases

Leases are classified as finance leases hene er the terms of the lease transfer s bstantiall almost all the risks and re ards of o nership to the lessee. All other leases are classified as operating leases.

29.3 The Group as lessor under operating leases

The Gro p recognises lease pa ments for operating leases as rental income b sing the straight-line method in each period of the lease term. Initial direct costs related to the Gro p's operating leases are capitalised hen inc rred, are allocated on the same basis as rental income o er the lease term and are charged to profit or loss for the period in stages.

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

In the process of appl ing the acco nting policies, hich are described in the notes abo e, the Gro p is req ired to make j dgments, estimates and ass mptions abo t the carr ing amo nt of items in the financial statements that cannot be meas red acc ratel , d e to the inherent ncertainties of the operating acti ities. These j dgments, estimates and ass mptions are based on historical e periences of the Gro p's management as ell as other factors that are considered to be rele ant. The act al res lts ma be different from the estimates of the Gro p.

The Gro p reg larl re ie s the abo e j dgments, estimates and ass mptions on the basis of going concern. Where the changes in acco nting estimates onl affect the period of change, the impact is recognised in the period of change. Where the changes affect both c rrent and f t re periods, the impact is recognised in the period of the change and f t re periods.

At the balance sheet date, ke ass mptions and ncertainties in acco nting estimates that are probable to ca se a material adj stment to the carr ing amo nt of assets and liabilities are mainl :

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

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

Impairment of trade receivables

The Gro p applies significant acco nting estimates hen assessing the e pected reco erable amo nt of trade recei ables, and assesses e pected credit losses and calc lates credit impairment ith reference to the historical defa lt, c rrent credit risk stat s and forecast of f t re economic stat s. As at 31 December 2022, e pected credit losses of trade recei ables of the Gro p as RMB84,020,148.45 (as at 31 December 2021: RMB53,799,906.07).

Impairment of fixed assets

The management of the Gro p reg larl re ie s hether there are an indications of impairment for fi ed assets and recognises an impairment loss if the carr ng amo nt of an asset is lo er than its reco erable amo nt. The Gro p cond cts impairment test on fi ed assets hene er there is an indication that the fi ed assets ma be impaired. The reco erable amo nt is the higher of an asset's fair al e less costs of disposal and the present al e of its f t re cash flo s. In determining the reco erable amo nt of fi ed assets, the management of the Gro p has taken into acco nt factors incl ding f t re profitabilit , gro th rate and disco nt rate, etc. As at 31 December 2022, the balance of the Gro p's pro ision for impairment of fi ed assets as RMB19,486,994.22 (as at 31 December 2021: RMB20,235,277.71).

Recognition of deferred income tax assets

As at 31 December 2022, the Gro p has recognised deferred income ta assets of RMB92,555,237.76 (as at 31 December 2021: RMB4,162,665.30) hich are incl ded in the balance sheet. Deferred income ta assets arise from the act al profits and temporar differences are mainl based on the act al ta rates tilised in the pcoming ears. In cases here the act al f t re profits generated are less than e pected, a re ersal of deferred income ta assets recognised ma arise, hich o ld be recognised in the income statement for the period in hich s ch a re ersal takes place. In the opinion of the management of the Gro p, it is ncertain hether it is probable that s fficient ta able profits ill be a ailable in the f t re for certain s bsidiaries, and therefore, as at 31 December 2022, the ded ctible losses and other temporar differences in relation to the nrecognised deferred income ta assets amo nted to RMB27,182,534.19 in aggregate (as at 31 December 2021: RMB33,307,024.87).

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Contin ed)

31. Significant Changes in Accounting Policy

Interpretation of Accounting Standards for Business Enterprises No.15

On 30 December 2021, the Ministr of Finance iss ed the Interpretation of Acco nting Standards for B siness Enterprises No. 155 (Interpretation No. 15), hich reg lates the acco nting treatment of changes in the basis for determining the acco nting treatment for fi ed assets before the are bro ght to their intended seable condition or prod cts prod ced in R&D process or e ternal sales of b prod cts.

Acco nting treatment of changes in the basis for determining the acco nting treatment for fi ed assets before the are bro ght to their intended seable condition or prod cts prod ced in R&D process or e ternal sales of b prod cts

Interpretation No. 15 clarified, for fi ed assets before the are bro ght to their intended seable condition or prod cts prod ced in R&D process or e ternal sales of b prod cts, the rele ant re en e and cost shall be acco nted for in accordance ith the req irements of Acco nting Standards for B siness Enterprises No.14 Re en e and No.1 In entor and recognised in the statement of profit or loss b the enterprises. The net amo nt arising from rele ant re en e for Trial Operation Sales offsetting rele ant costs for Trial Operation Sales sho ld not be ritten off against the cost of fi ed assets or R&D e pendit re. In addition, the enterprise shall separatel disclose the rele ant information s ch as the rele ant income and cost amo nt of the trial operation sales, the specific presentation items, and the major acco nting estimates sed in determining the rele ant costs of the trial operation sale and other rele ant information in the notes. The req irement shall be effecti e from 1 Jan ar 2022, and the enterprise shall make retrospecti e adj stment for the trial operation sales inc rred bet een the beginning of the earliest period for the presentation of the financial statements and 1 Jan ar 2022.

After e al ation, the Gro p belie es that the adoption of this req irement has no significant impact on the Gro p's financial statements.

J dgment on onero s contracts

The Interpretation No. 15 clarifies that the "cost to perform the contract" considered b an enterprise in determining hether a contract is an onero s contract shall incl de the incremental cost to perform the contract and the apportioned amo nt of other costs directl related to the performance of the contract. The Interpretation became effecti e on 1 Jan ar 2022, and an enterprise shall implement this Interpretation on contracts to hich the obligations ha e not been completel f lfilled b 1 Jan ar 2022. The acc m lati e effect is adj sted for the opening balance of retained earnings for the ear hen the Interpretation is implemented and other related items to the financial statements, b t not adj sted for the comparati e data of prior periods.

Upon assessment, the Gro p considers that the adoption of this Interpretation has no significant impact on the financial statements of the Gro p.

(IV) TAXATION

1. Major Types of Tax and Tax Rates

Tax type	Tax basis	Tax rate
Val e-added ta (VAT)	Ta able al e-added amo nt (the ta pa able is calc lated on the ta able sales amo nt m ltiplied b the applicable ta rate (o tp t-VAT) less ded ctible inp t-VAT for the c rrent period)	13%
Urban maintenance and constr ction ta	T rno er ta pa ment	7%
Ed cation s rcharge	T rno er ta pa ment	3%
Local ed cational s rcharges	T rno er ta pa ment	2%
Propert ta	Cost of properties/rental income	Note 1
Reso rces ta	Amo nt of mining prod cts sold	7%
Enterprise income ta (EIT)	Ta able income	Note 2
En ironmental protection ta	Poll tant emissions	RMB1.2 or RMB1.4 per poll tant eq i alent

(IV) TAXATION (Contin ed)

1. Major Types of Tax and Tax Rates (Contin ed)

Note 1: The propert ta of self- se propert is calc lated at 70% of the original al e of the real estate and at a rate of 1.2%; the propert ta of leased b ildings is calc lated at 12% of rental income.

Note 2: EIT rates for the Compan and s bsidiaries:

	Tax rate
The Compan	15%
浙江福萊特玻璃有限公司Zhejiang Flat Glass Co., Ltd.*	25%
浙江嘉福玻璃有限公司Zhejiang Jiaf Glass Co., Ltd.*	15%
上海福萊特玻璃有限公司Shanghai Flat Glass Co., Ltd.*	25%
安徽福萊特光伏玻璃有限公司Anh i Flat Solar Glass Co., Ltd.*	15%
安徽福萊特光伏材料有限公司Anh i Flat Solar Material Co., Ltd.*	25%
福萊特(香港)有限公司Flat (Hong Kong) Limited*	Note 1
嘉興福萊特新能源科技有限公司Jia ing Flat Ne Energ Technolog Co., Ltd.*	25%
福萊特(越南)有限公司Flat (Vietnam) Compan Limited*	0%
福萊特(香港)投資有限公司Flat (Hong Kong) In estment Limited*	Note 1
福萊特(嘉興)進出口貿易有限公司Flat (Jia ing) Import and E port Trade Limited*	25%
鳳陽福萊特天然氣管道有限公司Feng ang Flat Nat ral Gas Pipeline Co., Ltd.*	25%
福萊特(宿遷)光伏玻璃有限公司Flat (S qian) Solar Glass Co., Ltd.*	25%
福萊特(南通)光伏玻璃有限公司Flat (Nantong) Solar Glass Co., Ltd.*	25%
安徽福萊特供應鏈管理有限公司Anh i Flat S ppl Chain Management Co., Ltd.*	25%
鳳陽福萊特新能源科技有限公司Feng ang Flat Ne Energ Technolog Co., Ltd.*	25%
FLAT (AUSTRALIA) PTY LTD	30%
安徽大華東方礦業有限公司Anh i Dah a Dongfang Mining Compan Limited*	25%
安徽三力礦業有限責任公司Anh i Sanli Mining Compan Limited*	25%
福萊特(越南)進出口貿易有限公司Flat (Vietnam) Import and E port Trade Limited*	20%
上海福萊特科技發展有限公司Shanghai Flat Technolog De elopment Co., Ltd*	25%
嘉興福萊特智能裝備有限公司Jia ing Flat Intelligent Eq ipment Co., Ltd.*	25%
南通福萊特港務有限公司Nantong Flat Port Co., Ltd.*	25%
嘉興福萊特能源管理有限公司Jia ing Flat Energ Management Co., Ltd.*	25%
福焱光能有限公司F an Photoenerg Co., Ltd.*	25%
福萊特(廣西)光能有限公司Flat (G ang i) Photoenerg Co., Ltd.*	25%

Note 1: Profit before ta not e ceeding HK$2,000,000 (incl si e) is s bject to a ta rate of 8.25%, hile the portion of profit before ta e ceeding HK$2,000,000 is s bject to a ta rate of 16.5%.

* *for identification p rpose onl*

(IV) TAXATION (Contin ed)

2. Tax Preferences

The Company

On 24 December 2022, the Compan obtained the High Technolog Enterprise Certificate (No. GR202233007200) jointl appro ed b the Science and Technolog Department of Zhejiang Pro ince, Zhejiang Pro incial Department of Finance, Zhejiang Pro incial Ta Ser ice, State Ta ation Administration for a alid period of three ears, p rs ant to hich, the EIT rate of 15% is applied from 2022 to 2024.

Zhejiang Jiafu Glass Co., Ltd.

On 24 December 2022, Zhejiang Jiaf Glass Co., Ltd. obtained the High Technolog Enterprise Certificate (No. GR202233006951) jointl appro ed b the Science and Technolog Department of Zhejiang Pro ince, Zhejiang Pro incial Department of Finance, Zhejiang Pro incial Ta Ser ice, State Ta ation Administration for a alid period of three ears, p rs ant to hich, the EIT rate of 15% is applied from 2022 to 2024.

Anhui Flat Solar Glass Co., Ltd.

On 17 A g st 2020, Anh i Flat Solar Glass Co., Ltd. obtained the High Technolog Enterprise Certificate (No. GR202034000476) jointl appro ed b the Science and Technolog Department of Anh i Pro ince, Anh i Pro incial Department of Finance, the State Ta ation B rea of Anh i Pro ince and the Local Ta ation B rea of Anh i Pro ince, for a alid period of three ears, p rs ant to hich, the EIT rate of 15% is applied from 2020 to 2022.

Flat (Vietnam) Company Limited

P rs ant to the Project In estment License appro ed b the Vietnam Haiphong Economic Zone A thorit on 30 J ne 2016, Flat (Vietnam) Compan Limited is e empted from EIT for fo r ears commencing from the first profit-making ear, follo ed b a 50% red ction in EIT for the ne t nine ears. Flat (Vietnam) Compan Limited has started to make profits since 2021.

(V) INTERESTS IN OTHER ENTITIES

1. Acquisition of subsidiaries

Asset acquisition in 2022

RMB

Acquiree	Acquisition date	Acquisition cost	Shareholding (%)	Acquisition method	Basis for acquisition date	Income of the acquiree from the acquisition date to the end of the period	Net profit (loss) of the acquiree from the acquisition date to the end of the period
Anhui Dahuangdongfang Mining Company Limited (Dahuangdongfang Mining) (Note)	28 February 2022	1,209,518,000.00	100	Cash	Control transferred	374,632,526.87	56,897,150.49
Anhui Sanli Mining Company Limited (Sanli Mining) (Note)	28 February 2022	2,134,429,600.00	100	Cash	Control transferred	948,483,580.52	(11,397,323.40)

Note: The Company entered into an equity transfer agreement and a supplementary agreement to the equity transfer agreement with Anhui Fengsha Mining Company Limited (Fengsha Group) on 27 October 2021 and 13 February 2022 respectively, pursuant to which the Company intends to purchase 100% equity of Dahuangdongfang Mining and 100% equity interests of Sanli Mining by paying cash and undertaking liabilities, with a total transaction price of RMB3,343,947,600.00, including the equity transfer price paid by the transferee of the target equity of RMB2,805,000,000.00 and the debt of the target company to the counterpart Fengsha Group of RMB538,947,600.00. The management of the Company believes that the above transaction does not constitute a business acquisition and considers the acquisition as an asset acquisition. The equity transfer was completed on 28 February 2022.

(V) INTERESTS IN OTHER ENTITIES (Contin ed)

1. Acquisition of subsidiaries (Contin ed)

Assets, liabilities and acquisition consideration of the acquiree on the acquisition date

RMB

	Dahua Mining Fair value on the acquisition date	Sanli Mining Fair value on the acquisition date
Cash at bank and on hand	1,127,564.56	17,906,764.60
Bills recei able	13,740,000.00	.
Trade recei ables	.	247,187,416.40
Ad ance pa ment	145,038.88	31,666.46
Other recei ables	537,080.71	4,802,780.12
Other c rrent assets	17,752.39	.
Current assets	15,567,436.54	269,928,627.58
Fi ed assets	14,842,270.00	476,780.00
Intangible assets	1,219,062,083.72	2,233,872,400.00
Incl ding: Intangible assets · mining rights	1,219,059,300.00	2,233,872,400.00
Intangible assets · other	2,783.72	.
Non-current assets	1,233,904,353.72	2,234,349,180.00
Subtotal of assets	1,249,471,790.26	2,504,277,807.58
Short-term borro ings	13,740,000.00	.
Trade pa ables	.	16,495,150.06
Contract liabilities	9,000,000.00	188,819.35
Pa roll pa able	256.45	.
Ta pa able	6,099,925.37	118,729,740.92
Other pa ables	477,893,189.50	70,519,112.54
Non-c rrent liabilities d e ithin one ear	.	52,220,000.00
Current liabilities	506,733,371.32	258,152,822.87
Long-term pa able	.	172,824,479.03
Non-current liabilities	.	172,824,479.03
Subtotal of liabilities	506,733,371.32	430,977,301.90
Net assets	742,738,418.94	2,073,300,505.68
Net assets received	742,738,418.94	2,073,300,505.68
Acquisition consideration- cash	740,000,000.00	2,065,000,000.00

(V) INTERESTS IN OTHER ENTITIES (Contin ed)

2. Interests in Subsidiaries

The composition of the corporate group

Level	Name of subsidiary	Place of incorporation and business	Particulars of issued and capital	Nature of business	Shareholding and voting rights percentage as at 31 December 2022 (%) Direct	Indirect	Acquisition method
1	Zhejiang Flat Glass Co., Ltd. (Zhejiang Flat)	Zhejiang, China Domestic enterprise	RMB10,000,000	Engaged in the man fact re and sale of architect ral or ho sehold glass prod cts	100.00		Establishment
2	Zhejiang Jiaf Glass Co., Ltd. (Zhejiang Jiaf)	Zhejiang, China Domestic enterprise	RMB150,000,000	Man fact re and sale of photo oltaic glass	100.00		Establishment
2.1	Flat (Hong Kong) In estment Limited (Flat In estment) (Note 9)	Hongkong, China Domestic enterprise	HKD1,000,000	In estments		100.00	
2.1.1	FLAT (AUSTRALIA) PTY LTD (A stralia Flat)	A stralia	AUD10	Mine operations and sale of q art ore		100.00	Establishment
3	Shanghai Flat Glass Co., Ltd. (Shanghai Flat) (Note 3)	Shanghai, China Domestic enterprise	RMB70,000,000	Architect ral glass processing	100.00		Establishment
4	Anh i Flat Solar Glass Co., Ltd. (Anh i Flat Glass)	Anh i, China Domestic enterprise	RMB1,000,000,000	Anh i Flat Solar Glass Co., Ltd.	100.00		Establishment
4.1	Fengyang Flat Nat ral Gas Pipeline Co., Ltd.* (鳳陽福萊特天然氣管道有限公司) (Flat Nat ral Gas)	Anh i, China Domestic enterprise	RMB10,000,000	De elopment of nat ral gas tilisation technology installation and sales of nat ral gas pipelines		100.00	Establishment
4.2	Fengyang Flat Ne Energy Technology Co., Ltd.* (鳳陽福萊特新能源科技有限公司) (Fengyang Flat Ne Energy)	Anh i, China Domestic enterprise	RMB10,000,000	In estment, constr ction, operation and maintenance of ne energy po er plants		100.00	Establishment
4.3	Anh i Flat S pply Chain Management Co., Ltd.* (安徽福萊特供應鏈管理有限公司) (Flat S pply Chain)	Anh i, China Domestic enterprise	RMB5,000,000	S pply chain management ser ices		100.00	Establishment
4.4	Anh i Flat Solar Material Co., Ltd. (Anh i Flat Material)	Anh i, China Domestic enterprise	RMB30,000,000	Mine operations and sale of q art ore		100.00	Establishment
4.4.1	Anh i Dah a Dongfang Mining Company Limited* (安徽大華東方礦業有限公司) (Dah a Mining) (Note)	Anh i, China Domestic enterprise	RMB50,000,000	Mine operations and sale of q art ore		100.00	Acq isition
4.4.2	Anh i Sanli Mining Company Limited* (安徽三力礦業有限責任公司)(Sanli Mining)(Note)	Anh i, China Domestic enterprise	RMB170,000,000	Mine operations and sale of q art ore		100.00	Acq isition
5	Flat (Hong Kong) Limited (Flat (Hong Kong))	Hongkong, China Domestic enterprise	HKD77,548,590	Glass e port	100.00		Establishment
5.1	Flat (Vietnam) Company Limited (Flat (Vietnam))	Vietnam	VDN1,752,800,000,000	Man fact re and sale of photo oltaic glass		100.00	Establishment
5.1.1	Flat (Vietnam) Import and E port Trade Limited* (福萊特(越南)進出口貿易有限公司)(Vietnam Import and E port Trade)	Vietnam	VDN2,286,000,000	Import and e port trade		100.00	Establishment

* *for identification p rpose onl*

(V) INTERESTS IN OTHER ENTITIES (Contin ed)

2. Interests in Subsidiaries (Contin ed)

The composition of the corporate group (Contin ed)

Level	Name of subsidiary	Place of incorporation and business	Particulars of issued and capital	Nature of business	Shareholding and voting rights percentage as at 31 December 2022 (%) Direct	Indirect	Acquisition method
6	Jia ing Flat Ne Energ Technolog Co., Ltd. (Flat Ne Energ)	Zhejiang, China · Domestic enterprise	RMB10,000,000	In estment, constr ction, operation and maintenance of ne energ po er plants	100.00	·	Establishment
7	Flat (Jia ing) Import and E port Trade Limited (Flat Import and E port Trade) (Note 10)	Zhejiang, China · Domestic enterprise	RMB7,000,000	Import and e port trade	100.00	·	Establishment
8	Flat (Nantong) Solar Glass Co., Ltd.* (福莱特(南通)光伏玻璃有限公司) (Nantong Flat)	Jiangs , China · Domestic enterprise	RMB400,000,000	Man fact re and sale of photo oltaic glass	100.00	·	Establishment
9	Flat (S qian) Solar Glass Co., Ltd.* (福莱特(宿遷)光伏玻璃有限公司) (S qian Flat)	Jiangs , China · Domestic enterprise	RMB10,000,000	Man fact re and sale of photo oltaic glass	100.00	·	Establishment
10	Shanghai Flat Technolog De elopment Co., Ltd.* (上海福莱特科技發展有限公司)(Flat Technolog De elopment)	Shanghai, China · Domestic enterprise	RMB10,000,000	Research and de elopment for ne materials and technologies	100.00	·	Establishment
11	Jia ing Flat Intelligent Eq ipment Co., Ltd.* (嘉興福莱特智能裝備有限公司)(Flat Intelligent Eq ipment)	Zhejiang, China · Domestic enterprise	RMB10,000,000	Man fact ring and sales of intelligent eq ipment	100.00	·	Establishment
12	Nantong Flat Port Co., Ltd. * (南通福莱特港務有限公司) (Flat Port)	Jiangs , China · Domestic enterprise	RMB1,000,000	Port operation	100.00	·	Establishment
13	Jia ing Flat Energ Management Co., Ltd.* (嘉興福莱特能源管理有限公司) (Flat Energ Management)	Jiangs , China · Domestic enterprise	RMB10,000,000	Energ management	100.00	·	Establishment
14	F an Photoenerg Co., Ltd.* (福焱光能有限公司)(F an Photoenerg)	Zhejiang, China · Domestic enterprise	RMB100,000,000	R&D of po er generation technolog and ser ice	95.10	·	Establishment
15	Flat (G ang i) Photoenerg Co., Ltd.* (福莱特(廣西)光能有限公司) (G ang i Flat)	G ang i, China · Domestic enterprise	RMB100,000,000	Man fact re and sale of photo oltaic glass	100.00	·	Establishment

Note: On 21 September 2022, the Compan held the 30th meeting of the si th session of the Board, at hich the Resol tion in relation to the Eq it Transfer of the Wholl o ned S bsidiaries of the Compan as considered and appro ed to transfer 100% eq it of its holl o ned s bsidiar Anh i Flat Materials held b the Compan to its holl o ned s bsidiar Anh i Flat Glass at net book al e, and transfer 100% eq it of its holl o ned s bsidiaries Dah a Mining and Sanli Mining held b the Compan to Anh i Flat Materials at net book al e, ith 30 J ne 2022 as the benchmark date. As of 31 December 2022, the Compan has completed the eq it transfer of Anh i Flat Materials, et not completed the eq it transfer of Dah a Mining and Sanli Mining.

(V) INTERESTS IN OTHER ENTITIES (Contin ed)

3. Interest in associates

Name of associate	Principal place of business	Place of registration	Nature of business	Shareholding and voting rights percentage as at 31 December 2022 (%)	Accounting treatment method for investment in associates
JiaXing Kaihong Flat S ppl Chain Management Co., Ltd.* (嘉興凱鴻福萊特供應鏈管理有限公司) (Kaihong Flat)	Zhejiang	Zhejiang	Transportation of goods	40.00	Eq it method
Kaihong Flat Logistics (Vietnam) Co., Ltd.* (凱鴻福萊特物流(越南)有限公司)	Vietnam	Vietnam	Transportation of goods	40.00	Eq it method
Feng ang PetroChina K nl n Gas Co., Ltd.* (鳳陽中石油昆侖燃氣有限公司) (K nl n Gas)	Anh i	Anh i	Installation, sales and operation of nat ral gas pipelines	35.00	Eq it method
JiaXing Gas Gro p Co., Ltd.* (嘉興市燃氣集團股份有限公司) (JiaXing Gas)	Zhejiang	Zhejiang	Installation, sales and operation of nat ral gas pipelines	4.53 (note)	Eq it method
Flat (Jia ing) Energ S ppl Chain Co., Ltd.* (福萊特(嘉興)能源供應鏈有限公司) (Jia ing Energ)	Zhejiang	Zhejiang	holesale and sales of chemicals	45.00	Eq it method

Basis for holding less than 20% of oting rights b t ha ing significant infl ence:

At the general meeting held in J ne 2021, Jia ing Gas, on the basis of oting, appro ed that Mr. R an Hongliang, one of the act al controllers of the Gro p, became one of its non-e ec ti e directors and he is entitled to participate in its operation and financial decision-making. As the Gro p can e ert significant infl ence on the operation and finance of Jia ing Gas, it changed the eq it acco nting treatment method to the eq it method for long-term eq it in estment.

(1) Financial information summary of insignificant associate

Unit: RMB

Items	Amount incurred in the current year
Associates:	
Total in ested book al e	82,753,089.96
Listed total n mber calc lated b shareholding percentage	
· Net profit	6,722,755.74
· Other comprehensi e income	
· Total comprehensi e income	6,722,755.74

* *for identification p rpose onl*

(V) INTERESTS IN OTHER ENTITIES (Contin ed)

3. Interest in associates (Contin ed)

(2) Material restrictions on the ability of associates to transfer capital to the Group

There as no material restrictions on the abilit of associates to transfer capital to the Gro p.

(3) Contingent liabilities relating to investment of associates

The Gro p had no contingent liabilities relating to in estment of associates.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash at Bank and on Hand

RMB

Items	Closing balance		
	Foreign currency amount	Conversion rate	RMB amount
Cash on hand:			
RMB	–	–	**15,002.78**
Cash at bank:			
RMB	–	–	**1,755,052,715.09**
US dollars	**76,968,626.29**	**6.9646**	**536,055,694.66**
E ro	**1,725,926.87**	**7.4229**	**12,811,382.56**
Yen	**94,343,718.00**	**0.0524**	**4,939,648.39**
A stralian dollars	**282,743.53**	**4.7138**	**1,332,796.45**
Hong Kong dollars	**3,751,682.89**	**0.8933**	**3,351,265.77**
Po nd	**3,911.63**	**8.3941**	**32,834.61**
Vietnamese Dong	**18,296,321,438.00**	**0.0003**	**5,490,124.20**
Other cash at bank and on hand:			
RMB	–	–	**493,001,484.64**
US dollars	**17,240,027.34**	**6.9646**	**120,069,894.41**
Yen	**12.00**	**0.0524**	**0.63**
Total			**2,932,152,844.19**
Incl ding: total amo nt deposited abroad			**347,456,029.61**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

1. Cash at Bank and on Hand (Contin ed)

RMB

Items	Closing balance		
	Foreign c rrenc amo nt	Con ersion rate	RMB amo nt
Cash on hand:			
RMB			37,595.74
Cash at bank:			
RMB			1,447,408,518.38
US dollars	95,389,077.41	6.3757	608,172,140.87
E ro	4,037,722.48	7.2197	29,151,145.00
Yen	95,279,882.00	0.0554	5,279,934.67
A stralian dollars	291,665.98	4.6220	1,348,080.16

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

2. Trading Financial Assets

RMB

Items	Closing balance	Opening balance
Financial assets at fair al e thro gh profit or loss:		
Bank ealth management prod cts	**2,000,000.00**	200,000,000.00
Total	**2,000,000.00**	200,000,000.00

3. Derivative Financial Assets

RMB

Items	Closing balance	Opening balance
Deri ati e financial asset itho t specified hedging relationship	–	62,739.00
Incl ding: For ard foreign e change contract (Note)	–	62,739.00
Total	–	62,739.00

Note: The ne pired for ard foreign e change contracts is not designated as hedging instr ments, and the gains or losses arising from changes in fair al e are directl incl ded in profit and loss for the period.

4. Bills Receivable (Contin ed)

(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

RMB

Items	Amounts not derecognised at the end of the year	Amo nts not derecognised at the beginning of the ear
Endorsed bank acceptance bills	**1,528,577,368.17**	662,916,166.12
Disco nted bank acceptance bills	**220,583,002.23**	6,790,000.00
Total	**1,749,160,370.40**	669,706,166.12

The abo e bills recei able that ha e been endorsed or disco nted b t not et d e at the balance sheet date ha e not been derecognised.

(4) At the end of the year, the Group had no bills transferred to trade receivables due to the drawer's failure to perform.

(5) Disclosed by classification of bad debt provision method

RMB

Classification	Closing balance				
	Book balance		Bad debt provision		
	Amount	Percentage (%)	Amount	Percentage (%)	Book value
Bad debt pro ision b portfolio					
Incl ding:					
Bank acceptance bills	1,860,198,827.10	73.90	–	–	1,860,198,827.10
Commercial acceptance bills	657,120,162.09	26.10	11,565,314.85	1.76	645,554,847.24
Total	2,517,318,989.19	100.00	11,565,314.85	0.46	2,505,753,674.34

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

4. Bills Receivable (Contin ed)

(5) Disclosed by classification of bad debt provision method (Contin ed)

	Opening balance				
	Book balance		Bad debt pro ision		
Classification	Amo nt	Percentage (%)	Amo nt	Percentage (%)	Book al e
Bad debt pro ision b portfolio					
Incl ding:					
Bank acceptance bills	834,875,954.38	88.58			834,875,954.38
Commercial acceptance bills	107,583,256.08	11.42	2,711,098.05	2.52	104,872,158.03
Total	942,459,210.46	100.00	2,711,098.05	0.29	939,748,112.41

Bills recei able ith bad debt pro ision b portfolio

RMB

	Closing balance			Opening balance		
Name of portfolio	Book balance	Bad debt provision	Accrual Percentage (%)	Book balance	Bad debt pro ision	Accr al Percentage (%)
Lo risk	1,860,198,827.10	-	-	834,875,954.38		
Normal	657,120,162.09	11,565,314.85	1.76	107,583,256.08	2,711,098.05	2.52
Total	2,517,318,989.19	11,565,314.85	0.46	942,459,210.46	2,711,098.05	0.29

The Gro p considers that the bank acceptance bills it holds ha e lo credit risk arising from bank defa lt rating, no impairment allo ance for credit loss is made.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

4. Bills Receivable (Contin ed)

(6) Bad debt provision

RMB

Classification	Opening balance	Changes in amo nt for the ear			Closing balance
		Pro ided	Transferred	Written off	
Normal	2,711,098.05	11,565,314.85	2,711,098.05		**11,565,314.85**
Total	2,711,098.05	11,565,314.85	2,711,098.05		**11,565,314.85**

5. Trade Receivables

(1) Disclosed by ageing:

Based on the re en e recognition date, the aging anal sis of trade recei ables is as follo s:

RMB

Ageing	Closing balance			Opening balance		
	Trade receivables	Bad debt provision	Accrual percentage (%)	Trade recei ables	Bad debt pro ision	Accr al percentage (%)
Within 1 ear	**2,862,429,426.07**	**54,442,224.40**	**1.90**	1,140,110,906.82	35,238,787.64	3.09
1 2 ears	**19,284,453.21**	**16,181,584.69**	**83.91**	11,805,748.65	10,918,296.08	92.48
2 3 ears	**6,574,232.05**	**6,574,232.05**	**100.00**	1,370,132.36	1,370,132.36	100.00
O er 3 ears	**6,822,107.31**	**6,822,107.31**	**100.00**	6,272,689.99	6,272,689.99	100.00
Total	**2,895,110,218.64**	**84,020,148.45**	**2.90**	1,159,559,477.82	53,799,906.07	4.64

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

5. Trade Receivables (Contin ed)

(2) Disclosed by classification of bad debt provision method:

The Gro p al a s meas res the loss pro ision of recei ables at an amo nt eq al to the lifetime e pected credit loss (ECL) and calc lates its ECL based on the comparison table of credit risk rating and defa lt loss rate. The credit risk portfolio is di ided into lo risk, normal, concerned and loss. The defa lt loss rate is calc lated based on the act al credit loss e perience of the past three ears, and adj sted according to the differences among the economic conditions d ring the historical data collection period, the c rrent economic conditions and the economic conditions ithin the e pected life ass med b the Gro p.

RMB

Credit risk rating	Closing balance				
	Within 1 year	1–2 years	2–3 years	Over 3 years	Total
Normal					
ECL rate	1.76%	1.76%	1.76%	1.76%	
Trade recei ables	2,831,075,517.95	–	–	–	2,831,075,517.95
ECL	49,826,929.12	–	–	–	49,826,929.12
Concerned					
ECL rate	14.72%	83.91%	100.00%	100.00%	
Trade recei ables	31,353,908.12	19,284,453.21	6,570,314.71	–	57,208,676.04
ECL	4,615,295.28	16,181,584.69	6,570,314.71	–	27,367,194.68
Loss					
ECL rate	100.00%	100.00%	100.00%	100.00%	
Trade recei ables	–	–	3,917.34	6,822,107.31	6,826,024.65
ECL	–	–	3,917.34	6,822,107.31	6,826,024.65
Total					
Book balance of trade recei ables	2,862,429,426.07	19,284,453.21	6,574,232.05	6,822,107.31	2,895,110,218.64
ECL	54,442,224.40	16,181,584.69	6,574,232.05	6,822,107.31	84,020,148.45
Carr ng amo nt of trade recei ables	2,807,987,201.67	3,102,868.52	–	–	2,811,090,070.19

5. Trade Receivables (Contin ed)

(2) *Disclosed by classification of bad debt provision method:* (Contin ed)

RMB

	Opening balance				
Credit risk rating	Within 1 ear	1 2 ears	2 3 ears	O er 3 ears	Total
Normal					
ECL rate	2.52%	2.52%	2.52%	2.52%	
Trade recei ables	1,096,931,797.73				1,096,931,797.73
ECL	27,642,681.27				27,642,681.27
Concerned					
ECL rate	14.72%	83.91%	100.00%	100.00%	
Trade recei ables	41,724,909.40	5,515,553.55	887,467.47		48,127,930.42
ECL	6,141,906.68	4,628,100.98	887,467.47		11,657,475.13
Loss					
ECL rate	100.00%	100.00%	100.00%	100.00%	
Trade recei ables	1,454,199.69	6,290,195.10	482,664.89	6,272,689.99	14,499,749.67
ECL	1,454,199.69	6,290,195.10	482,664.89	6,272,689.99	14,499,749.67
Total					
Book balance of trade recei ables	1,140,110,906.82	11,805,748.65	1,370,132.36	6,272,689.99	1,159,559,477.82
ECL	35,238,787.64	10,918,296.08	1,370,132.36	6,272,689.99	53,799,906.07
Carr ing amo nt of trade recei ables	1,104,872,119.18	887,452.57			1,105,759,571.75

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

5. Trade Receivables (Contin ed)

(3) Changes in credit loss provision of trade receivables

RMB

Credit loss provision	Lifetime ECL
Balance at 1 Jan ar 2022	53,799,906.07
Changes of the opening balance in the ear:	
Pro ision for the ear (transferred)	30,220,242.38
Transfers o t d e to derecognised financial assets (incl ding direct rite-do n)	
Balance at 31 December 2022	84,020,148.45

(4) Accounts receivable not written off this year

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

At the end of the ear, the top fi e trade recei ables of the Gro p ith the closing balances classified b the borro ers amo nted to RMB1,494,010,210.89 (as at the end of the pre io s ear: RMB581,839,100.82), acco nting for 51.60% (as at the end of the pre io s ear:50.18%) of the total balance of trade recei ables and the pro ision for credit losses of top fi e trade recei ables amo nted to RMB26,294,579.71 (as at the end of the pre io s ear: RMB14,662,345.34).

6. Financing receivables

RMB

Items	Closing balance	Opening balance
Bank acceptance bills	**784,825,969.52**	531,196,547.78

The Gro p has made classification on bank acceptance bills, and separatel managed bank acceptance bills iss ed b banks ith higher credit rating, so as to endorse or disco nt them hen necessar . Since the b siness model of holding these specific bank acceptance bills aims at both collecting contract al cash flo s and selling s ch financial assets, the are classified as financial assets at FVTOCI, and are listed as financing recei ables.

On 31 December 2022, the Gro p meas red the bad debt pro ision according to the lifetime ECL. The Gro p belie es that there is no significant credit risk in the bank acceptance bills held b it, as the probabilit of significant loss d e to bank defa lt is lo .

(1) Changes in fair value

RMB

Items	Closing balance	Opening balance
Cost	**787,941,237.18**	534,124,286.68
Fair al e	**784,825,969.52**	531,196,547.78
Acc m lated changes in fair al e incl ded in other comprehensi e income	**(3,115,267.66)**	(2,927,738.90)

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

RMB

Items	Pledged amount at the end of the year
Bank acceptance bills	**360,825,129.33**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

6. Financing receivables (Contin ed)

(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

RMB

Items	**Amounts not derecognised at the end of the year**	Amo nts not derecognised at the beginning of the ear
Endorsed bank acceptance bills	**1,645,773,499.45**	1,493,899,701.86
Disco nted bank acceptance bills	**59,072,317.90**	154,836,626.87
Total	**1,704,845,817.35**	1,648,736,328.73

7. Advance Payments

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

RMB

Ageing	Closing balance		Opening balance	
	Amount	**Percentage (%)**	Amo nt	Percentage (%)
Within 1 ear	**575,591,541.78**	**99.581**	686,003,745.08	99.097
1 2 ears	**2,234,361.28**	**0.387**	4,219,015.49	0.609
2 3 ears	**164,078.13**	**0.028**	2,016,474.00	0.291
O er 3 ears	**22,675.04**	**0.004**	22,723.56	0.003
Total	**578,012,656.23**	**100.000**	692,261,958.13	100.000

At the end of the ear, the Gro p had no ad ance pa ments ith an ageing of more than one ear and an important amo nt.

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

As at 31 December 2022 and 31 December 2021, the balances of top fi e ad ance pa ments ere RMB446,777,293.27 and RMB562,487,063.28, respecti el , representing 77.30% and 81.25% of the total balances of ad ance pa ments.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

8. Other Receivables

RMB

8. Other Receivables (Contin ed)

(3) Impairment of other receivables

The Gro p calc lates its ECL based on the comparison table of credit risk rating and defa lt loss rate. The credit risk portfolio is di ided into lo risk, normal, concerned and loss.

RMB

		Closing balance	
Credit risk rating	**Default loss rate**	**Other receivables**	**Credit loss provision**
Lo risk	**0.00%**	**101,299,773.96**	**–**
Total		**101,299,773.96**	**–**

RMB

		Opening balance	
Credit risk rating	Defa lt loss rate	Other recei ables	Credit loss pro ision
Lo risk	0.00%	54,999,617.97	
Loss			
Total		54,999,617.97	

Based on the nat re of other recei ables and after e al ation, the Gro p belie es that other recei ables ha e no significant risk of ECL.

8. Other Receivables (Contin ed)

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

RMB

Name	Nature	Year end amount	Ageing	Percentage of the other receivables (%)	Closing balance of credit loss provision
Feng[illegible]ang Xinao Gas Co., Ltd. (鳳陽新奧燃氣有限公司)	Margin	27,000,000.00	Within 1 [illegible]ear	26.65	
Feng[illegible]ang Co nt[illegible]P blic Reso rces Trading Center (鳳陽縣公共資源交易中心)	Deposit	25,040,000.00	1 2 [illegible]ears	24.72	
Alipa[illegible]com Co., Ltd. (支付寶(中國)網絡技術有限公司)	Deposit	20,000,000.00	2 3 [illegible]ears	19.74	
Ch ho PetroChina K nl n Gas Co., Ltd (滁州中石油昆侖燃氣有限公司)	Margin	12,200,000.00	Within 1 [illegible]ear	12.04	
DEEP C GREEN ENERGY VIỆT NAM COMPANY	Deposit	4,996,270.22	Within 1 [illegible]ear	4.93	
Total		89,236,270.22		88.08	

9. Inventories

(1) *Inventories category*

RMB

Items	Closing balance Book balance	Impairment provision	Book value
Ra materials	**752,813,726.43**	**–**	**752,813,726.43**
Lo - al ed cons mables	**339,605,709.34**	**4,335,685.03**	**335,270,024.31**
Work in progress	**107,466,234.14**	**–**	**107,466,234.14**
Finished goods	**1,207,160,700.87**	**6,393,721.15**	**1,200,766,979.72**
Total	**2,407,046,370.78**	**10,729,406.18**	**2,396,316,964.60**

Items	Opening balance Book balance	Impairment pro ision	Book al e
Ra materials	1,189,179,166.17		1,189,179,166.17
Lo - al ed cons mables	183,128,642.36	5,175,543.77	177,953,098.59
Work in progress	60,856,490.19		60,856,490.19
Finished goods	855,214,953.98	6,734,180.64	848,480,773.34
Total	2,288,379,252.70	11,909,724.41	2,276,469,528.29

(2) *Inventory impairment provision*

RMB

Items	Opening balance	Increased amo nt for the ear	Decreased amo nt for the ear: Re ersed	Decreased amo nt for the ear: Write off	Closing balance
Finished goods	6,734,180.64	5,280,522.00	5,620,981.49		**6,393,721.15**
Lo - al ed cons mables	5,175,543.77	3,434,677.35		4,274,536.09	**4,335,685.03**
Total	11,909,724.41	8,715,199.35	5,620,981.49	4,274,536.09	**10,729,406.18**

10. Assets Held for Sale

RMB

Item	Book value at the end of the year	Fair value	Estimated costs of disposal	Estimated date of disposal
Constr ction project of 110KV line and transformer s bstation (Note)	35,107,159.30	35,107,159.30		2023
Total	35,107,159.30	35,107,159.30		

Note: The Gro p entered into a contract ith Jia ing Hong n Ne R ral In estment De elopment and Constr ction Co., Ltd. (嘉興市洪運新農村投資開發建設有限公司) to b ild a 110KV line for the de elopment of the Gro p and other enterprises, hich ill be rep rchased b the other part after constr ction. As of 31 December 2022, the project has been completed, and the transfer of asset o nership has not et been completed. The management has incl ded it in the acco nting of assets held for sale.

11. Other Current Assets

RMB

Items	Closing balance	Opening balance
Prepaid income ta	**119,919,962.44**	6,809,376.77
Val e-added ta reco erable	**105,856,295.24**	232,222,691.43
E port ta rebate	**1,845,853.95**	14,355,212.88
Prepaid rent	**412,844.04**	412,844.04
Others	**6,698,700.97**	1,326,957.68
Total	**234,733,656.64**	255,127,082.80

12. Long-term Equity Investments

RMB

Invested unit	Acco nting method	Opening balance	Mo ement for the ear In estment / additional in estments	In estment gains recognised nder he eq it method	Closing balance
Associate:					
Kaihong Flat	Eq it method	6,921,828.12		6,277,401.74	**13,199,229.86**
K nl n Gas	Eq it method	10,500,000.00			**10,500,000.00**
JiaXing Gas (note)	Eq it method	54,108,506.10		445,354.00	**54,553,860.10**
Jia ing Energ	Eq it method		4,500,000.00		**4,500,000.00**
Total		71,530,334.22	4,500,000.00	6,722,755.74	**82,753,089.96**

Note: The eq it interests held b Gro p in the restricted o tstanding shares of H-share listed compan JiaXing Gas ere initiall recogni ed as non-trading eq it instr ment in estments and ere designated as financial assets meas red at fair al e thro gh other comprehensi e income. At the general meeting held in J ne 2021, Jia ing Gas, on the basis of oting, appro ed that Mr. R an Hongliang, one of the act al controllers of the Gro p, became one of its non-e ec ti e directors and he is entitled to participate in its operation and financial decision-making. As the Gro p can e ert significant infl ence on the operation and finance of Jia ing Gas, it changed the eq it acco nting treatment method to the eq it method for long-term eq it in estment.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

13. Investment Properties

Investment properties with cost measurement model

RMB

Items	House and buildings	Land use rights	Total
I. Book value			
1. Opening and closing balance	27,486,623.54	7,525,892.36	35,012,515.90
II. Accumulated amortisation			
1. Opening balance	14,410,615.35	1,799,669.52	16,210,284.87
2. Amo nt increased in the c rrent ear	1,267,864.08	163,606.32	1,431,470.40
(1) Pro ided or amortised	1,267,864.08	163,606.32	1,431,470.40
3. Closing balance	15,678,479.43	1,963,275.84	17,641,755.27
III. Book value			
1. Closing book al e	11,808,144.11	5,562,616.52	17,370,760.63
2. Opening book al e	13,076,008.19	5,726,222.84	18,802,231.03

The o nership of ho ses and b ildings and land se rights ith a net al e of RMB17,370,760.63 at the end of the c rrent ear (at the end of pre io s ear: RMB18,802,231.03) as pledged for borro ings.

The in estment properties held b the Gro p is listed in the balance sheet at the amo nt of the book al e less acc m lated amortisation and impairment pro ision. At the end of the c rrent ear, according to the e al ation of q alified independent professional al ers, the fair al e of the Gro p's in estment properties amo nted to RMB61,950,000.00 (at the end of pre io s ear: RMB61,950,000.00).

Fair al e is recognised according to market method. Under the same market conditions, the market method compares the real estate to be e al ated ith similar real estate transaction e amples that ha e been traded in the recent period according to the principle of s bstit tion, and adj sts the e al ation al e of the real estate to be e al ated according to the kno n price of the latter and referring to the differences of the real estate transaction sit ation, transaction date, regional factors and indi id al factors.

When estimating the fair al e of in estment properties, the best se of in estment properties is its c rrent se. The al ation method adopted has not changed.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

14. Fixed Assets (Contin ed)

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

RMB

Items	Book value	Accumulated depreciation	Impairment provision	Net book value
Machiner and eq ipment	8,292,131.46	2,728,761.44	5,563,370.02	
Other eq ipment	268,037.61	225,506.25	42,531.36	
Total	8,560,169.07	2,954,267.69	5,605,901.38	

At the end of the c rrent ear, the Gro p's idle fi ed assets incl ded some eq ipment of certain s bsidiaries of the Compan , namel Zhejiang Jiaf and Zhejiang Flat. The Gro p has made f ll pro ision for impairment of related assets in accordance ith the lo er of the book al e and the reco erable amo nt.

(3) At the beginning and the end of the year, no fixed asset was held under finance lease.

(4) At the beginning and the end of the year, no fixed asset was leased to others under operating leases.

(5) At the end of year, the Group had no fixed asset without property right certificate.

RMB

Items	Book value	Reasons for failing to complete the title certificate
B ildings of Phase III project of Anh i Flat Glass	549,432,433.04	The title certificate is still in process
B ildings of Phase II PV project of the Gro p	497,967,100.42	The title certificate is still in process
Ins lating orkshop (north)	58,309,921.33	The title certificate is still in process
110KV transformer s bstation	7,535,215.02	The title certificate is still in process
Total	1,113,244,669.81	

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

15. Construction in progress

(1) Listed by category

RMB

Items	Closing balance	Opening balance
Constr ction in progress	**1,557,815,302.02**	2,867,765,142.38
Engineering materials	**316,539,291.72**	199,442,725.12
Total	**1,874,354,593.74**	3,067,207,867.50

At the end of the c rrent [redacted]ear, the constr ction in progress ith the net al e of RMB107,331,643.75

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

15. Construction in progress (Contin ed)

(2) Construction in progress (Contin ed)

a. Constr ction in progress (Contin ed)

RMB

Items	Book balance	Opening balance Impairment pro ision	Net book amo nt
Ann al o tp t of 750,000 tons of PV co er glass project-phase II	1,129,878,953.18	.	1,129,878,953.18
Ann al prod ction of 750,000 tons of solar eq ipment ltra-thin and ltra-high-transparent panel man fact ring project	823,934,022.33	.	823,934,022.33
Ann al prod ction of 1,200,000 tons of photo oltaic mod le co er glass project	270,384,014.38	.	270,384,014.38
Ann al prod ction of 750,000 tons of photo oltaic mod le co er glass project-phase III	156,279,422.21	.	156,279,422.21
PV phase II cold repair project	142,197,037.81	.	142,197,037.81
Ann al prod ction of 42 million sq are meters of PV backplane project	75,478,773.23	.	75,478,773.23
Nat re gas direct s ppl[illegible] project	66,950,958.67	.	66,950,958.67
110KV circ it and transformer s bstation constr ction project	33,965,185.47	.	33,965,185.47
Vietnam Flat PV glass prod ction line	33,569,328.04	.	33,569,328.04
Vietnam Flat pier b ilding project	30,815,218.24	.	30,815,218.24
PV phase I cold repair project	30,544,592.60	.	30,544,592.60
PV backplane glass ith an ann al prod ction capacit[illegible] of 28 million sq are meters project	11,467,536.25	.	11,467,536.25
Machiner[illegible] and eq ipment to be installed and others	62,300,099.97	.	62,300,099.97
Total	2,867,765,142.38	.	2,867,765,142.38

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

15. Construction in progress (Contin ed)

(2) *Construction in progress (Contin ed)*

b. Changes in major constr ction projects in progress in the year

RMB

Project name	Budget	Opening amount	Amount increased in the year	Transfer amount from fixed assets in the year	Exchange gain or loss	Transfer Amount into fixed assets in the year	Transfer into others in the year	Closing balance	Project cumulative investment accounted for the proportion of the budget	Project progress	Accumulated amount of interest capitalisation	Including: the amount of interest capitalisation in the year	Capitalisation rate of interest in the year (%)	Sources of funds
Ann al o tp t of 1,950,000 tons of PV co er glass project	4,349,335,600.00	426,663,436.59	2,720,869,494.15			2,159,986,445.71		987,546,485.03	72.37%	72.37%	3,600,000.00	3,600,000.00	0.45%	Self-f nds/ Special borro ings
Ann al prod ction of 1,500,000 tons of ne energ eq ipment ltra-thin and ltra-high-transparent panel man fact ring project	3,752,960,000.00	518,720.95	109,856,825.97			108,640.77		110,266,906.15	2.94%	2.94%				Self-f nds
S pporting ho sing project of Anh i Flat	338,105,800.00		96,581,900.45					96,581,900.45	28.57%	28.57%				Self-f nds
The project of Lo -E coating third line and s pporting facilities	129,698,000.00		92,850,690.81	20,299.14				92,870,989.95	71.61%	71.61%				Self-f nds
220KV transformer s bstation	146,000,000.00		119,474,969.05			48,393,581.32		71,081,387.73	81.83%	81.83%				Self-f nds
Ann al prod ction of 1,152 sets of intelligent eq ipment constr ction project	101,753,200.00		58,026,533.79					58,026,533.79	57.03%	57.03%				Self-f nds
Ann al o tp t of 750,000 tons of PV co er glass project phase II	1,632,609,800.00	1,129,878,953.18	220,767,378.30			1,331,945,027.49		18,701,303.99	98.27%	98.27%				Non-p blicly raised f nds
Ann al prod ction of 750,000 tons of solar eq ipment ltrathin and ltra-high-transparent panel man fact ring project	1,751,683,600.00	823,934,022.33	497,484,400.74			1,304,077,128.06		17,341,295.01	75.44%	75.44%	16,910,810.53	16,910,810.53	1.61%	Self-f nds/ con ertible bonds/ General borro ings
Vietnam Flat pier b ilding project	165,000,000.00	16,9116.c -265-0.025 T 9.055 0 Tj(Se,07.,000,000.00)Tj9.[(16,911,212264)Tj9.055 0 Td((,213( ) 3.505 -0.15 Td												
		Na.00e gas dir016,9116.c -265-0.025 T 780 Tc 0 T 0Se,07.,000,000.004,077,128.658 men958.6712,80 T22(1613.505 -0.15 Td(71,081,387.73)Tj11.88,026,533.79)Tj11.897 0 Td(57.03%)T												

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

15. Construction in progress (Contin ed)

(3) Engineering materials

RMB

Items	Closing balance	Opening balance
Specialised eq ipment	**158,426,728.34**	93,343,324.42
Refractor materials	**76,915,929.93**	78,024,378.03
Electric ire and cable	**32,257,057.26**	6,730,582.58
Steel and ire rod	**945,464.61**	2,105,446.45
Others	**47,994,111.58**	19,238,993.64
Total	**316,539,291.72**	199,442,725.12

16. Right-of-use Assets

RMB

Items	Land
I. Book value	
1. Opening balance	191,102,069.02
2. Amo nt increased in the c rrent ear	20,161,679.16
(1) Increased	20,161,679.16
3. E change differences on foreign c rrenc financial statements translation	10,268,408.10
4. Closing balance	221,532,156.28
II. Accumulated depreciation	
1. Opening balance	21,031,196.80
2. Amo nt increased in the c rrent period	5,004,335.20
(1) Pro ision	5,004,335.20
3. E change differences on foreign c rrenc financial statements translation	1,302,615.65
4. Closing balance	27,338,147.65
III. Book value	
1. Closing balance of book al e	194,194,008.63
2. Opening balance of book al e	170,070,872.22

Other notes:

The Gro p leased se eral lands in Vietnam, ith terms ranging from 29 to 42 ears.

The short-term lease e penses incl ded in the simplified processing of c rrent profit and loss for the ear ere RMB13,971,345.55 (in the pre io s ear: RMB14,561,324.81).

The total cash o tflo related to leases for the ear as RMB14,662,303.22 (in the pre io s ear: RMB15,125,705.65)

17. Intangible Assets

RMB

Items	Land use right	Emission rights	Mining rights	Energy use rights	Software	Total

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

18. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred income tax assets before offsetting

RMB

Items	Opening balance Deductible temporary difference	Opening balance Deferred income tax assets	Ded ctible temporar difference	Deferred income ta assets
Pro ision for asset impairment	**30,216,400.40**	**4,547,803.38**	32,144,952.12	4,837,086.14
Pro ision of credit impairment	**90,086,104.15**	**14,073,127.95**	54,975,356.64	8,999,635.21
Deferred re en e	**58,535,568.54**	**9,252,441.34**	25,441,145.12	4,331,055.32
Depreciation difference for fi ed assets	**36,780,257.43**	**5,517,038.61**	33,101,192.39	4,965,178.86
Share pa ment	**11,606,023.50**	**1,740,903.53**	16,200,234.30	2,430,035.15
Increased al ation of intangible assets	**351,841,997.49**	**87,960,499.37**		
Ded ctible losses	**2,356,327,466.09**	**353,554,852.31**		
Changes in fair al es of deri ati e financial liabilit	**1,765,968.98**	**291,384.88**		
S b-total	**2,937,159,786.58**	**476,938,051.37**	161,862,880.57	25,562,990.68

(2) Deferred tax liabilities before offsetting

RMB

Items	Opening balance Taxable temporary differences	Opening balance Deferred tax liabilities	Ta able temporar differences	Deferred ta liabilities
Propert re al ation arising from con ersion to a joint stock compan	**11,319,781.23**	**1,697,967.18**	12,518,486.60	1,877,772.99
Accelerated depreciation of fi ed assets	**3,323,385,466.37**	**498,507,819.96**	765,840,684.05	114,876,102.61
Trial prod ction cost	**51,396,351.71**	**7,709,452.75**	59,015,677.77	8,852,351.67
Changes in fair al es of deri ati e financial asset	**–**	**–**	62,739.00	10,351.95
S b-total	**3,386,101,599.31**	**507,915,239.89**	837,437,587.41	125,616,579.21

18. Deferred Income Tax Assets/Deferred Income Tax Liabilities (Contin ed)

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

RMB

Items	Closing balance		Opening balance	
	Offset amount of deferred income tax assets and liabilities at the end of the period	**Deferred income tax assets or liabilities after offsetting**	Offset amo nt of deferred income ta assets and liabilities at the end of the period	Deferred income ta assets or liabilities after offsetting
Deferred income ta assets	**384,382,813.61**	**92,555,237.76**	21,400,325.38	4,162,665.30
Deferred ta liabilities	**384,382,813.61**	**123,532,426.28**	21,400,325.38	104,216,253.83

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

RMB

Items	Closing balance	Opening balance
Ded ctible losses	**20,602,437.95**	30,690,640.30
Temporar differences	**6,580,096.24**	2,616,384.57
Total	**27,182,534.19**	33,307,024.87

Note: D e to the ncertaint of hether s fficient ta able income can be obtained in the f t re, the Gro p has not recognised it as a deferred income ta asset.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

18. Deferred Income Tax Assets/Deferred Income Tax Liabilities (Contin ed)

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

RMB

	Closing balance	Opening balance
2022	–	
2023	–	
2024	–	
2025	**9,168,249.15**	19,674,875.82
2026	**10,963,973.54**	11,015,764.48
2027	**470,215.26**	
Total	**20,602,437.95**	30,690,640.30

19. Other Non-current Assets

RMB

	Closing balance	Opening balance
預付採礦權款(Note)	**2,028,000,000.00**	
Constr ction prepa ment	**607,290,974.95**	789,953,029.11
Prepaid in estment	**78,600,155.31**	74,350,906.30
Deposit for acq isition of land	**–**	2,600,000.00
Total	**2,713,891,130.26**	866,903,935.41

Note: On 1 A g st 2022, Anh i Flat Glass, a holl o ned s bsidiar of the Compan and Ch ho Nat ral Reso rces and Planning B rea (滁州市自然資源和規劃局) entered into the Mining Right Assignment Contract on the Mining Right of the Thirteenth Ne Segment of a Q art ite Mine for Glass Located at Lingshan-M jishan Mining Zone, Feng ang Co nt Anh i Pro ince, for the transfer of the mining right of the thirteenth ne segment of a q art ite mine for glass located at Lingshan-M jishan Mining Zone, Feng ang Co nt Anh i Pro ince at a consideration of RMB3.38 billion. P rs ant to hich, Anh i Flat Glass paid RMB1.014 billion and RMB1.014 billion on 5 A g st 2022 and 20 No ember 2022, respecti el As of 31 December 2022, the mining right registration formalities are still in the process of handling, so the rele ant prepa ments are incl ded in other non-c rrent assets.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

20. Short-term Borrowings

RMB

	Closing balance	Opening balance
Mortgaged borro ings (Note)	**2,125,915,900.00**	1,513,906,500.00
Credit borro ings	**548,855,177.00**	340,000,000.00
Bill disco nting borro ings	**220,583,002.23**	6,790,000.00
Pledged borro ings (Note)	**200,000,000.00**	
Total	**3,095,354,079.23**	1,860,696,500.00

Note: For the t pes and amo nt of the asset of the mortgaged borro ings, please refer to the Notes (VI), 13, 14, 15 and 17. For details of classification and amo nt of pledged borro ings, please refer to the Note (VI) 1.

At the end of the c rrent ear, the Gro p had no short-term borro ings that ere o erd e.

The ann al interest rate of the abo e borro ings in c rrent ear is from 0.79% to 4.70% (last ear: from 0.79% to 3.85%).

21. Derivative financial liabilities

RMB

Items	Closing balance	Opening balance
Deri ati e financial asset itho t specified hedging relationship	**1,765,968.98**	
Incl ding: For ard foreign e change contract (Note)	**120,410.62**	
Foreign e change option contracts (Note)	**1,645,558.36**	
Total	**1,765,968.98**	

Note: The ne pired for ard foreign e change contracts and foreign e change option contracts are not designated as hedging instr ments, and the gains or losses arising from changes in fair al e are directl incl ded in profit and loss for the period.

22. Bills Payables

RMB

	Closing balance	Opening balance
Bank acceptance bills	**964,727,516.59**	1,036,982,577.72
Total	**964,727,516.59**	1,036,982,577.72

23. Trade Payables

(1) Listing of trade payables:

RMB

	Closing balance	Opening balance
Trade pa ables	**2,530,380,248.71**	1,322,155,502.11
Constr ction costs pa able	**1,569,664,216.10**	984,754,614.54
Total	**4,100,044,464.81**	2,306,910,116.65

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

RMB

Items	Closing balance	Opening balance
Within 1 ear	**3,936,658,210.32**	2,246,793,540.75
1 2 ears	**118,245,621.47**	45,993,642.28
2 3 ears	**34,081,184.42**	6,354,473.19
O er 3 ears	**11,059,448.60**	7,768,460.43
Total	**4,100,044,464.81**	2,306,910,116.65

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

23. Trade Payables (Contin ed)

(3) Significant trade payables with ageing over 1 year

RMB

	Closing balance	Reasons of o tstanding or carr -o er
Constr ction costs pa able	**150,476,772.62**	Project retention has not et e pired and been repaid
Trade pa ables	**12,909,481.87**	The pa able is for a prod ct q alit disp te, and pa ment ill be made after the disp te is resol ed
Total	**163,386,254.49**	

24. Contract Liabilities

Listing of contract liabilities:

RMB

	Closing balance	Opening balance
Ad ance pa ment from c stomers for goods	**115,048,763.64**	352,681,717.14

(1) The Gro p acco nts for the ad ance pa ment from c stomers for goods based on goods sales contracts as contract liabilities, and the related contract liabilities are recognised as sales re en e hen the control of the goods is transferred to the c stomer. The ad ance pa ment from c stomers for goods at the beginning of the ear ha e all been recognised as re en e in the c rrent ear, and the contract liabilities at the end of the ear are e pected to be recognised as re en e in 2023.

25. Payroll Payable

(1) Listing of payroll payable

RMB

Items	Opening balance	Increase in the c rrent ear	Decrease in the c rrent ear	Closing balance
1. Short-term rem neration	66,290,653.05	679,722,872.95	645,435,940.55	**100,577,585.45**
2. Post-emplo ment elfare - Defined contrib tion plan	1,229,049.56	55,168,030.14	54,176,963.93	**2,220,115.77**
Total	67,519,702.61	734,890,903.09	699,612,904.48	**102,797,701.22**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

25. Payroll Payable (Contin ed)

(2) Listing of short-term remuneration

RMB

Items	Opening balance	Increase in the c rrent [illegible]ear	Decrease in the c rrent [illegible]ear	**Closing balance**
I. Wages or salaries, bon ses, allo ances and s bsidies	61,966,998.51	592,983,715.97	557,263,205.14	**97,687,509.34**
II. Staff elfare	(45,540.00)	30,396,891.46	30,156,061.76	**195,289.70**
III. Social ins rance	764,463.86	30,152,199.05	29,521,386.84	**1,395,276.07**
Incl ding: Medical ins rance	852,653.89	25,409,423.17	25,143,353.67	**1,118,723.39**
Work-related inj r[illegible] ins rance	(124,829.85)	4,153,923.68	3,805,414.97	**223,678.86**
Maternit[illegible] ins rance	36,639.82	588,852.20	572,618.20	**52,873.82**
IV. Ho sing f nds	674,036.00	13,712,833.00	13,487,992.00	**898,877.00**
V. Labor ed cation & nion	2,930,694.68	12,477,233.47	15,007,294.81	**400,633.34**
Total	66,290,653.05	679,722,872.95	645,435,940.55	**100,577,585.45**

(3) Defined contribution plan

RMB

Items	Opening balance	Increase in the c rrent [illegible]ear	Decrease in the c rrent [illegible]ear	**Closing balance**
1. Basic pension ins rance	1,194,514.09	53,227,489.01	52,268,986.26	**2,153,016.84**
2. Unemplo[illegible]ment ins rance	34,535.47	1,940,541.13	1,907,977.67	**67,098.93**
Total	1,229,049.56	55,168,030.14	54,176,963.93	**2,220,115.77**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

25. Payroll Payable (Contin ed)

(3) Defined contribution plan (Contin ed)

The Gro p participates in pension ins rance and nemplo ment ins rance schemes established b go ernment agencies as req ired. According to these schemes, the Gro p pa s monthl fees to these plans at 14.0% and 0.5% of the emplo ees' basic ages. Anh i Flat Glass, a s bsidiar of the Gro p, makes monthl contrib tion to these schemes at 16.0% and 0.5% of emplo ees' basic salar . hile Flat (Vietnam), a s bsidiar of the Gro p, makes monthl contrib tion to these schemes at 17.0% and 1.0% of emplo ees' basic salar . E cept for the abo e monthl paid fees, the Gro p does not ndertake f rther pa ment obligations. The corresponding e penses are recognised in profit or loss in the period in hich the are inc rred.

D ring the ear, the Gro p shall pa a total of RMB53,227,489.01 and RMB1,940,541.13 (2021: RMB30,418,326.30 and RMB1,185,277.27) to the pension ins rance and nemplo ment ins rance schemes respecti el . As of 31 December 2022, RMB2,153,016.84 and RMB67,098.93 had been accr ed b t npaid for the pension ins rance and nemplo ment ins rance schemes, respecti el . S ch pa ables ere contrib ted after the reporting period.

26. Taxes Payable

RMB

Items	

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

27. Other Payables

Listing of items:

RMB

Items	Closing balance	Opening balance
Interest payable	**16,887,442.02**	4,225,184.38
Di idends payables	**2,737,023.00**	791,200.00
Other payables	**635,866,393.10**	131,648,032.65
Total	**655,490,858.12**	136,664,417.03

(1) Interest payable

RMB

Items	Closing balance	Opening balance
Interest payable on con ertible bonds	**7,430,077.54**	
Interest for long-term borro ings ith interest paid in installment and principal paid d e to mat rity	**5,976,347.37**	2,297,774.10
Interest payable for short-term borro ings	**3,481,017.11**	1,927,410.28
Total	**16,887,442.02**	4,225,184.38

(2) Dividends payables

RMB

Item	Closing balance	Opening balance
Di idends on ordinary shares	**2,737,023.00**	791,200.00
Total	**2,737,023.00**	791,200.00

27. Other Payables (Contin ed)

(3) Other payables

RMB

Classification	Closing balance	Opening balance
Eq it acq isition f nds (Note 1)	**520,947,600.00**	
Warrant	**66,240,106.34**	77,755,114.87
Restricted share incenti e schemes (Note 2)	**23,806,600.00**	32,096,200.00
Transportation premi m	**16,663,676.42**	15,828,272.51
Others	**8,208,410.34**	5,968,445.27
Total	**635,866,393.10**	131,648,032.65

At the end of the ear, the Gro p had no other pa ables ith an ageing of more than one ear and a significant amo nt.

Note 1: The Compan held the 15th meeting of the si th session of the board of directors on 13 Febr ar 2022, d ring hich re ie ed and appro ed the Resol tion on the Compan 's Acq isition of 100% Eq it of Anh i Dah a Oriental Mining Co., Ltd.* held b Anh i Fengsha Mining Gro p Co., Ltd.* and 100% Eq it Interests of Anh i Sanli Mining Co., Ltd.*, p rs ant to hich the Compan p rchased 100% eq it of Anh i Dah a Oriental Mining Co., Ltd.* and 100% eq it interests of Anh i Sanli Mining Co., Ltd.* b pa ing cash and ndertaking liabilities, ith a total transaction price of RMB3,343,947,600.00. As of 31 December 2022, the Gro p has paid RMB2,823,000,000.00 in total and the balance pa able amo nted to RMB520,947,600.00. The ind strial and commercial change registration proced res of the target compan ha e been completed on 28 Febr ar 2022, and the deli er of the target eq it has been completed.

Note 2: It represents the s bscription amo nt of restricted shares paid b the participants to the Compan after the Compan granted the restricted shares to the emplo ees. The Compan recognised f ll liabilities for the rep rchase obligations of restricted shares and incl ded them in the treas r stock. Please refer to Note (X) for the details of grant of restricted shares.

28. Non-Current Liabilities Due Within One Year

RMB

	Closing balance	Opening balance
Long-term borro ings d e ithin 1 ear (Note (VI) 30)	**1,259,649,348.86**	309,464,555.59
Lease liabilities d e ithin 1 ear (Note (VI) 32)	**690,608.03**	635,514.93
Long-term pa ables d e ithin 1 ear (Note (VI) 34)	**41,878,318.42**	
Total	**1,302,218,275.31**	310,100,070.52

29. Other Current Liabilities

RMB

	Closing balance	Opening balance
O tp t-VAT pending for recognition	**9,449,715.18**	44,277,908.91
Total	**9,449,715.18**	44,277,908.91

30. Long-Term Borrowings

(1) Categories of long-term borrowings

RMB

	Closing balance	Opening balance
Pledged borro ings (Note 1)	**2,026,519,348.86**	998,412,983.63
Sec red borro ings (Note 2)	**2,923,200,000.00**	1,278,800,000.00
Credit borro ings	**199,000,000.00**	
Less: Pledged borro ings d e ithin 1 ear	**636,919,348.86**	303,864,555.59
Less: Sec red borro ings d e ithin 1 ear	**622,730,000.00**	5,600,000.00
Total	**3,889,070,000.00**	1,967,748,428.04

Note 1: The pledged assets of the pledge borro ings are the eq it interest of Flat (Vietnam), Sanli Mining and Dah a Mining.

Note 2: For the t pes and amo nts of sec red assets of sec red loans, please refer to the Notes (VI), 13, 14, 15 and 17.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

30. Long-Term Borrowings (Contin ed)

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

RMB

Item	Closing balance	Opening balance
1 to 2 [illegible]ears	**1,624,907,500.00**	870,148,428.04
2 to 5 [illegible]ears	**2,264,162,500.00**	1,097,600,000.00
Total	**3,889,070,000.00**	1,967,748,428.04

(3) Other descriptions

The interest rate of the abo e borro ings as bet een 3.35% to 4.10% (pre io s [illegible]ear: bet een 2.69% and 4.90%).

31. Bonds Payables

(1) Bonds Payables

RMB

	Closing balance	Opening balance
Bonds Pa[illegible]ables	**3,588,678,749.97**	
Total	**3,588,678,749.97**	

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

31. Bonds Payables (Contin ed)

(2) Changes in bonds payable

RMB

Name of bond	Issuing date	Term of the bond	Issue amount	Opening balance	Issued for the current year	Accrued interests at par value	Amortisation of premium/ discount	Conversion for the current year	Redemption for the current year	Closing balance
Flat con ertible bond	2022 05 20	6 ears	4,000,000,000.00		3,485,185,685.79	7,430,136.99	110,951,786.24	28,585.07		3,588,678,749.97

The abo e con ertible corporate bonds iss ed ha e been split into the liabilit and eq it components as follo s:

RMB

Item	Liability component	Equity component	Total
Nominal al e of con ertible corporate bonds	3,505,410,854.51	494,589,145.49	4,000,000,000.00
Direct transaction costs	(20,225,168.72)	(2,853,630.95)	(23,078,799.67)
Balance as at the iss ance date	3,485,185,685.79	491,735,514.54	3,976,921,200.33
Accr ed interest on par al e	(7,430,136.99)	–	(7,430,136.99)
Amortisation of premi m/disco nt	110,951,786.24	–	110,951,786.24
Con ersion for the c rrent ear	(28,585.07)	(3,933.88)	(32,518.95)
Balance as at 31 December 2022	3,588,678,749.97	491,731,580.66	4,080,410,330.63

31. Bonds Payables (Contin ed)

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

Appro ed b CSRC Appro al [2022] No. 664, the Gro p iss ed 40 million con ertible bonds ith a nominal al e of RMB100 on 20 Ma 2022. The ann al co pon rate shall be 0.3% in the first ear, 0.5% in the second ear, 1.0% in the third ear, 1.5% in the fo rth ear, 1.8% in the fifth ear and 2.0% in the si th ear. The pa ment method that interest shall be paid on an ann al basis shall be adopted and the principal shall be repaid and the interest for the last ear shall be paid. The term of the A Share Con ertible Corporate Bonds nder the iss ance shall be si ears from the date of the iss ance, namel 20 Ma 2022 to 19 Ma 2028. The con ersion period of the A Share Con ertible Bonds nder the iss ance shall commence on the first trading da immediatel follo ing the e pir of the si -month period after the date of the iss ance of the con ertible bonds (i.e. 26 Ma 2022), and end on the mat rit date of the con ertible bonds (i.e. 28 No ember 2022 to 19 Ma 2028). The fair al e of the liabilit component as estimated at the iss e date sing an eq i alent market interest rate for a similar bond itho t the attached p rchase arrants. The resid al amo nt as assigned as the eq it component and incl ded in shareholders' eq it.

See 1. Compan O er ie of (I) Corporate Information for details of descriptions of iss e, con ersion term and time of con ertible corporate bonds.

32. Lease Liabilities

RMB

Classification	Closing balance	Opening balance
Lease liabilities	**12,616,801.58**	11,515,218.22
Less: Lease liabilities incl ded in non-c rrent liabilities d e ithin one ear (Note (VI) 28)	**690,608.03**	635,514.93
Net	**11,926,193.55**	10,879,703.29

33. Deferred Revenue

RMB

Classification	Opening balance	Increase in the c rrent ear	Decrease in the c rrent ear	Closing balance
Go ernment grants	25,441,145.12	45,804,800.00	12,710,376.58	**58,535,568.54**
Total	25,441,145.12	45,804,800.00	12,710,376.58	**58,535,568.54**

33. Deferred Revenue (Contin ed)

Items in ol ing go ernment grants:

RMB

Item	Opening balance	Increased amo nt for the ear	Decreased amo nt for the ear	**Closing balance**	Asset-related/ re en e-related
Feng ang Co nt 's go ernment de eloped and f nded ne kinetic energ to promote the transformation and pgrading of enterprises, making economic de elopment so nd. Moreo er, the go ernment s bsidi ed enterprises's in estment		41,204,800.00	5,886,400.00	**35,318,400.00**	Asset-related
The first phase of distrib ted PV related project constr ction grant	4,014,720.00		334,560.00	**3,680,160.00**	Asset-related
Glass melting f rnace fl e gas denitrification technolog project grant	4,679,443.73		1,173,333.42	**3,506,110.31**	Asset-related
Ann al prod ction of 5.8 million sq are meters LOW-E glass deep processing project	4,234,724.00		819,624.00	**3,415,100.00**	Asset-related
S bsidies for Ind strial Internet and making eq ipment instit tionali ed, standardi ed and proced re-based		3,600,000.00	375,652.15	**3,224,347.85**	Asset-related
Grant for backplane processing orkshop ith ann al o tp t of 28 million sq are meters	2,877,900.00		345,348.00	**2,532,552.00**	Asset-related
2014 ind strial transformation and pgrading items (central infrastr ct re in estment) Flat Glass ann al prod ction of 5.8 million sq are meters LOW-E glass deep processing project	2,790,000.00		930,000.00	**1,860,000.00**	Asset-related
Ann al prod ction of 12 million sq are meters of high transparent photo oltaic glass project	900,000.03	1,000,000.00	199,999.93	**1,700,000.10**	Asset-related
Ann al prod ction of 12 million sq are meters of high transparent photo oltaic glass project	1,684,065.48		348,427.44	**1,335,638.04**	Asset-related
The first phase of distrib ted PV related project constr ction grant	1,134,115.59		93,215.04	**1,040,900.55**	Asset-related
Jia ing Cit 2012 first batch of ind strial de elopment f nd s bsid ann al o tp t of 15 million sq are meters of solar photo oltaic ltra- hite glass project 1# photo oltaic kiln	950,494.77		481,468.57	**469,026.20**	Asset-related
Jiang i Finance B rea 2011 glass melting f rnace fl e gas aste heat po er generation project grant	739,999.84		370,000.04	**369,999.80**	Asset-related

33. Deferred Revenue (Contin ed)

RMB

Item	Opening balance	Increased amo nt for the ear	Decreased amo nt for the ear	**Closing balance**	Asset-related/ re en e-related
Jia ing Cit 2012 pro incial energ -sa ing financial grant 2 prod ction lines of f rnace fl e gas aste heat Utilisation Phase II project ith s pporting constr ction of aste heat boilers and steam t rbine generator sets	190,291.55		106,957.86	**83,333.69**	Asset-related
Jia ing Cit 2012 first batch of ind strial de elopment f nd grant ann al o tp t of 170,000 tons of lo -E glass and deep processing project 2# float kiln	133,333.06		133,333.06	–	Asset-related
Ann al prod ction of 15 million sq are meters of solar photo oltaic ltra- hite glass e pansion project	424,778.42		424,778.42	–	Asset-related
Jia ing Cit 2012 first batch of ind strial de elopment f nd grant 2*600t/d glass melting f rnace fl e gas aste heat po er generation first phase constr ction's technical transformation project	83,495.42		83,495.42	–	Asset-related
TCO ltra- hite cond cti e film project grant	603,783.23		603,783.23	–	Asset-related
Total	25,441,145.12	45,804,800.00	12,710,376.58	**58,535,568.54**	

34. Long-term payables

RMB

Classification	**Closing balance**	Opening balance
Pa ment for assignment of mining right	**179,538,659.39**	
Less: Long-term pa ables incl ded in non-c rrent liabilities d e ithin one ear (Note (VI) 28)	**41,878,318.42**	
Net amo nt	**137,660,340.97**	

35. Provisions

RMB

Item	Closing balance	Opening balance	Reason
E penses of en ironmental protection and land reclamation	**6,457,941.49**		Pro ision of e penses for mine geological en ironment protection and land reclamation
Total	**6,457,941.49**		

36. Share Capital and Treasury Stock

Share capital

RMB

	Opening balance	Increase or decrease for the year Ne shares Iss ed	Con ersion of con ertible bonds (Note 1)	Closing balance
Total share capital	536,723,313.50		178.25	**536,723,491.75**

36. Share Capital and Treasury Stock (Contin ed)

Treasury stock

RMB

Item	Opening balance	Increase for the ear (Note 1)	Decrease for the ear (Note 2)	**Closing balance**
Share-based pa ment	32,096,200.00		8,289,600.00	**23,806,600.00**
Total	32,096,200.00		8,289,600.00	**23,806,600.00**

Note 1: For details of con ersion of con ertible bonds, please see (I) Corporate Information 1. Compan O er ie .

Note 2: In 2022, the Compan implemented the 2022 interim profit distrib tion proposal, p rs ant to hich the Compan distrib ted cash di idend of RMB2.3 (ta incl ded) to all shareholders of the Compan for e er 10 shares based on the total shares of the Compan as at 31 J l 2022.After the completion of the foregoing, the treas r stock of the Compan decreased b RMB1,219,000.00.

On 25 Ma 2022, the Compan achie ed the conditions to remo e the sales restriction for the reser ed part of the restricted shares for the first nlocking period in Ma 2021, and the treas r shares decreased b RMB1,960,000.00 accordingl .

On 11 A g st 2022, the conditions for lock- p release in respect to the second lock- p period release for the initial grant nder the A restricted shares incenti e plan 2020 of the Compan ha e been satisfied, the treas r stock decreased b RMB5,110,600.00 accordingl .

37. Other equity instruments

RMB

Outstanding financial instruments	Opening balance		Increase in the c rrent ear		Decrease in the c rrent ear		Closing balance	
	N mber	Carr ing al e	N mber	Carr ing al e	N mber	Carr ing al e	**Number**	**Carrying value**
Con ertible corporate bonds			40,000,000.00	491,735,514.54	320.00	3,933.88	**39,999,680.00**	**491,731,580.66**

Note: Other eq it instr ments comprise of the eq it from the con ertible corporate bonds iss ed for the c rrent ear, and please refer to Note (VI). 31.

38. Capital reserve

RMB

Item	Opening balance	Increase in the c rrent ear	Decrease in the c rrent ear	Closing balance
Share premi m (Note (VI) 31)	4,780,117,627.53	32,400.14		**4,780,150,027.67**
Other capital reser e (Note (X))	52,650,634.30	31,948,589.20		**84,599,223.50**
Total	4,832,768,261.83	31,980,989.34		**4,864,749,251.17**

39. Other Comprehensive Income

RMB

Item	Opening balance	Amo nt inc rred in the c rrent ear				Carr for ard to retained earnings	Closing balance
		Amo nt before income ta	Less: Income ta e pense	Amo nt attrib table to the Compan after income ta	Amo nt attrib table to minorit shareholders after income ta		
I. Other comprehensi e income that ill not be reclassified into profit or loss after ards							–
Changes in fair al e of other eq it instr ment in estments							–
II. Other comprehensi e income that ill be reclassified into profit or loss after ards	(7,613,180.72)	49,963,457.84		49,963,457.84			**42,350,277.12**
E change differences on foreign c rrenc financial statements translation	(4,685,441.82)	50,150,986.60		50,150,986.60			**45,465,544.78**
Changes in fair al e of financing recei ables	(2,927,738.90)	(187,528.76)		(187,528.76)			**(3,115,267.66)**
Total	(7,613,180.72)	49,963,457.84		49,963,457.84			**42,350,277.12**

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

40. Special Reserve

RMB

Item	Opening balance	Increase for the ear	Decrease for the ear	Closing balance
Safet prod ction costs	17,266,053.61	13,206,977.30	1,889,623.02	**28,583,407.89**
Total	17,266,053.61	13,206,977.30	1,889,623.02	**28,583,407.89**

41. Surplus Reserve

RMB

Item	Opening balance	Increase for the ear	Decrease for the ear	Closing balance
Stat tor s rpl s reser e	268,361,656.75	89.13	.	**268,361,745.88**
Total	268,361,656.75	89.13	.	**268,361,745.88**

Note: S rpl s reser e is accr ed according to the Compan s Articles of Association or ith the appro al from the Board. The stat tor s rpl s reser e can be sed to co er the Compan s losses or to increase the share capital. In accordance ith Articles of Association of the Compan , the stat tor s rpl s reser e is ithdra n at 10% of the net profit, and it ill not be ithdra n hen the acc m lated stat tor s rpl s reser e of the Gro p reaches 50% of the registered capital.

42. Undistributed Profit

RMB

Item	Amount for the current year	Amo nt for the last ear
Opening balance of the ndistrib ted profit	**6,194,759,167.82**	4,449,556,361.77
Add: Net profit attrib table to shareholders of the parent compan in the c rrent ear	**2,122,780,428.43**	2,119,919,326.43
Less: Accr al of stat tor s rpl s reser es	**89.13**	47,656,457.44
Ordinar di idends pa able (Note 1)	**493,785,448.42**	321,928,988.10
Other comprehensi e income carried for ard to retained earnings	**–**	(5,131,074.84)
Closing balance of the ndistrib ted profit (Note 2)	**7,823,754,058.70**	6,194,759,167.82

Note1： The Compan held the 28th meeting of the si th session of the board of directors on 25 A g st 2022 and the 2022 third e traordinar general meeting on 20 October 2022, d ring hich re ie ed and appro ed the Resol tion on the 2022 Interim Profit Distrib tion Proposal, p rs ant to hich the Compan distrib ted cash di idend of RMB2.30 (ta incl ded) to all shareholders of the Compan for e er 10 shares based on the total shares of 2,146,893,254 of the Compan as at 31 J l 2022. Based on these, a total of RMB493,785,448.42 of cash di idend (ta incl si e) ere proposed to be distrib ted.

Note 2: The ndistrib ted profit at the end of the ear incl ded the legal s rpl s reser e of RMB457,710,247.06 (31 December 2021: RMB329,647,535.05) accr ed b the s bsidiaries of the Compan.

43. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

RMB

Item	Amount for the year		Amo nt for last ear	
	Revenue	Cost	Re en e	Cost
Main b siness	**15,401,681,636.47**	**12,028,679,616.15**	8,673,660,042.78	5,588,755,523.66
Other b siness	**59,161,590.89**	**19,511,263.46**	39,568,022.81	31,636,443.28
Total	**15,460,843,227.36**	**12,048,190,879.61**	8,713,228,065.59	5,620,391,966.94

The Gro p recognised operating re en e at a point in time.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

43. Operating Revenue and Operating Cost (Contin ed)

(2) Breakdowns of operating revenue

Breakdo ns of operating re en e · B so rce of re en e:

RMB

Item	Amount for the year						
	PV glass	Household glass	Architectural glass	Float glass	Mining product	Other business	Total

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

43. Operating Revenue and Operating Cost (Contin ed)

(2) *Breakdowns of operating revenue (Contin ed)*

Breakdo ns of operating re en e B selling manner:

RMB

Item	Amount for the year						
	PV glass	Household glass	Architectural glass	Float glass	Mining product	Other business	Total
Selling manners							
Direct sales	13,674,959,888.98	324,273,990.96	559,939,759.34	286,158,175.96	439,401,222.43	59,161,590.89	15,343,894,628.56
Dealers	6,837,869.23	25,639,730.44	35,637,177.50	48,833,821.63	-	-	116,948,598.80
Total	13,681,797,758.21	349,913,721.40	595,576,936.84	334,991,997.59	439,401,222.43	59,161,590.89	15,460,843,227.36

RMB

Item	Amo nt for last ear						
	PV glass	Ho sehold glass	Architect ral glass	Float glass	Mining prod ct	Other b siness	Total
Selling manners							
Direct sales	7,090,033,742.99	340,281,527.30	643,106,375.82	322,559,969.82	66,349,052.29	39,567,469.71	8,501,898,137.93
Dealers	31,603,099.99	40,459,187.96	68,295,921.98	70,971,164.63		553.10	211,329,927.66
Total	7,121,636,842.98	380,740,715.26	711,402,297.80	393,531,134.45	66,349,052.29	39,568,022.81	8,713,228,065.59

43. Operating Revenue and Operating Cost (Contin ed)

(3) Performance obligations

The Gro p's main b siness acti ities are the prod ction and sales of glass prod cts. The contract for the rele ant sale of goods normall contains onl a performance obligation to deli er the goods, and the consideration for the sale of prod cts is determined on the basis of a fi ed price agreed in the sales contract or order. The Gro p recognises re en e at the point at hich control of the related merchandise is transferred to the c stomer. The Gro p req ires dealer c stomers to f ll prepa the p rchase pa ment before the deli er of the goods, and the normal credit period for direct sales c stomers is 30 to 120 da s after the acceptance of the goods.

44. Taxes and Surcharges

RMB

Item	Amount for the year	Amo nt for last ear
Reso rce ta	**68,782,757.96**	4,644,433.66
Land se ta	**14,963,047.87**	11,353,621.79
Propert ta	**14,218,406.68**	Land se ta

45. Selling Expenses

RMB

Item	Amount for the year	Amo nt for last ear
Assembling frame charges	**91,984,450.42**	59,489,953.06
Emplo ee compensation and elfare	**12,999,444.79**	11,649,817.51
Marketing e penses	**8,584,968.76**	9,774,360.93
Depreciation and amortisation	**114,911.16**	11,213.68
Others	**5,194,203.62**	4,799,301.14
Total	**118,877,978.75**	85,724,646.32

46. Administrative Expenses

RMB

Item	Amount for the year	Amo nt for last ear
Emplo ee rem neration and benefits	**123,458,626.26**	91,090,302.97
Eq it settled share-based pa ment	**31,948,589.20**	37,007,309.90
Depreciation and amortisation	**29,741,951.34**	22,579,512.85
Labor costs	**19,388,648.41**	5,774,476.94
Intermediar agenc ser ice fee	**15,153,435.26**	7,920,089.75
Green and en ironmental protection e penses	**12,750,521.83**	6,959,694.27
Office e penses	**8,966,938.36**	2,542,231.76
Rent e penses	**6,229,289.14**	5,729,388.06
Entertainment e penses	**3,842,943.92**	3,557,332.01
A dit e pense	**3,650,000.00**	3,450,000.00
Transportation e penses	**2,793,086.58**	2,722,439.72
Tra elling e penses	**1,694,894.51**	1,634,421.98
Decoration cost	**1,594,066.17**	2,747,682.60
Propert ins rance e pense	**1,155,383.95**	4,373,929.74
Repair and maintenance fee	**846,750.13**	378,353.58
Trademark registration fee	**–**	7,384,671.46
Others	**14,326,819.43**	15,926,899.34
Total	**277,541,944.49**	221,778,736.93

47. Research and Development Expenses

RMB

Item	Amount for the year	Amo nt for last [illegible]ear
Direct material costs	**345,461,477.21**	283,584,997.75
Emplo[illegible]ee rem neration and benefits	**125,721,278.69**	81,098,407.27
Depreciation and amortisation	**26,021,773.83**	22,932,479.97
Others	**26,025,655.78**	20,801,576.36
Total	**523,230,185.51**	408,417,461.35

48. Finance Expenses

RMB

Item	Amount for the year	Amo nt for last [illegible]ear
Interest e penses	**338,235,144.15**	89,688,426.43
Incl ding: Interest e pense for lease liabilities	**597,879.42**	563,988.33
Less: Interest income	**59,295,478.89**	37,314,406.92
Handling fee	**5,036,337.83**	3,151,737.26
E change loss (gains)	**(43,541,382.61)**	(3,571,301.86)
Total	**240,434,620.48**	52,518,443.24

49. Other Revenues

RMB

So rces of other re en es	**Amount for the year**	Amo nt for last ear
F nds for redemption of enterprise benefit polic for 2020	**21,337,800.00**	.
Special f nds for science and technolog de elopment	**18,739,360.00**	.
Deferred income amortisation (Note (VI) 33)	**12,710,376.58**	11,476,239.62
S bsidies for po er generation	**5,928,708.68**	.
Ind str de elopment grant	**4,128,925.00**	5,184,800.00
S bsidies for emplo ment stabili ation and e pansion	**2,987,293.49**	.
S bsidies for m nicipal reso rces and en ironment constr ction	**2,500,000.00**	.
Foreign trade grants	**2,099,000.00**	216,000.00
S bsidies for reso rces and en ironment constr ction	**1,139,525.00**	.
S bsidies for e port credit ins rance of Jia ing M nicipal B rea of Commerce	**1,111,532.00**	.
M nicipal f nd S bsidies for ind strial and information technolog	**750,000.00**	.
Income from personal ta fee ref nds	**613,380.32**	336,666.23
Special f nds for m nicipal green prod ction	**500,000.00**	.
Social ins rance grants	**365,200.80**	164,690.25
Enterprise incenti e f nds	**203,000.00**	.
F nds of the Finance B rea to s pport ke projects	–	20,000,000.00
Distrib ted PV po er generation project grant	–	6,441,861.22
Special grant f nds of Xi ho District of Jia ing for ind strial de elopment	–	4,470,500.00
Go ernment grants of Jia ing B rea of Science and Technolog for constr ction of inno ati e enterprise and research instit te	–	4,000,000.00
F nds from the treas r of Feng ang co nt for redemption of enterprise benefit polic	–	1,794,200.00
F nds for de elopment of inno ati e pro ince from the Department of Science and Technolog of Anh i Pro ince	–	600,000.00
Grant f nds for technolog -based enterprises to promote high-q alit de elopment	–	500,000.00
The third batch of special m nicipal ind strial and information de elopment f nds	–	500,000.00
Cit le el b siness f nd a ard and grant of Jia ing	–	300,000.00
The second batch of special pro incial f nds for science and technolog de elopment	–	200,000.00
The first batch of grants for technolog projects in Xi ho District, Jia ing Cit	–	200,000.00
Others	**2,338,286.21**	1,946,862.94
Total	**77,452,388.08**	58,331,820.26

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

50. Investment Income

RMB

Sources of investment income	Amount for the year	Amo nt for last ear
1. In estment (loss) gains on disposal of deri ati e financial instr ments	**(6,351,420.00)**	12,355,831.70
2. Long term eq it in estment income meas red at eq it method	**7,566,505.74**	5,558,487.56
3. In estment income from financial assets held for trading d ring the holding period	**11,649,410.34**	11,890,656.14
4. Di idend income from in estments in other eq it instr ment d ring the holding period	**–**	2,081,250.00
Total	**12,864,496.08**	31,886,225.40

51. Losses from Changes in Fair Value

RMB

Sources of gains (losses) from changes in fair value	Amount for the year	Amo nt for last ear
Deri ati e tools itho t the specified hedging relationship	**(1,828,707.98)**	(1,382,927.57)
· Losses from changes in fair al e of for ard foreign e change contracts	**(1,828,707.98)**	(1,382,927.57)
Total	**(1,828,707.98)**	(1,382,927.57)

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

55. Non-Operating Income

RMB

Items	Amount for the year	Amo nt for last ear
Go ernment grants (Note (VI) 63)	–	1,856,448.86
Others	**1,435,472.21**	818,334.09
Total	**1,435,472.21**	2,674,782.95

56. Non-Operating Expenses

RMB

Items	Amount for the year	Amo nt for last ear
P blic elfare donations	**3,602,826.89**	1,497,149.47
Others	**172,066.69**	2,679,778.03
Total	**3,774,893.58**	4,176,927.50

57. Income Tax Expense

RMB

Items	Amount for the year	Amo nt for last ear
C rrent period income ta e penses	**133,310,894.32**	209,719,589.44
Income ta es ref nded for the last ear	**(34,139,159.24)**	(30,400,482.15)
Deferred income ta e penses	**(69,076,400.01)**	80,976,608.72
Total	**30,095,335.07**	260,295,716.01

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

57. Income Tax Expense (Contin ed)

Reconciliation bet een income ta e pense and acco nting profit is as follo s:

RMB

Items	Amount for the year	Amo nt for last ear
Total profits	**2,152,875,763.50**	2,380,215,042.44
Income ta e pense calc lated at ta rate of 15% (2021: 15%)	**322,931,364.53**	357,032,256.35
Effect of s bsidiaries to adapt different ta rates	**28,126,207.94**	14,861,900.00
Effect of non-ded ctible costs, e penses and losses	**17,462,706.65**	1,626,830.58
Effects of non-ta able income	**–**	(526,047.97)
Repa ment (ref nd) of the income ta for last period	**(34,139,159.24)**	(30,400,482.15)
Ta effect on ta incenti es	**(238,451,049.41)**	(26,301,110.71)
Effect of se of ded ctible losses on pre io s nrecognised deferred income ta asset	**(2,808,143.58)**	(10,632,916.42)
Effect of ded ctible losses and ded ctible temporar difference of nrecognised deferred income ta assets at end of the ear	**117,553.82**	2,753,941.14
Changes in opening balances of deferred income ta assets/ liabilities d e to the change in ta rate	**–**	
Effect on research and de elopment costs pl s ded ction	**(63,144,145.64)**	(48,118,654.81)
Income ta e penses	**30,095,335.07**	260,295,716.01

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

For the p rpose of calc lating basic earnings per share, net profit for the c rrent period attrib table to ordinar shareholders of the parent compan is as follo s:

RMB

Items	Amount for the year	Amo nt for last ear
Net profit for the c rrent period attrib table to ordinar shareholders of the parent compan	**2,122,780,428.43**	2,119,919,326.43
Less: cash di idends distrib ted in the c rrent ear to the holders of restricted shares e pected to be nlocked in the f t re	**763,600.00**	552,000.00
Net profit attrib table to the ordinar shareholders of the parent compan for the c rrent period for the p rpose of the basic earnings per share	**2,122,016,828.43**	2,119,367,326.43

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

58. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Contin ed)

For the p rpose of calc lating basic earnings per share, the denominator is the eighted a erage n mber of o tstanding ordinar shares and its calc lation process is as follo s:

Unit: Share

Items	Amount for the year	Amo nt for last ear
N mber of ordinar shares o tstanding at the beginning of the ear	**2,146,893,254.00**	2,041,248,788.00
Add: Weighted n mber of ordinar shares of the ear	**(3,319,941.00)**	99,564,523.00
Weighted n mber of o tstanding ordinar shares at the end of the ear	**2,143,573,313.00**	2,140,813,311.00

When calc lating dil ted earnings per share, the net profit attrib table to ordinar shareholders of the parent compan for the c rrent period is:

RMB

Items	Amount for the year	Amo nt for last ear
Net profit attrib table to the ordinar shareholders of the parent compan for the c rrent period for the p rpose of the earning per share	**2,122,016,828.43**	2,119,367,326.43
Add: cash di idends distrib ted in the c rrent ear to the holders of restricted shares e pected to be nlocked in the f t re	**763,600.00**	552,000.00
The calc lation of the dil ted earnings per share of net profit attrib table to the ordinar shareholders of the parent compan		

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

58. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Contin ed)

For the p rpose of the dil ted earnings per share is as follo s:

Unit: Share

Items	Amount for the year	Amo nt for last ear
Weighted n mber of ordinar shares o tstanding at the end of the ear for the p rpose of earnings per share	**2,143,573,313.00**	2,140,813,311.00
Add: the impact on the eight n mber of the emplo ee share incenti e schemes of the Gro p	**2,641,966.00**	2,237,749.00
Add: the impact on the eight n mber of the con ertible corporate bonds of the Gro p	**–**	1,699,943.00
Weighted n mber of ordinar shares o tstanding as at the end of the ear	**2,146,215,279.00**	2,144,751,003.00

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

59. Notes to Items in the Cash Flow Statement (Contin ed)

(5) Other cash received and related to fundraising activities

RMB

Items	Amount for the year	Amo nt for last ear
Reco er of restricted monetar f nds s ch as bill deposit	**1,659,478,591.77**	319,363,076.09
Total	**1,659,478,591.77**	319,363,076.09

(6) Other cash paid and related to fundraising activities

RMB

Items	Amount for the year	Amo nt for last ear
Pa ment of restricted monetar f nds s ch as bill deposit	**1,540,582,744.11**	626,481,298.79
Iss ance fees of con ertible corporate bonds	**–**	1,325,756.98
Total	**1,540,582,744.11**	627,807,055.77

60. Supplementary Information for Cash Flow Statement

(1) Supplementary information for cash flow statement

RMB

Supplementary information	Amount for the year	Amo nt for last ear
(1) Adj st net profit to cash flo from operating acti ities		
Net profit	**2,122,780,428.43**	2,119,919,326.43
Add: Asset impairment pro ision	**3,094,217.86**	10,202,178.73
Credit impairment losses (gains)	**39,074,459.18**	(23,554,616.85)
In estment propert amortisation	**1,431,470.40**	1,431,470.40
Depreciation of fi ed assets	**805,494,206.43**	505,130,872.45
Depreciation of right-of- se assets	**5,004,335.20**	4,727,421.43
Amortisation of intangible assets	**498,092,486.99**	32,623,319.75
Amortisation of long-term fees	**2,719,052.46**	2,242,629.01
Losses (gains) for disposal of fi ed assets, intangible assets other long-term assets	**8,899,606.56**	(3,599,005.34)
Losses on fair al e change	**1,828,707.98**	1,382,927.57
Financial e penses	**393,254,203.27**	82,581,084.39
In estment gains	**(12,864,496.08)**	(31,886,225.40)
Decrease (increase) in deferred income ta assets	**(88,392,572.46)**	20,775,279.09
Increase in deferred income ta liabilities	**19,316,172.45**	60,201,329.63
Increase in in entor	**(122,941,654.17)**	(1,807,276,520.35)
Increase in operating recei ables	**(4,735,708,423.46)**	(1,306,723,760.35)
Increase in operating pa ables	**1,203,370,256.79**	883,021,094.30
Deferred income amortisation	**(12,710,376.58)**	(11,476,239.62)
Increase in special reser e	**13,206,977.30**	2,998,977.20
Eq it settled share-based pa ment	**31,948,589.20**	37,007,309.90
Net cash flo from operating acti ities	**176,897,647.75**	579,728,852.37
(2) Net changes in cash and cash eq i alents		
Closing balance of cash and cash eq i alents	**2,319,081,464.51**	2,101,730,679.46
Less: Opening balance of cash and cash eq i alents	**2,101,730,679.46**	1,146,171,930.13
Net decrease in cash and cash eq i alents	**217,350,785.05**	955,558,749.33

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contin ed)

60. Supplementary Information for Cash Flow Statement (Contin ed)

(2) Component of cash and cash equivalents

RMB

Items	Closing balance	Opening balance
1. Cash	**2,319,081,464.51**	2,101,730,679.46
Incl ding: Cash on hand	**15,002.78**	37,595.74
Blank deposit a ailable for pa ment	**2,319,066,461.73**	2,101,693,083.72
Other monetar f nds a ailable for pa ment	**–**	
2. Cash eq i alents	**–**	
Cash and cash eq i alents at the end of the ear	**2,319,081,464.51**	2,101,730,679.46

61. Assets with Restricted Ownership or Use Rights

RMB

Items	Book value at the end of the year	Reasons for restriction
Monetar f nds	613,071,379.68	Bills deposits, deposit certificate pledge, etc.
Bills recei able	148,740,133.53	Pledged to bank to obtain credit facilities
Financing recei ables	360,825,129.33	Pledged to bank to obtain credit facilities
In estment propert	17,370,760.63	Pledged to bank to obtain credit facilities
Fi ed assets	4,022,348,650.15	Pledged to bank to obtain credit facilities
Constr ction in progress	107,331,643.75	Pledged to bank to obtain credit facilities
Intangible assets	367,362,534.63	Pledged to bank to obtain credit facilities
Total	5,637,050,231.70	

62. Foreign Currency Monetary Items

Items	Closing balance		
	Foreign currency amounts	Translation exchange rate	RMB amounts
Cash at bank and on hand			
Incl ding: USD	94,208,653.63	6.9646	656,125,589.07
EUR	1,725,926.87	7.4229	12,811,382.56
JPY	94,343,730.00	0.0524	4,939,649.02
AUD	282,743.53	4.7138	1,332,796.45
HKD	3,751,682.89	0.8933	3,351,265.77
GBP	3,911.63	8.3941	32,834.61
Total			678,593,517.48
Trade recei ables			
Incl ding: USD	94,697,157.53	6.9646	659,524,258.08
EUR	291,089.40	7.4229	2,160,727.51
AUD	79,053.30	4.7138	372,641.45
Total			662,057,627.04
Other recei ables			
Incl ding: HKD	3,970.00	0.8933	3,546.28
Total			3,546.28
Trade pa ables			
Incl ding: USD	5,603,241.29	6.9646	39,024,334.26
EUR	87,857.97	7.4229	652,160.92
Total			39,676,495.18
Other pa ables			
Incl ding: USD	293,832.89	6.9646	2,046,428.53
Total			2,046,428.53
Borro ings			
Incl ding: USD	136,450,958.97	6.9646	950,326,348.86
Total			950,326,348.86

63. Government Grants

RMB

Items	Asset-related/ revenue-related	Listed items	Amount for the year
A ard of ta pa ment certificate for 2020 re arded according to the local retained ta	Re en e	Other re en es	21,337,800.00
Special f nds for science and technolog de elopment	Re en e	Other re en es	18,739,360.00
S bsidies for po er generation	Re en e	Other re en es	5,928,708.68
Ind str de elopment grant	Re en e	Other re en es	4,128,925.00
S bsidies for emplo ment stabili ation and e pansion	Re en e	Other re en es	2,987,293.49
S bsidies for m nicipal reso rces and en ironment constr ction	Re en e	Other re en es	2,500,000.00
Foreign trade grant	Re en e	Other re en es	2,099,000.00
S bsidies for reso rces and en ironment constr ction	Re en e	Other re en es	1,139,525.00
S bsidies for e port credit ins rance of Jia ing M nicipal B rea of Commerce	Re en e	Other re en es	1,111,532.00
M nicipal f nd S bsidies for ind strial and information technolog	Re en e	Other re en es	750,000.00
Income from personal ta fee ref nds	Re en e	Other re en es	613,380.32
Special f nds for m nicipal green prod ction	Re en e	Other re en es	500,000.00
Social ins rance grant	Re en e	Other re en es	365,200.80
Enterprise incenti e f nds	Re en e	Other re en es	203,000.00
Others	Re en e	Other re en es	2,338,286.21
S bsidies increased b Feng ang Co nt 's go ernment to c lti ate ne d namic enterprises to promote the transformation and pgrading for high-q alit economic de elopment	Asset	Deferred re en e	41,204,800.00
S bsidies for eq ipment for three-transformation of ind str and internet	Asset	Deferred re en e	3,600,000.00
S bsidies for s pporting the de elopment of robot ind str	Asset	Deferred re en e	1,000,000.00
Total			110,546,811.50
Incl ding: Go ernment grants incl ded into c rrent period profit or loss			64,742,011.50

64. Operating Lease Arrangement

Re en e from operating leases for the ear amo nted to RMB7,399,338.74 (last ear: RMB7,164,439.12). Total ndisco nted lease receipts in each of the fi e acco nting ears after the balance sheet date and in s bseq ent ears are as follo s:

RMB

	Closing balance	Opening balance
Undisco nted lease receipts:		
1 ear after the balance sheet date	**7,522,661.08**	7,399,338.77
2 ears after the balance sheet date	**7,769,305.70**	7,522,661.08
3 ears after the balance sheet date	**3,237,210.71**	7,769,305.70
4 ears after the balance sheet date	**–**	3,237,210.71
Total	**18,529,177.49**	25,928,516.26

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

At the end of the year, major financial instruments of the Group include: cash at bank and on hand, held-for-trading financial assets, derivative financial asset, bills receivable and trade receivables, receivables financing, other receivables, bills payable and trade payables, other payables, lease liabilities, bonds payable and borrowings. Details of each financial instrument are set out below:

RMB

Items	Closing balance	Opening balance
Financial asset		
Cash at bank and on hand	**2,932,152,844.19**	2,842,677,267.48
Held-for-trading financial assets	**2,000,000.00**	200,000,000.00
Derivative financial asset	**–**	62,739.00
Bills receivable	**2,505,753,674.34**	939,748,112.41
Trade receivables	**2,811,090,070.19**	1,105,759,571.75
Receivables financing	**784,825,969.52**	531,196,547.78
Other receivables	**101,299,773.96**	54,999,617.97
Total	**9,137,122,332.20**	5,674,443,856.39
Financial liabilities		
Derivative financial liabilities	**1,765,968.98**	
Bills payable	**964,727,516.59**	1,036,982,577.72
Trade payables	**4,100,044,4690.4 0 Tw 10 46001 Tw 10 46001 T**	

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contin ed)

1. Risk Management Objectives and Policies

The risk management objecti es of the Gro p are to obtain an appropriate balance bet een risk and ret rn, to red ce negati e effects ca sed b operating res lts to a lo est le el, and to ma imise interest of shareholders and other eq it in estors. Based on these objecti es, the basic strategies are to confirm and anal e all potential risks related to the Gro p, to set appropriate risk limitations, to manage and monitor all risks timel and effecti el, and to control the risks ithin a limited scope.

1.1 Market risk

The Gro p's b siness has ca sed its e pos re to financial risks d e to the changes in interest rates and foreign e change rates. The Gro p belie es that the abo e risks d ring the ear or the manner in hich the are managed and meas red ha e not been changed compared to the pre io s ear.

1.1.1 Foreign e change risk

Foreign e change risk refers to the risk of loss arising from the losses in e change rate. The principal acti ities of the Compan and its domestic s bsidiaries are denominated and settled in RMB. S bsidiaries of the Gro p ithin Vietnam mainl se VND for settlement and denomination. Some of the Gro p's transactions are settled in c rrencies other than f nctional c rrencies s ch as USD, EUR, JPY, HKD, GBP and AUD, and are s bject to the res lting foreign e change risk.

As at 31 December 2022, the Gro p's foreign c rrenc assets and liabilities are set o t belo . The foreign e change risk arising from the assets and liabilities of these foreign c rrenc balances (see Notes (VI), 62) ma impact the Gro p's operating res lts.

RMB

Items	Closing balance	Opening balance
Cash and cash eq i alents	**678,593,517.48**	646,162,060.99
Trade recei ables	**662,057,627.04**	264,346,799.86
Other recei ables	**3,546.28**	3,245.87
Trade pa ables	**39,676,495.18**	44,332,571.48
Other pa ables	**2,046,428.53**	602,570.50
Borro ings	**950,326,348.86**	1,285,319,483.63

The Gro p closel monitors e change rate mo ements and form lates rele ant hedging policies to red ce foreign e change risk. Foreign e change for ard contracts can be sed to eliminate foreign e change risk. For the ear ended 31 December 2022, the Gro p entered into contracts in relation to foreign c rrenc assets eq i alent to RMB7,312,830.00 (eq i alent to USD1,050,000.00). For details, please refer to Notes (VI), 21.

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contin ed)

1. Risk Management Objectives and Policies (Contin ed)

1.1 Market risk (Contin ed)

1.1.1 Foreign e change risk (Contin ed)

Sensiti it anal sis of foreign e change risk

The follo ing table details the sensiti it of this Gro p to 5% of the change of foreign e changes rate from f nctional c rrenc of related gro p entities (incl ding: RMB and VND) to other foreign c rrencies. Internal reports to senior management adopt s ch ratio of 5% hich represents the estimation of the management on the possible changes of foreign e change rate. The Gro p's foreign e change risk sensiti it anal sis at the reporting date incl des onl monetar items denominated in foreign c rrencies and does not consider the impact of the deri ati e financial instr ments p rchased. Positi e refers to an increase in profit before ta d e to e change rate changes, and negati e refers to a decrease in profit before ta d e to e change rate changes.

RMB

		Amount for the year		Amo nt for last ear	
Items	Changes in the exchange rates	Impact on profit before tax	Impact on Shareholder's equity	Impact on profit before ta	Impact on Shareholder's eq it
Entities sing RMB as f nctional c rrenc					
USD	Appreciation of 5% against RMB	(7,758,275.68)	(7,758,275.68)	(26,494,637.16)	(26,494,637.16)
USD	Depreciation of 5% against RMB	7,758,275.68	7,758,275.68	26,494,637.16	26,494,637.16
EUR	Appreciation of 5% against RMB	712,709.87	712,709.87	1,487,108.98	1,487,108.98
EUR	Depreciation of 5% against RMB	(712,709.87)	(712,709.87)	(1,487,108.98)	(1,487,108.98)
JPY	Appreciation of 5% against RMB	246,982.45	246,982.45	263,996.77	263,996.77
JPY	Depreciation of 5% against RMB	(246,982.45)	(246,982.45)	(263,996.77)	(263,996.77)
HKD	Appreciation of 5% against RMB	167,740.60	167,740.60	108,998.47	108,998.47
HKD	Depreciation of 5% against RMB	(167,740.60)	(167,740.60)	(108,998.47)	(108,998.47)
GBP	Appreciation of 5% against RMB	1,641.73	1,641.73	1,701.80	1,701.80
GBP	Depreciation of 5% against RMB	(1,641.73)	(1,641.73)	(1,701.80)	(1,701.80)
AUD	Appreciation of 5% against RMB	85,271.90	85,271.90	85,673.23	85,673.23
AUD	Depreciation of 5% against RMB	(85,271.90)	(85,271.90)	(85,673.23)	(85,673.23)
Entities sing VND as f nctional c rrenc					
USD	Appreciation of 5% against VND	23,970,912.46	23,970,912.46	3,519,789.32	3,519,789.32
USD	Depreciation of 5% against VND	(23,970,912.46)	(23,970,912.46)	(3,519,789.32)	(3,519,789.32)
EUR	Appreciation of 5% against VND	3,287.59	3,287.59	40,242.65	40,242.65
EUR	Depreciation of 5% against VND	(3,287.59)	(3,287.59)	(40,242.65)	(40,242.65)

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contin ed)

1. Risk Management Objectives and Policies (Contin ed)

1.1 Market risk (Contin ed)

1.1.2 Interest rate risk

The Gro p's risks to the changes in cash flo s of financial instr ments arising from changes in interest rates is primaril related to floating rate bank borro ings and floating rate bank deposits. As at 31 December 2022, the Gro p's floating borro ings amo nted to RMB6,527,126,348.86 (31 December 2021: RMB3,442,726,983.63) (please refer to Notes (VI), 20 and 30). The management of the Gro p closel monitors interest rate risk. The Gro p's polic is to maintain the floating interest rate of these loans. At present, there is no interest rate s ap arrangement.

Sensiti it anal sis of interest rate risk

The sensiti it anal sis belo is prepared based on the interest rate risk faced b non-deri ati e instr ments at the end of each reporting period. When reporting interest rate risk to the management, the ass mption of a 100 basis point increase or decrease for bank borro ings ith floating interest rate pro isions and a 50 basis point increase or decrease for bank deposits represents the management's estimates of possible changes in deposit-related interest rates.

If the bank borro ing interest rate rises b 100 basis points, the bank deposit interest rate rises b 50 basis points, and all other ariables remain nchanged, the Gro p's net profit increase and decrease for the ear ended 31 December 2022 (e cl ding the impact of interest capitalisation) is as follo s:

RMB

	Closing balance	Opening balance
Decrease in net profit	**45,938,801.19**	18,991,637.02
Decrease in sharehol Td0 0 0 15 ged,,.n emc37.02		

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contin ed)

1. Risk Management Objectives and Policies (Contin ed)

1.2 Credit risk

As at 31 December 2022, the ma im m credit risk e pos re that ma ca se the Gro p's credit losses is mainl d e to the loss of the Gro p's financial assets ca sed b the fail re of the other part to perform its obligations and the financial g arantees ndertaken b the Gro p (itho t considering a ailable collateral or other credit enhancements), specificall cash at bank and on hand (Note (VI), 1), bills recei able (Note (VI), 4), trade recei ables (Notes (VI), 5) financing recei ables (Note (VI), 6) other recei ables (Note (VI)), 8), etc., and held-for-trading financial assets (Note (VI), 2) and deri ati e financial assets that are not incl ded in the scope of impairment assessment (Note (VI), 3), etc. As at the balance sheet date, the carr ng amo nt of the Gro p's financial assets has represented its ma im m credit risk e pos re.

In order to red ce credit risk, the Gro p has established a team responsible for determining the credit limits and cond cting credit appro al. At the same time, the Gro p performs other monitoring proced res to ens re that necessar meas res are taken to reco er o erd e claims. In addition, the Gro p re ie s the reco er of financial assets on each balance sheet date to ens re that adeq ate credit loss pro isions are made for the rele ant financial assets. As a res lt, the management of the Gro p belie es that the credit risk ass med b the Gro p has been significantl red ced.

The Gro p's cash at bank and on hand are deposited in banks ith higher credit ratings, so cash at bank and on hand is s bject to lo er credit risk.

As at 31 December 2022, the Gro p's acco nts recei able balance ith the top fi e c stomers as RMB1,494,010,210.89 (31 December 2021: RMB581,839,100.82), acco nting for 51.60% of the Gro p's acco nt recei able balance (31 December 2021: 50.18%). In addition, the Gro p has no other significant credit risk e pos re concentrated on a single financial asset or financial assets gro p ith similar characteristics.

1.3 Liquidity risk

In managing the liq idit risk, the Gro p maintains and monitors the cash and cash eq i alents that the management considers adeq ate to meet the Gro p's operational needs and mitigate the impact of fl ct ations in cash flo s. The management of the Gro p closel monitors the liq idit sit ation and e pects to ha e s fficient so rces of financing to finance the Gro p's operations. The management of the Gro p belie es that the Gro p does not ha e an significant liq idit risk.

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contin ed)

1. Risk Management Objectives and Policies (Contin ed)

1.3 Liquidity risk (Contin ed)

According to the term to mat rit of non-disco nted and remaining contract obligations, the financial liabilities held b the Gro p are anal ed as belo :

RMB

Closing balance	Within three months	Three months to one year	One to two years	Two to five years	Over five years
Short-term borro ings	1,109,866,314.83	2,042,719,418.35	–	–	–
Bills pa able	433,877,705.56	530,849,811.03	–	–	–
Trade pa ables	4,100,044,464.81	–	–	–	–
Other pa ables	655,490,858.12	–	–	–	–
Long-term borro ings	731,095,883.29	723,523,504.06	1,798,893,700.00	2,264,162,500.00	–
Bonds pa ables	–	24,349,726.78	32,417,396.51	443,626,319.33	4,183,606,557.38
Lease liabilities	181,295.67	543,887.00	725,182	7548,i8 0 0 1	508.00

(VIII) DISCLOSURE OF FAIR VALUE

1. Fair Value of the Closure Balance of Assets and Liabilities Measured at Fair Value

RMB

Items	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
Fair al e as at 31 December 2022				
I. Continuous fair value				
(I) Trading financial assets financial prod cts			2,000,000.00	2,000,000.00
(II) Financing recei ables			784,825,969.52	784,825,969.52
(III)Deri ati e financial liabilities		1,765,968.98		1,765,968.98
Total assets that continue to be measured at fair value		1,765,968.98	786,825,969.52	788,591,938.50
Fair al e as at 31 December 2021				
I. Continuous fair value				
(I) Trading financial assets financial prod cts			200,000,000.00	200,000,000.00
(II)Deri ati e financial assets		62,739.00		62,739.00
(III) Financing recei ables			531,196,547.78	531,196,547.78
Total assets that continue to be measured at fair value		62,739.00	731,196,547.78	731,259,286.78

2. The Basis for Determining the Market Value of the Item Continuing Measured at Level 1 fair Value

The item contin ing to be meas red at the le el 1 fair al e refers to other eq it instr ments, ith fair al e q oted in the acti e market.

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

RMB

Item	Fair value as at 31 December 2022	Val ation techniq es	Main inp t al e
Financial assets at FVTPL — deri ati e financial liabilities	**1,765,968.98**	Market method	For ard e change rate

(VIII) DISCLOSURE OF FAIR VALUE (Contin ed)

4. Valuation Techniques and Qualitative and Quantitative Information on Important Parameters Adopted for the Third Level of Fair Value Measurement Items

RMB

Item	Fair value as at 31 December 2022	Val ation techniq e	Significant nobser able inp t	Range
Trading financial assets bank ealth management prod cts	**2,000,000.00**	Disco nted cash flo method	E pected rate of ret rn of prod cts	2.78%
Financing recei ables	**784,825,969.52**	Disco nted cash flo method	E pected disco nt rate	1.00%

Continuous level-3 fair value measurement items, the reconciliation information between the book values at the beginning and the end of the period and the sensitivity analysis of unobservable parameters

Item	1 Jan ar 2022	Transferred into Level 3	Transferred out of Level 3	Total gains or losses for current year: Included in profit or loss	Total gains or losses for current year: Included in other comprehensive income	Purchase, issuance, sales and settlement: Purchase/ increase	Purchase, issuance, sales and settlement: Issuance	Purchase, issuance, sales and settlement: Sales	Purchase, issuance, sales and settlement: Settlement/ decrease	31 December 2022	Assets held at the end of the reporting period are included in profit or loss for the change of unrealized gains or losses for current year
Trading financial assets bank ealth management prod cts	200,000,000.00			11,649,410.34		702,000,000.00			900,000,000.00	**2,000,000.00**	
Financing recei ables	531,196,547.78				(187,528.76)	5,357,113,636.29			5,103,296,685.79	**784,825,969.52**	

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

The book al e of financial assets and financial liabilities that the Gro p does not consider to be meas red at fair al e is similar to the fair al e.

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Related parties with controlling relationship

The act al controllers of the Gro p are Mr. R an Hongliang, Ms. Jiang Jinh a, Ms. R an Ze n and Mr. Zhao Xiaofei.

2. The Group's subsidiaries

Please refer to Note (V), 1 for rele ant information of s bsidiaries.

3. Associates of the Group

Associates that had related part transactions ith the Gro p in the ear are as follo s:

Name of enterprise	Relationship with the Group
Kaihong Flat	Associate
JiaXing Gas	Associate

4. Related Party Transactions

Enterprise name	Relationship with the connected party
Jia ing Yihe In estment Co., Ltd.*	Controlled b one of the act al controllers of the Compan
Feng ang Hongding Port Co., Ltd.*	Controlled b one of the act al controllers of the Compan

5. Related Party Transaction

(1) Sales of goods

RMB

Related party	Content of the related party transaction	Amount for the year	Amo nt for last ear
Kaihong Flat	Sales of goods	**8,559.20**	29,453.98

* *for identification p rpose onl*

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Contin ed)

5. Related Party Transaction (Contin ed)

(2) Purchase of goods/accepting labor service

RMB

Related party	Content of the related party transaction	Amount for the year	Amo nt for last ear
JiaXing Gas	P rchase of ra materials	**311,486,939.34**	193,794,231.09
Kaihong Flat	Accepting labor ser ice	**301,806,368.11**	197,474,707.07
Total		**613,293,307.45**	391,268,938.16

(3) Related lease

RMB

Related party	Content of the related party transaction	Amount for the year	Amo nt for last ear
Jia ing Yihe In estment Co., Ltd.*	Ho se lease	**8,499,629.28**	7,760,530.68
Feng ang Hongding Port Co., Ltd.*	Pier lease	**1,651,376.16**	1,651,376.15
Total		**10,151,005.44**	9,411,906.83

(4) Remuneration of key management personnel

RMB

Item	Amount for the year	Amo nt for last ear
Rem neration of ke management personnel	**8,282,035.80**	7,708,872.89

* *for identification p rpose onl*

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Contin ed)

6. Amounts Due to/from Related Parties

RMB

Items	Related parties	Closing balance	Opening balance
Ad ance Pa ments	Jia ing Gas	**3,521,885.74**	2,343,468.83
Other recei ables	Jia ing Gas	**1,500,000.00**	
Other c rrent assets	Feng ang Hongding Port Co., Ltd.*	**412,844.04**	412,844.04
Trade pa ables	Kaihong Flat	**61,814,588.62**	28,449,581.64
Trade pa ables	Jia ing Yihe In estment Co., Ltd.*	**134,441.53**	173,342.70
Total		**61,949,030.15**	28,622,924.34
Contract liabilities	Kaihong Flat	**25,604.55**	25,604.55
Other pa ables	Kaihong Flat	**300,000.00**	

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Contin ed)

7. Directors' Remuneration

2022

RMB

Name	Remuneration	Salaries and other benefits (Note 1)	Bonus (Note 3)	Post-employment benefits (Note 2)	Total
E ec ti e Directors					
R an Hongliang	–	1,026,156.60	141,874.00	40,072.79	1,208,103.39
Jiang Jinh a	–	761,417.08	115,914.00	–	877,331.08
Wei Ye hong	–	589,632.60	60,595.00	40,072.79	690,300.39
Shen Qif	–	587,291.88	62,974.00	32,362.80	682,628.68
Independent non-e ec ti e Directors					
H a F lan	100,000.00	–	–	–	100,000.00
X Pan	100,000.00	–	–	–	100,000.00
Ng Ya K en Carmen	192,109.54	–	–	–	192,109.54
Total	392,109.54	2,964,498.16	381,357.00	112,508.38	3,850,473.08

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Contin ed)

7. Directors' Remuneration (Contin ed)

2021

RMB

Name	Rem neration	Salaries and other benefits (Note 1)	Bon s (Note 3)	Post-emplo ment benefits (Note 2)	Total
E ec ti e Directors					
R an Hongliang	,	975,864.14	116,381.00	30,006.30	1,122,251.44
Jiang Jinh a	,	751,289.18	94,711.00	,	846,000.18
Wei Ye hong	,	577,954.46	66,719.00	30,006.30	674,679.76
Shen Qif	,	565,875.24	64,969.00	31,111.20	661,955.44
Independent non-e ec ti e Directors					
C i Xiao hong (Note 4)	41,666.66	,	,	,	41,666.66
H a F lan	100,000.00	,	,	,	100,000.00
Ng Ki H ng (Note 4)	41,666.66	,	,	,	41,666.66
X Pan (Note 4)	58,333.33	,	,	,	58,333.33
Ng Ya K en Carmen (Note 4)	58,333.33	,	,	,	58,333.33
Total	299,999.98	2,870,983.02	342,780.00	91,123.80	3,604,886.80

Note 1: Other benefits incl de ho sing pro ident f nd, medical ins rance, ork inj r ins rance, and maternit ins rance borne b the Compan .

Note 2: Post-emplo ment benefits incl de endo ment ins rance and nemplo ment ins rance ndertaken b the Compan .

Note 3: The bon s is determined based on the Director's performance.

Note 4: Mr. C i Xiao hong and Mr. Ng Ki H ng, ho are independent non-e ec ti e Directors of o r Gro p, resigned in 2021. The Compan appointed Ms. X Pan and Ms. Ng Ya K en Carmen as independent non-e ec ti e Directors of the Compan .

(X) SHARE-BASED PAYMENTS

1. Details of share-based payments

(1) Restricted A Share Incentive Scheme

P rs ant to the Resol tion on Restricted A Share Incenti e Scheme for 2020 of Flat Glass Gro p Co., Ltd. (Draft) and its S mmar (Restricted A Share Incenti e Scheme For 2020), the Resol tion on Assessment Management Meas res for the Implementation of the Restricted A Share Incenti e Scheme for 2020 of Flat Glass Gro p Co., Ltd. as considered and appro ed at the 16th meeting of the fifth session of the Board held b the Compan on 29 April 2020, the Resol tion on Restricted A Share Incenti e Scheme for 2020 of Flat Glass Gro p Co., Ltd. (Draft) and its S mmar and the Resol tion on Assessment Management Meas res for the Implementation of the Restricted A Share Incenti e Scheme for 2020 of Flat Glass Gro p Co., Ltd. as considered and appro ed at the 2019 Ann al General Meeting held on 29 J ne 2020, 2020 first A shareholders class meeting and 2020 first H shareholders class meeting and the Resol tion on Adj sting the List of Participants and the N mber of Restricted Shares Granted in the First Grant in Restricted A Share Incenti e Scheme for 2020 of the Compan and the Resol tion on the First Grant of Restricted A Shares to the Participants as considered and appro ed at the 23rd meeting the fifth session of the Board held b the Compan on 11 A g st 2020. The first grant date of restricted shares as 11 A g st 2020. A total of 15 participants act all s bscribed for 4,600,000 RMB ordinar shares (A shares), ith a par al e of RMB0.25 per share at a grant price of RMB6.23 per share. As of 12 A g st 2020, the Compan has rece ed a total of RMB28,658,000.00 paid b 15 participants to s bscribe for 4,600,000 ordinar shares (A shares). The sales restriction period of each batch of restricted shares in the Restricted A Share Incenti e Scheme For 2020 is 12 months, 24 months, 36 months, 48 months and 60 months from the date of completion of the first grant registration. The Compan shall rep rchase and cancel the restricted shares that ha e not applied for lifting the restrictions ithin the agreed period or that cannot be lifted d e to the fail re to meet the conditions for lifting the restrictions. The rep rchase price is the grant price.

A thorised b the Compan 's 2019 ann al general meeting, the first A share class meeting in 2020, and the first H share class meeting in 2020, the Compan held the second meeting of the si th session of the board of directors on 25 Ma 2021, in hich the Resol tion on the Reser ed Grant of the Restricted A Shares To Participants as re ie ed and appro ed. According to the resol tion, the Compan set the grant date on 25 Ma 2021 and granted 700,000 restricted A shares to 3 eligible participants, at the grant price of RMB14.23 per share. As of J l 25, 2021, the Compan has rece ed a total of RMB9,961,000.00 of f nds paid b 3 participants to s bscribe for 700,000 RMB ordinar shares (A shares). The lock- p periods for the restricted shares are 12 months, 24 months, 36 months, 48 months, and 60 months from the date of completion of the first grant registration. For the restricted shares that ha e not been applied for nlocking or cannot be applied for nlocking d e to fail re to meet the nlocking conditions d ring the aforesaid nlocking periods, the Compan ill rep rchase and cancel s ch restricted shares from rele ant participants in accordance ith the principles of the incenti e scheme.

(X) SHARE-BASED PAYMENTS (Contin ed)

1. Details of share-based payments (Contin ed)

(1) Restricted A Share Incentive Scheme (Contin ed)

The si th meeting of the si th session of the board of directors and the fo rth meeting of the si th session of the board of s per isors on 9 A g st 2021 ere held to re ie and appro e the Resol tion Abo t the First Grant of the 2020 Restricted A Share Incenti e Scheme for the First Part of the First Unlocking Period for the Achie ement of Remo ing the Sales Restriction Conditions. According to the resol tion, e lifted the sales restriction of the 920,000 restricted shares that met the conditions for lifting the restriction d ring the first lock- p period. The lifting of restrictions on sales has been a thorised b the Compan 's 2019 ann al general meeting, the first A share class meeting in 2020 and the first H share class meeting in 2020.

The Compan held the 23rd meeting of the si th session of the board of directors and the 20th meeting of the si th session of the board of s per isors on 1 J ne 2022 to re ie and appro e the Resol tion Abo t the First Grant of the 2020 Restricted A Share Incenti e Scheme for the Reser ed Part of the First Unlocking Period for the Achie ement of Remo ing the Sales Restriction Conditions. According to the resol tion, e lifted the sales restriction of the 140,000 restricted shares that met the conditions for lifting the restriction d ring the first lock- p period. The lifting of restrictions on sales has been a thorised b the Compan 's 2019 ann al general meeting, the first A share class meeting in 2020 and the first H share class meeting in 2020.

The Compan held the 27th meeting of the si th session of the board of directors and the 23rd meeting of the si th session of the board of s per isors on 15 A g st 2022 to re ie and appro e the Resol tion Abo t the First Grant of the 2020 Restricted A Share Incenti e Scheme for the Reser ed Part of the Second Unlocking Period for the Achie ement of Remo ing the Sales Restriction Conditions. According to the resol tion, e lifted the sales restriction of the 920,000 restricted shares that met the conditions for lifting the restriction d ring the second lock- p period. The lifting of restrictions on sales has been a thorised b the Compan 's 2019 ann al general meeting, the first A share class meeting in 2020 and the first H share class meeting in 2020.

(X) SHARE-BASED PAYMENTS (Contin ed)

1. Details of share-based payments (Contin ed)

(2) Share Option Scheme

According to the Resol tion Abo t the 2021 A Share Option Incenti e Scheme of Flat Glass Gro p Co., Ltd. (Draft) and Its S mmar, Resol tion on the Administrati e Meas res for the Implementation of the 2021 A Share Option Incenti e Scheme of Flat Glass Gro p Co., Ltd. hich ere re ie ed and appro ed b the se enth meeting of the si th session of the board of directors and the fifth meeting of the si th session of the board of s per isors held b the Compan on 17 A g st 2021, the Resol tion on the 2021 A Share Option Incenti e Scheme of Flat Glass Gro p Co., Ltd. (Re ised Draft) and Its S mmar and Resol tion on Flat Glass Gro p Co., Ltd. 2021 A Share Option Incenti e Scheme (Re ised Draft) hich ere re ie ed and appro ed b the eighth meeting of the si th session of the board of directors held on 12 October 2021 and the si th meeting of the si th session of the board of s per isors, the Resol tion on the First Grant of 2021 A Share Options to Participant, hich as re ie ed and appro ed b the ele enth meeting of the si th session of the board of directors held b the compan on 19 No ember 2021 b a thorisation of the Compan 's third e traordinar general meeting in 2021, the third A share class meeting in 2021 and the third H share class meeting in 2021, the first grant date as set on 19 No ember 2021 and 5,341,072 A share options ere granted to 288 eligible participants, ith e ercise price RMB44.02 per share. D ring the share option registration process after the a thorisation date as determined, 5 participants ga e p the s bscription d e to personal reasons. The compan act all granted a total of 5,245,472 A share options to 283 participants. The lock- p periods for the e ercise periods of the first grant of share options are 12 months, 24 months, 36 months, 48 months, and 60 months from the date of first grant of partial share options. The share options not f lfilling the e ercise conditions d ring the abo e lock- p periods shall not be e ercised or deferred to the ne t e ercise period, and the Compan shall cancel the corresponding share options of the participants according to the terms stip lated in the incenti e scheme. After the e piration of each e ercise period of the share options, the rele ant share options that ha e not been e ercised b the participants shall be terminated, and the Compan ill cancel the share options.

	Share	
	Share option incentive scheme 2021	Restricted A Share Incenti e Scheme for 2020
Total eq it instr ments o tstanding at the beginning of the ear	**5,245,472.00** of the year	

(X) SHARE-BASED PAYMENTS (Continued)

2. Equity settled share-based payments

RMB

	Share option incentive scheme 2021	Restricted A Share Incentive Scheme for 2020
Method for determining the fair value as at the grant date	**Black-Scholes Model**	Open market quotation of the grant date
Basis for determining the number of equity instruments with exercisable rights	**When the optionee reaches the exercise period in the stock option scheme, and meets the appraisal conditions of the Company's results and personal performance, the corresponding equity instrument is the equity instrument of the exercisable right**	When the optionee reaches the exercise period in the stock option scheme, and meets the appraisal conditions of the Company's results and personal performance, the corresponding equity instrument is the equity instrument of the exercisable right
Reasons for significant differences of estimate between the current year and the previous period	**Nil**	Nil
Cumulative amount of equity settled share-based payment recognised into capital reserves	**10,727,647.33**	73,871,576.17
Total recognised fees of share-based payment settled in equity in the current year	**9,570,053.42**	22,378,535.78

(X) SHARE-BASED PAYMENTS (Contin ed)

2. Equity settled share-based payments (Contin ed)

Determination method of fair al e of eq it instr ments: The fair al e is determined sing Black-Scholes Model. The related data as at the grant date entered to the model are as belo :

	Share option incentive scheme 2021
E ercise price of share option	**RMB44.02/share**
Market price on the date of share grant	**RMB42.89/share**
Standard De iation Ann alised Volatilit	**14.73%−18.71%**
Risk free rate	**1.50%−2.75%**
E pected d ration	**5 years**

(XI) COMMITMENTS AND CONTINGENCIES

1. Significant Matters of Commitments

Capital Commitment

As of the balance sheet date, the irre ocable p rchase of long-term assets contracts signed b the Gro p is as follo s:

RMB

	Closing balance	Opening balance
Contracted b t not confirmed in the financial statements P rchase		
B ild long-term asset commitments	**4,698,251,664.98**	4,966,230,139.24
In estment commitment	**520,947,600.00**	3,343,947,640.64

2. Contingencies

The Gro p does not ha e an significant contingencies that need to be disclosed.

(XII) EVENTS AFTER THE BALANCE SHEET DATE

The Gro p had no material e ents to be disclosed after the balance sheet date.

(XIII) OTHER SIGNIFICANT MATTERS

1. Segment Report

According to the internal organisational str ct re, management req irements and internal reporting s stem of the Gro p, the Gro p's operating acti ities are di ided into fi e operating segments. Based on the operating segments, the Gro p has identified fi e reporting segments, namel the PV glass segment, the ho sehold glass segment, architect ral glass segment, float glass segment and mining prod cts segment. These reporting segments are based on prod ct categories. The main prod cts pro ided b each of the Gro p's reporting segments are PV glass, ho sehold glass, architect ral glass, float glass and mining prod cts. The management of the Gro p reg larl e al ates the operating res lts of these segments to determine the reso rces to be allocated to them and to e al ate their performance. The e al ation does not incl de the re ie of the assets and liabilities of the operating segments.

Transfer transactions bet een segments are meas red on the basis of act al transaction prices, and segment re en e and segment e penses are determined based on the act al re en e and e penses of each segment.

(1) Segment report information

RMB

	Amount for the year							
	PV glass	Household glass	Architectural glass	Float glass	Mining products	Other business	Mutual offset among segments	Total
Segment operating re en e	13,681,797,758.21	349,913,721.40	595,576,936.84	334,991,997.59	439,401,222.43	59,161,590.89	–	15,460,843,227.36
Segment operating costs	10,491,982,451.08	287,077,721.08	511,726,345.20	402,993,984.76	334,899,114.03	19,511,263.46	–	12,048,190,879.61
Segment profit	3,189,815,307.13	62,836,000.32	83,850,591.64	(68,001,987.17)	104,502,108.40	39,650,327.43	–	3,412,652,347.75
Adj sted items								
Less: Ta es and s rcharges								134,772,326.23
Selling e penses								118,877,978.75
Administrati e e penses								277,541,944.49
Research and de elopment e penses								523,230,185.51
Financial e penses								240,434,620.48
Incl ding: Interest e pense								338,235,144.15
Interest income								59,295,478.89
Add: Other income								77,452,388.08
In estment income								12,864,496.08
Incl ding: Gains on in estment in associates								7,566,505.74
losses from changes in fair al e								(1,828,707.98)
Credit impairment losses								(39,074,459.18)
Asset impairment losses								(3,094,217.86)
Losses on disposal of assets								(8,899,606.56)
II. Operating profit								2,155,215,184.87
Add: Non-operating income								1,435,472.21
Less: Non-operating e penses								3,774,893.58
III. Total profit								2,152,875,763.50
Less: Income ta e pense								30,095,335.07
IV. Net profit								2,122,780,428.43

(XIII) OTHER SIGNIFICANT MATTERS (Contin ed)

1. Segment Report (Contin ed)

(1) Segment report information (Contin ed)

RMB

	Amo nt for last ear							
	PV glass	Ho sehold glass	Architect ral glass	Float glass	Mining prod cts	Other b siness	M t al offset among segments	Total
Segment operating re en e	7,121,636,842.98	380,740,715.26	711,402,297.80	393,531,134.45	66,349,052.29	39,568,022.81		8,713,228,065.59
Segment operating costs	4,579,444,886.08	263,786,516.43	476,516,168.05	240,679,289.44	28,328,663.66	31,636,443.28		5,620,391,966.94
Segment profit	2,542,191,956.90	116,954,198.83	234,886,129.75	152,851,845.01	38,020,388.63	7,931,579.53		3,092,836,098.65
Adj sted items								
Less: Ta es and s rcharges								48,466,185.37
Selling e penses								85,724,646.32
Administrati e e penses								221,778,736.93
Research and de elopment e penses								408,417,461.35
Financial e penses								52,518,443.24
Incl ding: Interest e pense								90,252,414.76
Interest income								37,314,406.92
Add: other income								58,331,820.26
In estment income								31,886,225.40
Incl ding: Gains on in estment in associates								5,558,487.56
Losses from changes in fair al e								(1,382,927.57)
Credit impairment gains								23,554,616.85
Asset impairment losses								(10,202,178.73)
Gains on disposal of assets								3,599,005.34
II. Operating profit								2,381,717,186.99
Add: Non-operating income								2,674,782.95
Less: Non-operating e penses								4,176,927.50
III. Total profit								2,380,215,042.44
Less: Income ta e pense								260,295,716.01
IV. Net profit								2,119,919,326.43

(XIII) OTHER SIGNIFICANT MATTERS (Contin ed)

1. Segment Report (Contin ed)

(2) Income by geographical area

RMB

Items	Amount for the year	Amo nt for last ear
PRC	**12,085,756,436.22**	6,385,359,292.22
Asia (e cl ding the PRC)	**2,896,259,491.82**	1,766,009,573.61
E rope	**209,666,541.16**	177,799,234.97
North America	**249,784,605.31**	365,509,707.77
Others	**19,376,152.85**	18,550,257.02
Total	**15,460,843,227.36**	8,713,228,065.59

(3) Non-current assets by location

RMB

Items (Note)	Closing balance	Opening balance
PRC	**18,107,901,929.91**	9,449,517,950.10
Vietnam	**1,799,972,669.41**	1,730,934,059.49
Total	**19,907,874,599.32**	11,180,452,009.59

Note: The abo e non-c rrent assets do not incl de deferred income ta assets.

The management of the Gro p does not e al ate the assets and liabilities of the abo e operating segments, hence no the assets and liabilities of the abo e reporting segments ere not disclosed.

(XIII) OTHER SIGNIFICANT MATTERS (Contin ed)

1. Segment Report (Contin ed)

(4) Reliance on major customers

In 2022, the income from 2 c stomers for PV glass segment acco nt for 15% and 14% (2021: 18% and 13%) of the Gro p's total re en e in 2022, respecti el .

2. Net Profit for the Year Net of

RMB

Items	Amount for the year	Amo nt for last ear
Emplo ees' salaries (incl ding directors' salaries)	**679,722,872.95**	495,565,842.01
Basic pension ins rance	**55,168,030.14**	30,418,326.30
Total emplo ees' salaries	**734,890,903.09**	525,984,168.31
A dit fee	**3,650,000.00**	3,450,000.00
Depreciation and amortisation (incl ded in operating cost, selling e penses, administrati e e penses and research and de elopment e penses)	**1,312,741,551.48**	546,155,713.04
Leases	**13,971,345.55**	14,561,324.81
In entor selling costs	**10,625,317,831.86**	5,588,755,523.66
Pro ision for impairment of in entories	**3,094,217.86**	10,202,178.73

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS

1. Cash at Bank and on Hand

RMB

Items	Closing balance		
	Foreign currency amounts	Translation exchange rate	RMB amounts
Cash:			
RMB	–	–	**12,539.79**
Bank deposit:			
RMB	–	–	**900,283,030.69**
USD	**1,856,809.98**	**6.9646**	**12,931,938.78**
EUR	**548,637.17**	**7.4229**	**4,072,478.85**
AUD	**282,743.53**	**4.7138**	**1,332,796.45**
JPY	**3,269,399.00**	**0.0524**	**171,179.19**
HKD	**164,019.66**	**0.8933**	**146,513.84**
GBP	**3,911.63**	**8.3941**	**32,834.61**
Other currency capital:			
RMB	–	–	**305,883,669.00**
USD	**17,240,027.33**	**6.9646**	**120,069,894.34**
JPY	**12.00**	**0.0524**	**0.63**
Total			**1,344,936,876.17**

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

1. Cash at Bank and on Hand (Contin ed)

RMB

Items	Opening balance		
	Foreign c rrenc amo nts	Translation e change rate	RMB amo nts
Cash:			
RMB			32,255.75
Bank deposit:			
RMB			205,786,794.26
USD	36,150,637.48	6.3757	230,485,619.40
EUR	983,638.10	7.2197	7,101,571.99
AUD	291,665.98	4.6220	1,348,080.16
JPY	3,276,413.00	0.0554	181,562.43
HKD	164,019.66	0.8176	134,102.47
GBP	3,954.74	8.6064	34,036.08
Other c rrenc capital:			
RMB			147,991,081.51
JPY	12.00	0.0554	0.66
Total			593,095,104.71

Note: At the end of the ear, the restricted cash at bank and on hand of the Compan 's other cash at bank and on hand as RMB425,953,563.97 (end of the pre io s ear: RMB147,991,082.17), incl ding pledge of deposit RMB218,398,200.00 (end of the pre io s ear: Nil), bills deposits of RMB203,077,602.34 (end of the pre io s ear: RMB136,205,650.39), financial instr ments deposit RMB2,694,238.86 (end of the pre io s ear: RMB11,764,853.71), g arantee deposits for letter of credit of RMB1,671,694.34 (end of the pre io s ear: Nil), and other deposit RMB111,828.43 (end of last ear: RMB20,578.07).

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

2. Bills Receivable

(1) Bills receivable listed by category

RMB

Items	Closing balance	Opening balance
Bank acceptance bills	**625,126,359.77**	368,185,749.63
Commercial acceptance bills	**356,359,595.90**	82,001,433.67
Less: Pro ision for bad debt	**2,751,928.89**	2,066,436.13
Total	**978,734,026.78**	448,120,747.17

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

RMB

Items	Amounts pledged at the end of the year
Bank acceptance bills	**5,918,137.34**
Commercial acceptance bills	**30,000,000.00**
Total	**35,918,137.34**

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

2. Bills Receivable (Contin ed)

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

RMB

Items	Not de-recognised at the end of the year	Not de-recognised at the beginning of the [illegible]ear
Endorsed bank acceptance bills	**489,196,564.35**	318,773,415.19
Disco nted bank acceptance bills	**192,350,831.00**	6,790,000.00
Total	**681,547,395.35**	325,563,415.19

The abo e bills recei able that ha e been endorsed or disco nted b t not [illegible]et d e at the balance sheet date ere not de-recognised.

(4) At the end of the year, the Group had no bills transferred to accounts receivable due to the drawer's non-performance.

(5) Disclosed by classification of bad debt provision method

RMB

	Closing balance				
	Book balance		Bad debt provision		
Classification	Amounts	Percentage (%)	Amounts	Accrual Percentage (%)	Book value
Bad debt pro ision b[illegible]portfolio					
Incl ding:					
Bank acceptance bills	625,126,359.77	63.69	–	–	625,126,359.77
Commercial acceptance bills	356,359,595.90	36.31	2,751,928.89	0.77	353,607,667.01
Total	981,485,955.67	100.00	2,751,928.89	0.28	978,734,026.78

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

2. Bills Receivable (Contin ed)

(5) Disclosed by classification of bad debt provision method (Contin ed)

	Book balance		Opening balance Bad debt pro ision		
Classification	Amo nts	Percentage (%)	Amo nts	Accr al percentage (%)	Book al e
Bad debt pro ision b portfolio					
Incl ding:					
Bank acceptance bills	368,185,749.63	81.79			368,185,749.63
Commercial acceptance bills	82,001,433.67	18.21	2,066,436.13	2.52	79,934,997.54
Total	450,187,183.30	100.00	2,066,436.13	0.46	448,120,747.17

Bills recei able ith credit loss pro ision b portfolio

RMB

	Closing balance			Opening balance		
Name of portfolio	**Book balance**	**Credit loss provision**	**Accrual percentage (%)**	Book balance	Credit loss pro ision	Accr al percentage (%)
Lo risk	**825,126,359.77**	**–**	**–**	368,185,749.63		
Normal	**156,359,595.90**	**2,751,928.89**	**1.76**	82,001,433.67	2,066,436.13	2.52
Total	**981,485,955.67**	**2,751,928.89**	**0.28**	450,187,183.30	2,066,436.13	0.46

The Compan considers that the bank acceptance bills it holds ha e lo credit risk arising from bank defa lt, therefore, no pro ision of credit loss is made.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

3. Trade Receivables (Contin ed)

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

RMB

Credit risk rating	Closing balance				
	Within 1 year	1–2 years	2–3 years	Over 3 years	Total
Lo risk					
ECL rate	–	–	–	–	
Trade recei ables	183,373,505.19	–	–	–	183,373,505.19
ECL	–	–	–	–	–
Normal					
ECL rate	1.76%	1.76%	1.76%	1.76%	
Trade recei ables	665,468,857.76	–	–	–	665,468,857.76
ECL	11,712,251.91	–	–	–	11,712,251.91
Concerned					
ECL rate	14.72%	83.91%	100.00%	100.00%	
Trade recei ables	31,343,128.97	19,278,644.76	6,570,314.71	–	57,192,088.44
ECL	4,613,708.58	16,176,710.82	6,570,314.71	–	27,360,734.11
Loss					
ECL rate	100.00%	100.00%	100.00%	100.00%	
Trade recei ables	–	–	3,917.34	1,480,429.88	1,484,347.22
ECL	–	–	3,917.34	1,480,429.88	1,484,347.22
Total					
Book balance of Trade recei ables	880,185,491.92	19,278,644.76	6,574,232.05	1,480,429.88	907,518,798.61
ECL	16,325,960.49	16,176,710.82	6,574,232.05	1,480,429.88	40,557,333.24
Book al e of Trade recei ables	863,859,531.43	3,101,933.94	–	–	866,961,465.37

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

3. Trade Receivables (Contin ed)

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

RMB

Credit risk rating	Opening balance Within 1 ear	1 2 ears	2 3 ears	O er 3 ears	Total
Lo risk					
ECL rate	.	.	.	.	
Trade recei ables	163,791,056.47	.	.	.	163,791,056.47
ECL	.	.	.	.	.
Normal					
ECL rate	2.52%	2.52%	2.52%	2.52%	
Trade recei ables	151,140,825.52	.	.	.	151,140,825.52
ECL	3,808,748.80	.	.	.	3,808,748.80
Concerned					
ECL rate	14.72%	83.91%	100.00%	100.00%	
Trade recei ables	41,724,909.40	5,515,553.55	887,467.47	.	48,127,930.42
ECL	6,141,906.68	4,628,100.98	887,467.47	.	11,657,475.13
Loss					
ECL rate	100.00%	100.00%	100.00%	100.00%	
Trade recei ables	1,454,199.69	6,290,195.10	67,218.28	1,223,680.09	9,035,293.16
ECL	1,454,199.69	6,290,195.10	67,218.28	1,223,680.09	9,035,293.16
Total					
Book balance of Trade recei ables	358,110,991.08	11,805,748.65	954,685.75	1,223,680.09	372,095,105.57
ECL	11,404,855.17	10,918,296.08	954,685.75	1,223,680.09	24,501,517.09
Book al e of Trade recei ables	346,706,135.91	887,452.57	.	.	347,593,588.48

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

3. Trade Receivables (Contin ed)

(3) Changes in credit loss provision of trade receivables

RMB

	Lifetime ECL
Balance at 1 Jan ar 2022	24,501,517.09
Changes of the opening balance in the ear:	
Pro ision for the ear	16,055,816.15
Transfers o t d e to derecognised financial assets (incl ding direct rite-do n)	
Balance at 31 December 2022	40,557,333.24

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

At the end of the ear, the top fi e trade recei ables of the Compan ith the closing balances classified b the borro ers amo nted to RMB533,045,942.11 (as at the end of the pre io s ear: RMB209,629,403.13), acco nting for 58.74% (as at the end of the pre io s ear: 56.34%) of the total balance of trade recei ables and the pro ision for credit losses of top fi e trade recei ables amo nted to RMB6,979,847.36 (as at the end of the pre io s ear: RMB1,644,474.68).

(5) At the end of the year, the Company had no trade receivable derecognised due to the transfer of financial assets.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

4. Financing receivables (Contin ed)

(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

RMB

Items	**Amounts derecognised at the end of the year**	Amo nts derecognised at the beginning of the ear
Endorsed bank acceptance bills	**665,903,655.19**	515,684,578.16
Disco nted bank acceptance bills	**55,072,317.90**	154,836,626.87
Total	**720,975,973.09**	670,521,205.03

5. Advance Payments

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

RMB

Ageing	Closing balance		Opening balance	
	Amount	**Percentage (%)**	Amo nt	Percentage (%)
Within 1 ear	**220,349,799.53**	**98.55**	110,986,161.48	97.53
1 2 ears	**1,017,929.93**	**0.46**	1,594,923.23	1.40
2 3 ears	**1,023,094.14**	**0.46**	1,016,474.00	0.89
O er 3 ears	**1,200,340.00**	**0.53**	200,340.00	0.18
Total	**223,591,163.60**	**100.00**	113,797,898.71	100.00

At the end of the ear, the Compan had no ad ance pa ments ith an ageing of more than one ear and an important amo nt.

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

As at 31 December 2022 and 31 December 2021, the balances of top fi e ad ance pa ments ere RMB183,814,871.88 and RMB57,774,830.79, respecti el , representing 82.21% and 50.77% of the total balances of ad ance pa ments.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

6. Other Receivables

RMB

Items	Closing balance	Opening balance
Di idend recei ables	–	800,000,000.00
Other recei ables	**1,796,012,370.71**	1,037,334,934.64
Total	**1,796,012,370.71**	1,837,334,934.64

(1) Disclosed by ageing

RMB

Ageing	Closing balance Other receivables	Bad debt provision	Accrual percentage (%)	Opening balance Other recei ables	Bad debt pro ision	Accr al percentage (%)
Within 1 ear	**1,242,985,411.22**	–	–	1,021,341,607.11	.	.
1 2 ears	**536,594,117.93**	–	–	50,910.00	.	.
2 3 ears	**50,900.00**	–	–	15,798,417.53	.	.
O er 3 ears	**16,381,941.56**	–	–	144,000.00	.	.
Total	**1,796,012,370.71**	–	–	1,037,334,934.64	.	.

(2) Other receivables listed by classification by nature

RMB

Nature of other receivables	Closing book value	Opening book al e
Amo nts recei able from s bsidiaries	**1,794,558,135.25**	1,031,644,847.53
Margin	**336,000.00**	5,306,000.00
Reser e f nd	**265,000.00**	40,000.00
Deposit	**595,150.00**	81,000.00
Others	**258,085.46**	263,087.11
Total	**1,796,012,370.71**	1,037,334,934.64

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

6. Other Receivables (Contin ed)

(3) Impairment of other receivables

The Compan calc lates its ECL based on the comparison table of credit risk rating and defa lt loss rate. The credit risk portfolio is di ided into lo risk, normal, concerned and loss.

RMB

	Closing balance		
Credit risk rating	**Default loss rate**	**Other receivables**	**Credit loss provision**
Lo risk	**0.00%**	**1,796,012,370.71**	**–**
Total		**1,796,012,370.71**	**–**

RMB

	Opening balance		
Credit risk rating	Defa lt loss rate	Other recei ables	Credit loss pro ision
Lo risk	0.00%	1,037,334,934.64	
Total		1,037,334,934.64	

Based on the nat re of other recei ables and after e al ation, the Compan belie es that other recei ables ha e no significant risk of ECL.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

6. Other Receivables (Contin ed)

(4) Details of top five other receivables with the closing balances classified by the borrowers:

RMB

Name	Relationship with the Company	Amount	Percentage of the total closing balance of other receivables (%)	Closing balance of credit loss provision
Flat (Hong Kong) Limited* (福萊特(香港)有限公司)	S bsidiar	1,144,467,141.56	63.72	
Feng ang Flat Ne Energ Technolog Co., Ltd.* (鳳陽福萊特新能源科技有限公司)	S bsidiar	406,000,000.00	22.61	
Anh i Dah a Mining Compan Limited* (安徽大華礦業有限公司)	S bsidiar	239,552,000.00	13.34	
Flat (Nantong) Solar Glass Co., Ltd.* (福萊特(南通)光伏玻璃有限公司)	S bsidiar	2,900,000.00	0.16	
Jia ing Flat Intelligent Eq ipment Co., Ltd.* (嘉興福萊特智能裝備有限公司)	S bsidiar	1,138,993.69	0.06	
Total		1,794,058,135.25	99.89	

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

7. Inventories

(1) Inventories category

RMB

Items	Closing balance Book balance	Impairment provision	Book value
Ra materials	**185,295,480.32**	**–**	**185,295,480.32**
Lo - al ed cons mables	**72,448,565.86**	**3,346,733.88**	**69,101,831.98**
Work in progress	**15,111,094.90**	**–**	**15,111,094.90**
Finished goods	**285,743,781.37**	**4,521,184.57**	**281,222,596.80**
Total	**558,598,922.45**	**7,867,918.45**	**550,731,004.00**

Items	Opening balance Book balance	Impairment pro ision	Book al e
Ra materials	146,987,967.10		146,987,967.10
Lo - al ed cons mables	51,167,935.64	5,175,543.77	45,992,391.87
Work in progress	11,276,613.48		11,276,613.48
Finished goods	121,483,746.98	6,142,230.34	115,341,516.64
Total	330,916,263.20	11,317,774.11	319,598,489.09

(2) Inventory impairment provision

RMB

Items	Opening balance	Amo nt increased in the ear	Amo nt decreased in the ear Transferred	Resold	Closing balance
Finished goods	6,142,230.34	3,780,647.27	5,401,693.04		**4,521,184.57**
Lo - al ed cons mables	5,175,543.77	2,445,726.20		4,274,536.09	**3,346,733.88**
Total	11,317,774.11	6,226,373.47	5,401,693.04	4,274,536.09	**7,867,918.45**

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

8. Other Current Assets

RMB

Items	Closing balance	Opening balance
Prepaid income ta	**28,862,936.84**	
Ded ctible al e added ta	**–**	19,154,260.30
Others	**2,052,555.56**	1,326,113.78
Total	**30,915,492.40**	20,480,374.08

9. Long-term Equity Investments

Details of long-term eq it in estments are as follo s:

RMB

Invested unit	Acco nting method	Opening balance	Changes d ring the ear: In estments/ additional in estments	Changes d ring the ear: In estment gains recognised nder eq it method	Closing balance	Di idend of long-term eq it in estment acco nted for b cost method declared this ear
S bsidiaries:						
Zhejiang Flat	Cost method	10,000,000.00			**10,000,000.00**	
Zhejiang Jiaf	Cost method	150,000,000.00			**150,000,000.00**	
Shanghai Flat	Cost method	70,000,000.00			**70,000,000.00**	
Anh i Flat Glass	Cost method	1,000,000,000.00	30,000,000.00		**1,030,000,000.00**	
Anh i Flat Material	Cost method	30,000,000.00	(30,000,000.00)		**–**	
Flat (Hong Kong)	Cost method	66,137,343.00			**66,137,343.00**	
Flat Ne Energ	Cost method	10,000,000.00			**10,000,000.00**	
Flat Import & E port	Cost method	7,000,000.00			**7,000,000.00**	
Dah a Mining	Cost method		740,000,000.00		**740,000,000.00**	
Sanli Mining	Cost method		2,065,000,000.00		**2,065,000,000.00**	
Flat Port	Cost method		100,000.00		**100,000.00**	
Flat Intelligent Eq ipment	Cost method		10,000,000.00		**10,000,000.00**	
Associates:						
Kaihong Flat	Eq it method	6,921,828.12		6,277,401.74	**13,199,229.86**	
Jia ing Energ	Eq it method		4,500,000.00		**4,500,000.00**	
Total		1,350,059,171.12	2,819,600,000.00	6,277,401.74	**4,175,936,572.86**	

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

10. Fixed assets

(1) Fixed assets

RMB

Items	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
I. Book value					
1. Opening balance	628,584,663.32	1,538,844,134.35	35,999,926.79	32,623,292.47	2,236,052,016.93
2. Amo nt increased in he ear	570,856,333.70	1,206,452,970.51	4,384,991.58	8,463,142.33	1,790,157,438.12
(1) P rchase	.	10,075,394.16	4,380,390.70	3,842,658.88	18,298,443.74
(2) Transferred from constr ction in progress	570,856,333.70	1,196,377,576.35	4,600.88	4,620,483.45	1,771,858,994.38
3. Amo nt decreased in the ear	(20,465,265.69)	(9,101,464.24)	.	(297,755.01)	(29,864,484.94)
(1) Disposal or scrap	.	(8,319,412.97)	.	(297,755.01)	(8,617,167.98)
(2) Transferred to constr ction in progress	(20,465,265.69)	(782,051.27)	.	.	(21,247,316.96)
4. Closing balance	1,178,975,731.33	2,736,195,640.62	40,384,918.37	40,788,679.79	3,996,344,970.11
II. Accumulated depreciation					
1. Opening balance	261,006,301.68	633,315,918.00	19,401,731.29	27,680,279.25	941,404,230.22
2. Amo nt increased in the ear	38,371,956.91	198,353,475.92	5,335,157.88	2,207,535.91	244,268,126.62
(1) Pro ision	38,371,956.91	198,353,475.92	5,335,157.88	2,207,535.91	244,268,126.62
3. Amo nt decreased in the ear	(1,863,191.89)	(7,255,931.75)	.	(283,407.27)	(9,402,530.91)
(1) Disposal or scrap	.	(6,536,800.68)	.	(283,407.27)	(6,820,207.95)
(2) Transferred to constr ction in progress	(1,863,191.89)	(719,131.07)	.	.	(2,582,322.96)
4. Closing balance	297,515,066.70	824,413,462.17	24,736,889.17	29,604,407.89	1,176,269,825.93
III. Impairment provision					
1. Opening balance	.	14,277,374.18	275,923.26	76,028.89	14,629,326.33
2. Amo nt increased in the ear	.	.	.	.	.
(1) Pro ision	.	.	.	.	.
3. Amo nt decreased in the ear	.	(746,592.47)	.	(1,641.02)	(748,233.49)
(1) Disposal or scrap	.	(29,777.31)	.	(1,641.02)	(31,418.33)
(2) Transferred to constr ction in progress	.	(716,815.16)	.	.	(716,815.16)
4. Closing balance	.	13,530,781.71	275,923.26	74,387.87	13,881,092.84
IV. Book value					
1. Closing balance of book al e	881,460,664.63	1,898,251,396.74	15,372,105.94	11,109,884.03	2,806,194,051.34
2. Opening balance of book al e	367,578,361.64	891,250,842.17	16,322,272.24	4,866,984.33	1,280,018,460.38

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

10. Fixed assets (Contin ed)

(1) *Fixed assets (Contin ed)*

At the end of the ear, the fi ed assets ith a book al e of RMB1,177,954,933.01 (at the end of last ear: RMB209,172,994.32) ere sed as collateral for borro ings.

See Note (XIV) 15 and 22 for short-term and long-term borro ings.

(2) *At the end of year, the Company had no temporarily idle fixed assets.*

(3) *At the end of year, the Company had no fixed assets without property right certificate.*

RMB

Item	Book value	Reasons for failing to complete the title certificate
B ildings of Phase II PV project of the Gro p	497,967,100.42	The title certificate is still in process
Ins lating orkshop (north)	58,309,921.33	The title certificate is still in process
110KV transformer s bstations	7,535,215.02	The title certificate is still in process
Total	563,812,236.77	

11. Construction in Progress

(1) *Listed by category*

RMB

Items	Closing balance	Opening balance
Constr ction in progress	**164,248,308.91**	1,206,986,298.56
Engineering materials	**147,467,381.81**	102,150,515.95
Total	**311,715,690.72**	1,309,136,814.51

The carr amo nt of RMB18,602,073.80 (at the end of last ear: Nil) of constr ction in progress as sed as collateral for borro ings.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

11. Construction in Progress (Contin ed)

(2) Construction in progress

RMB

Items	Closing balance Book balance	Impairment provision	Net book amount
The project of Lo -E coating third line and s pporting facilities	**92,870,989.95**	**–**	**92,870,989.95**
Ann al prod ction of 750,000 tons of solar eq ipment ltra-thin and ltra-high-transparent panel man fact ring project	**17,341,295.01**	**–**	**17,341,295.01**
Eq ipment to be installed and others	**54,036,023.95**	**–**	**54,036,023.95**
Total	**164,248,308.91**	**–**	**164,248,308.91**

RMB

Items	Opening balance Book balance	Impairment pro ision	Net book amo nt
Ann al prod ction of 750,000 tons of solar eq ipment ltra-thin and ltra-high-transparent panel man fact ring project	823,934,022.33	.	823,934,022.33
PV phase II cold repair project	142,197,037.81	.	142,197,037.81
Ann al prod ction of 42 million sq are meters of PV backplane project	75,478,773.23	.	75,478,773.23
PV phase I cold repair project	30,544,592.60	.	30,544,592.60
Self-man fact red eq ipment (Ann al o tp t of 750,000 tons of PV co er glass phase II project)	87,034,964.32	.	87,034,964.32
Self-man fact red eq ipment (Vietnam Flat PV glass prod ction line)	16,624,082.63	.	16,624,082.63
Eq ipment to be installed and others	31,172,825.64	.	31,172,825.64
Total	1,206,986,298.56	.	1,206,986,298.56

(3) The Company did not note any indicators of impairment; therefore there is no provision for

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

12. Intangible Assets

RMB

Items	Land use rights	Emission rights	Software	Energy use rights	Total
I. Original carrying amount					
1. Opening balance	266,519,817.32	42,326,520.04	144,731,091.46	7,595,886.72	461,173,315.54
2. Amo nt increased in the ear		9,229,133.85			9,229,133.85
(1) P rchase		9,229,133.85			9,229,133.85
3. Closing balance	266,519,817.32	51,555,653.89	144,731,091.46	7,595,886.72	470,402,449.39
II. Accumulated amortisation					
1. Opening balance	42,522,233.60	22,745,719.58		3,619,221.38	68,887,174.56
2. Amo nt increased in the ear	5,358,680.22	4,923,896.99		646,049.77	10,928,626.98
(1) Pro ision	5,358,680.22	4,923,896.99		646,049.77	10,928,626.98
3. Closing balance	47,880,913.82	27,669,616.57		4,265,271.15	79,815,801.54
III. Book value					
1. Closing balance of book al e	218,638,903.50	23,886,037.32	144,731,091.46	3,330,615.57	390,586,647.85
2. Opening balance of book al e	223,997,583.72	19,580,800.46	144,731,091.46	3,976,665.34	392,286,140.98

At the end of the ear, the land se rights ith the net al e of RMB210,153,509.35 (at the end of last ear: RMB212,372,903.46) ere sed for mortgages to obtain borro ings.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

13. Deferred income tax assets

(1) Deferred income tax assets before offsetting

RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	**Deferred income tax assets**	Ded ctible temporar difference	Deferred income ta assets
Pro ision for asset impairment	**21,749,011.29**	**3,262,351.70**	25,947,100.44	3,892,065.07
Pro ision for Credit losses	**43,309,262.13**	**6,496,389.32**	26,567,953.21	3,985,192.98
Deferred re en e	**8,833,570.90**	**1,325,035.64**	13,423,678.16	2,013,551.72
Depreciation difference for fi ed assets	**36,780,257.43**	**5,517,038.61**	33,101,192.39	4,965,178.86
Share-based pa ments	**11,606,023.50**	**1,740,903.53**	16,200,234.30	2,430,035.15
Ded ctible losses	**81,175,599.25**	**12,176,339.89**		
S btotal	**203,453,724.50**	**30,518,058.69**	115,240,158.50	17,286,023.78

(2) Deferred tax liabilities before offsetting

RMB

Items	Closing balance		Opening balance	
	Taxable temporary differences	**Deferred income tax liabilities**	Ta able temporar differences	Deferred income ta liabilities
Propert re al ation arising from con ersion to a joint stock compan	**11,319,781.23**	**1,697,967.18**	12,518,486.60	1,877,772.99
Accelerated depreciation of fi ed assets	**501,219,107.11**	**75,182,866.07**	159,774,055.34	23,966,108.30
S btotal	**512,538,888.34**	**76,880,833.25**	172,292,541.94	25,843,881.29

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

13. Deferred income tax assets (Contin ed)

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

RMB

	Closing balance		Opening balance	
Items	**Offset amount of deferred income tax assets and liabilities at the end of the year**	**Closing balance of deferred income tax assets or liabilities after offsetting**	Offset amo nt of deferred income ta assets and liabilities at the end of the ear	Closing balance of deferred income ta assets or liabilities after offsetting
Deferred income ta assets	**30,518,058.69**	**–**	17,286,023.78	
Deferred income ta liabilities	**30,518,058.69**	**46,362,774.56**	17,286,023.78	8,557,857.51

14. Other Non-current Assets

RMB

	Closing balance	Opening balance
C rrent acco nts of s bsidiaries (Note)	**6,598,167,528.88**	4,251,050,891.03
Constr ction prepa ment	**417,603,497.43**	371,121,058.88
Total	**7,015,771,026.31**	4,622,171,949.91

Note: The c rrent acco nts of s bsidiaries ere lent b the Compan to its s bsidiaries Anh i Flat Glass, Zhejiang Jiaf and Flat Import and E port Trade.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

15. Short-term Borrowings

RMB

Classification	Closing balance	Opening balance
Mortgaged borro ings (Note 1)	**750,000,000.00**	720,757,000.00
G aranteed and mortgaged borro ings (Note 1 and Note 2)	**530,000,000.00**	344,392,500.00
Bill disco nting borro ings	**192,350,831.00**	6,790,000.00
Pledged borro ings (Note1)	**10,000,000.00**	
Credit borro ings	**10,000,000.00**	190,000,000.00
Total	**1,582,350,831.00**	1,261,939,500.00

Note 1: For the classification and amo nt of the asset of the sec red borro ings, please refer to the Note (XIV) 10, 11 and 12. For details of classification and amo nt of pledged borro ings, please refer to the Note (XVI) 1.

Note 2: At the end of the ear, bank loans of RMB530,000,000.00 (at the end of last ear: RMB344,392,500.00) ere g aranteed b Anh i PV Glass and Zhejiang Jiaf .

At the end of the ear, the Compan had no short-term borro ings that ere o erd e.

The ann al interest rate of the abo e borro ings in the ear is from 0.79% to 4.00% (in last ear: 0.79% to 3.85%).

16. Bills Payables

RMB

Classification	Closing balance	Opening balance
Bank acceptance bills	**706,215,273.27**	357,046,846.40
Commercial acceptance bills	**50,000,000.00**	200,000,000.00
Total	**756,215,273.27**	557,046,846.40

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

17. Trade Payables

(1) Listing of trade payables:

RMB

Classification	Closing balance	Opening balance
Trade pa ables	**987,380,903.63**	340,017,710.15
Constr ction costs pa able	**236,785,151.92**	534,166,043.44
Total	**1,224,166,055.55**	874,183,753.59

(2) Ageing analysis of trade payable based on the posting date:

RMB

Items	Closing balance	Opening balance
Within 1 ear	**1,159,365,027.36**	854,516,283.85
1 2 ears	**48,755,480.24**	13,540,369.51
2 3 ears	**10,898,219.51**	3,511,932.83
O er 3 ears	**5,147,328.44**	2,615,167.40
Total	**1,224,166,055.55**	874,183,753.59

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

17. Trade Payables (Contin ed)

(2) Ageing analysis of trade payable based on the posting date: (Contin ed)

Significant trade pa ables ith ageing o er 1 ear:

RMB

	Closing balance	Reasons of o tstanding or carr -o er
Constr ction costs pa able	**57,978,525.19**	Project arrant has not et e pired and been repaid
Trade pa ables	**6,822,503.00**	The pa able is for a prod ct q alit disp te, and pa ment ill be made after the disp te is resol ed
Total	**64,801,028.19**	

18. Contract Liabilities

(1) Listing of contract liabilities:

RMB

Classification	Closing balance	Opening balance
Goods pa ment	**10,618,004.63**	172,956,634.95
Total	**10,618,004.63**	172,956,634.95

The Gro p recognised the receipts in ad ance collected on a basis of commodit sales contract as contract liabilities, and rele ant contract liabilities ere recognised as sales income hen the control o er the goods ere transferred to the c stomers. The ad ance goods pa ment recei ed at the beginning of the ear ha e all been recognised as re en e in c rrent ear, and the contract liabilities at the end of the ear are e pected to be recognised as re en e in 2023.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

19. Payroll Payable

(1) Listing of payroll payable

RMB

Items	Opening balance	Amo nt increased in the ear	Amo nt decreased in the ear	Closing balance
1. Short-term rem neration	27,815,264.00	265,757,833.02	254,910,092.70	**38,663,004.32**
2. Post-emplo ment elfare				
Defined contrib tion plan	1,063,237.78	17,684,118.21	16,784,620.81	**1,962,735.18**
Total	28,878,501.78	283,441,951.23	271,694,713.51	**40,625,739.50**

(2) Listing of short-term remuneration

RMB

Classification	Opening balance	Amo nt increased in the ear	Amo nt decreased in the ear	Closing balance
I. Wages or salaries, bon ses, allo ances and s bsidies	23,770,732.79	225,480,742.05	212,417,214.12	**36,834,260.72**
II. Staff elfare		15,849,044.42	15,849,044.42	**–**
III. Social ins rance	708,524.03	11,991,716.20	11,577,611.62	**1,122,628.61**
Incl ding: Medical ins rance	622,781.50	10,060,693.36	9,784,619.92	**898,854.94**
Work-related inj r ins rance	49,102.71	1,342,170.64	1,220,373.50	**170,899.85**
Maternit ins rance	36,639.82	588,852.20	572,618.20	**52,873.82**
IV. Ho sing f nds	514,781.00	6,972,791.00	6,781,457.01	**706,114.99**
V. Ed cation f nds & Labor nion	2,821,226.18	5,463,539.35	8,284,765.53	**–**
Total	27,815,264.00	265,757,833.02	254,910,092.70	**38,663,004.32**

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

19. Payroll Payable (Contin ed)

(3) Listing of defined contribution plan

RMB

Classification	Opening balance	Amo nt increased in the ear	Amo nt decreased in the ear	Closing balance
1. Basic pension ins rance	1,026,568.62	17,094,966.52	16,226,490.52	**1,895,044.62**
2. Unemplo ment ins rance	36,669.16	589,151.69	558,130.29	**67,690.56**
Total	1,063,237.78	17,684,118.21	16,784,620.81	**1,962,735.18**

The Compan participates in pension ins rance and nemplo ment ins rance schemes established b go ernment agencies as req ired. According to these schemes, the Compan pa s monthl fees to these plans at 14.0% and 0.5% of the emplo ees' basic ages. E cept for the abo e monthl paid fees, the Gro p does not ndertake f rther pa ment obligations. The corresponding e penses are recognised in profit or loss in the period in hich the are inc rred.

The Compan sho ld pa a total of RMB17,094,966.52 and RMB589,151.69 to the pension ins rance and nemplo ment ins rance schemes (2021: RMB10,699,758.44 and RMB382,151.95) respecti el . At the end of the ear, the Compan still had RMB1,895,044.62 and RMB67,690.56 pa ables that had been accr ed at the end of the ear and not paid for the pension ins rance and nemplo ment ins rance schemes. The rele ant pa ables ha e been paid after the reporting period.

20. Taxes Payable

RMB

Classification	Closing balance	Opening balance
VAT	**24,062,047.29**	
Propert ta	**3,824,727.67**	3,416,657.31
Indi id al income ta	**761,646.22**	426,993.05
Cit maintenance and constr ction ta	**1,760.39**	1,760.39
Ed cational s rta and local ed cational s rta	**1,257.42**	1,257.42
Enterprise income ta	**–**	8,319,895.99
Land se ta	**–**	4,908,985.16
Others	**1,554,947.79**	700,042.08
Total	**30,206,386.78**	17,775,591.40

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

21. Other Payables

Listed b categor :

RMB

Items	Closing balance	Opening balance
Interest pa able	**13,081,277.67**	2,551,415.40
Di idend pa able	**2,737,023.00**	791,200.00
Other pa ables	**1,395,441,797.86**	562,484,515.91
Total	**1,411,260,098.53**	565,827,131.31

(1) Interest payable

RMB

Items	Closing balance	Opening balance
Interest pa able on con ertible bonds	**7,430,077.54**	
Interest pa able for long-term borro ings ith interest paid in installment and principal paid d e to mat rit	**4,175,391.12**	1,125,486.10
Interest pa able for short-term borro ings	**1,475,809.01**	1,425,929.30
Total	**13,081,277.67**	2,551,415.40

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

21. Other Payables (Contin ed)

(2) Interest payable

RMB

Items	Closing balance	Opening balance
Di idend for ordinar shares	**2,737,023.00**	791,200.00
Total	**2,737,023.00**	791,200.00

(3) Other payables

RMB

Classification	Closing balance	Opening balance
Pa able to s bsidiaries	**831,467,216.24**	512,241,003.27
Eq it acq isition f nds (Note (VI) 27)	**520,947,600.00**	
Restricted share incenti e scheme (Note (VI) 27)	**23,806,600.00**	32,096,200.00
Warrant	**11,042,106.34**	11,338,100.00
Transportation premi m	**4,830,346.66**	4,192,122.86
Others	**3,347,928.62**	2,617,089.78
Total	**1,395,441,797.86**	562,484,515.91

At the end of the ear, the Compan had no other pa ables ith an ageing of more than one ear and a significant amo nt.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

22. Long-Term Borrowings

(1) Categories of long-term borrowings

RMB

	Closing balance	Opening balance
Pledged borro ings	**1,389,600,000.00**	
Sec red and mortgaged borro ings	**1,187,800,000.00**	690,000,000.00
Pledged borro ings (Note)	**499,000,000.00**	100,000,000.00
Credit borro ings	**199,000,000.00**	
Less: Sec red and mortgaged borro ings d e ithin one ear	**500,330,000.00**	2,200,000.00
Less: Pledged borro ings d e ithin one ear	**–**	1,000,000.00
Total	**2,775,070,000.00**	786,800,000.00

Note: For the t pes and amo nts of sec red assets of sec red loans, please refer to the Notes (XIV), 10, 11 and 12.

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

RMB

Items	Closing balance	Opening balance
1 to 2 ears	**1,030,907,500.00**	173,200,000.00
2 to 5 ears	**1,744,162,500.00**	613,600,000.00
Total	**2,775,070,000.00**	786,800,000.00

(3) Other descriptions

The interest rate of the abo e borro ings as bet een 3.35% and 4.10%.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

23. Deferred Revenue

RMB

Classification	Opening balance	Amo nt increased in the ear	Amo nt decreased in the ear	Closing balance
Go ernment grants	13,423,678.16	.	4,590,107.26	**8,833,570.90**
Total	13,423,678.16	.	4,590,107.26	**8,833,570.90**

Projects of go ernment grants:

RMB

Items	Opening balance	Amo nt increased in the ear	Amo nt incl ded in other income in the ear	Closing balance	Related to assets/related to re en e
Ann al prod ction of 5.8 million sq are meters Lo -E glass deep processing project	4,234,724.00	.	819,624.00	**3,415,100.00**	Related to assets
Glass melting f rnace fl e gas denitrification technolog project grant	4,012,777.71	.	1,006,666.70	**3,006,111.01**	Related to assets
2014 ind strial transformation and pgrading items (central infrastr ct re in estment) Flat Glass ann al prod ction of 5.8 million sq are meters Lo -E glass deep processing project	2,790,000.00	.	930,000.00	**1,860,000.00**	Related to assets
Jia ing Cit 2012 first batch of ind strial de elopment f nd s bsid ann al o tp t of 15 million sq are meters of solar photo oltaic ltra-hite glass project 1# photo oltaic kiln	950,494.77	.	481,468.57	**469,026.20**	Related to assets
Jia ing Cit 2012 pro incial energ -sa ing financial grant 2 prod ction lines of f rnace fl e gas aste heat Utilisation Phase II project ith s pporting constr ction of aste heat boilers and steam t rbine generator sets	190,291.55	.	106,957.86	**83,333.69**	Related to assets
Jia ing Cit 2012 first batch of ind strial de elopment f nd grant ann al o tp t of 170,000 tons of lo -E glass and deep processing project 2# float kiln	133,333.06	.	133,333.06	-	Related to assets

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

23. Deferred Revenue (Contin ed)

Items	Opening balance	Amo nt increased in the ear	Amo nt incl ded in other income in the ear	Closing balance	Related to assets/related to re en e
Ann al prod ction of 15 million sq are meters of solar photo oltaic ltra- hite glass e pansion project	424,778.42		424,778.42	–	Related to assets
Jia ing Cit 2012 first batch of ind strial de elopment f nd grant 2*600t/d glass melting f rnace fl e gas aste heat po er generation first phase constr ction's technical transformation project	83,495.42		83,495.42	–	Related to assets
TCO ltra- hite cond cti e film project grant	603,783.23		603,783.23	–	Related to assets
Total	13,423,678.16		4,590,107.26	**8,833,570.90**	

24. Other Comprehensive Income

RMB

Items	Opening balance	Amo nt inc rred in the c rrent ear: Amo nt before income ta inc rred in the c rrent ear	Amo nt inc rred in the c rrent ear: Less: Income ta e pense	Amo nt inc rred in the c rrent ear: Amo nt attrib table to the Compan after income ta	Amo nt inc rred in the c rrent ear: Amo nt attrib table to minorit shareholders after income ta	Closing balance
I. Other comprehensi e income that ill not be reclassified into profit or loss after ards						–
II. Other comprehensi e income that ill be reclassified into profit or loss after ards	(609,915.05)	(476,288.57)		(476,288.57)		**(1,086,203.62)**
Changes in fair al e of financing recei ables	(609,915.05)	(476,288.57)		(476,288.57)		**(1,086,203.62)**
Total	(609,915.05)	(476,288.57)		(476,288.57)		**(1,086,203.62)**

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

25. Undistributed Profit

RMB

Items	Amount for the year	Amo nt for last ear
Undistrib ted profit at the beginning of the ear	**2,894,223,275.67**	1,862,201,037.65
Add: Net profit	**340,316,191.44**	1,401,607,683.56
Less: Accr al of stat tor s rpl s reser es (Note VI 41)	**89.13**	47,656,457.44
Di idend pa able on ordinar shares	**493,785,448.42**	321,928,988.10
Undistrib ted profit at the end of the ear	**2,740,753,929.56**	2,894,223,275.67

26. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

RMB

Items	Amount for the year		Amo nt for last ear	
	Revenue	Cost	Re en e	Cost
Main b siness	**4,696,198,489.80**	**3,911,349,394.51**	3,628,037,640.97	2,784,179,685.25
Other b siness	**467,593,814.63**	**396,438,844.13**	612,777,468.03	459,067,448.84
Total	**5,163,792,304.43**	**4,307,788,238.64**	4,240,815,109.00	3,243,247,134.09

The Compan 's operating re en e is recognised at a certain point in time.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

26. Operating Revenue and Operating Cost (Contin ed)

(2) Disaggregation of operating income

Disaggregation of operating income so rce of re en e:

RMB

	Amount for the year					
Items	PV glass	Household glass	Architectural glass	Float glass	Other business	Total
Main b siness area						
China	3,549,095,595.70	183,081,400.97	597,378,651.73	364,328,020.30	458,147,690.65	5,152,031,359.35
Other Asian co ntries and regions (e cl ding China)	–	1,042,837.16	263,759.94	–	9,446,123.98	10,752,721.08
Others	–	–	1,008,224.00	–	–	1,008,224.00
Total	3,549,095,595.70	184,124,238.13	598,650,635.67	364,328,020.30	467,593,814.63	5,163,792,304.43

RMB

	Amo nt for last ear					
Items	PV glass	Ho sehold glass	Architect ral glass	Float glass	Other b siness	Total
Main b siness area						
China	2,104,764,409.25	219,918,953.42	710,997,088.34	445,389,112.48	601,670,757.69	4,082,740,321.18
Other Asian co ntries and regions (e cl ding China)	142,954,183.91	1,645,078.01	1,975,996.85		11,106,710.34	157,681,969.11
Others			392,818.71			392,818.71
Total	2,247,718,593.16	221,564,031.43	713,365,903.90	445,389,112.48	612,777,468.03	4,240,815,109.00

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

26. Operating Revenue and Operating Cost (Contin ed)

(2) Disaggregation of operating income (Contin ed)

Disaggregation of operating income · Methods of sales:

RMB

	Amount for the year					
Items	PV glass	Household glass	Architectural glass	Float glass	Other business	Total
Methods of sales						
Direct sales	3,547,862,857.13	178,180,615.40	563,013,458.17	315,494,198.67	467,593,814.63	5,072,144,944.00
Dealer c stomers	1,232,738.57	5,943,622.73	35,637,177.50	48,833,821.63		91,647,360.43
Total	3,549,095,595.70	184,124,238.13	598,650,635.67	364,328,020.30	467,593,814.63	5,163,792,304.43

RMB

	Amo nt for last ear					
Items	PV glass	Ho sehold glass	Architect ral glass	Float glass	Other b siness	Total
Methods of sales						
Direct sales	2,247,708,986.70	208,185,723.33	645,069,981.92	374,417,947.85	612,776,914.93	4,088,159,554.73
Dealer c stomers	9,606.46	13,378,308.10	68,295,921.98	70,971,164.63	553.10	152,655,554.27
Total	2,247,718,593.16	221,564,031.43	713,365,903.90	445,389,112.48	612,777,468.03	4,240,815,109.00

(3) Performance obligations

The Gro p's main b siness acti ities are the prod ction and sales of glass prod cts. Generall , there is onl one performance obligation to deli er goods in the rele ant sales contract, and the consideration for the sale of the prod ct is determined according to the fi ed price agreed in the sales contract or order. The Gro p recognises the re en e at the time hen the control of the rele ant prod ct is transferred to the c stomer. The Gro p req ires dealer c stomers to f ll prepa the p rchase pa ment before the deli er of the goods, and the normal credit period for direct sales c stomers is 30 to 120 da s after the acceptance of the goods.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

27. Taxes and Surcharges

RMB

Items	Amount for the year	Amo nt for last ear
Propert ta	**4,896,716.45**	3,265,166.73
Stamp d t	**3,758,616.34**	2,264,375.10
En ironmental protection ta	**1,808,456.40**	2,139,583.33
Urban constr ction ta	**21,124.68**	859,473.86
Ed cational s rta and local ed cational s rta	**15,089.04**	613,909.89
Land se ta	**(4,908,985.16)**	
Others	**552,576.54**	650,974.10
Total	**6,143,594.29**	9,793,483.01

28. Selling Expenses

RMB

Items	Amount for the year	Amo nt for last ear
Assembling frame charges	**39,444,623.71**	7,602,538.22
Emplo ee compensation and elfare	**11,944,255.99**	10,428,800.25
Depreciation and amortisation	**108,401.85**	9,055.84
Others	**4,511,596.91**	3,933,989.25
Total	**56,008,878.46**	21,974,383.56

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

29. Administrative Expenses

RMB

Items	Amount for the year	Amo nt for last ear
Emplo ee rem neration and benefits	**66,886,281.67**	49,322,882.74
Eq it settled share-based pa ment	**31,948,589.20**	37,007,309.90
Intermedian agenc ser ice fee	**10,720,713.88**	5,319,779.52
Depreciation and amortisation	**9,798,936.85**	9,693,021.07
Greening and en ironmental protection costs	**8,162,394.31**	4,691,694.27
Labor costs	**6,875,773.43**	294,999.98
Office e penses	**4,411,205.92**	1,992,138.80
Rent e penses	**2,630,159.04**	2,401,449.48
Transportation e penses	**1,972,728.12**	

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

31. Finance Expenses

RMB

Items	Amount for the year	Amo nt for last ear
Interest e penses	**243,702,867.66**	44,142,410.74
Less: Interest income	**39,915,635.70**	16,825,294.54
Handling fee	**3,214,088.24**	1,297,680.54
E change gains and losses	**(93,108,601.87)**	(4,395,436.39)
Total	**113,892,718.33**	24,219,360.35

32. Other Revenues

RMB

Sources of other revenues	Amount for the year	Amo nt for last ear
Special f nds for science and technolog de elopment	**18,679,360.00**	
Deferred income amortisation	**4,590,107.26**	10,063,370.41
Ind strial de elopment grant	**2,869,800.00**	1,436,100.00
S bsidies for m nicipal reso rces and en ironment constr ction	**2,500,000.00**	
S bsidies for emplo ment stabili ation and e pansion	**1,659,312.58**	
S bsidies for e port credit ins rance of Jia ing M nicipal B rea of Commerce	**785,468.00**	
M nicipal f nd s bsidies for ind strial and information technolog	**750,000.00**	
Ref nd income from handling fee for indi id al income ta	**584,232.77**	328,891.39
Special f nds for m nicipal green prod ction	**500,000.00**	
Special grant f nds of Xi ho District of Jia ing for ind strial de elopment	–	4,470,500.00
Go ernment grants of Jia ing B rea of Science and Technolog for constr ction of inno ati e enterprise and research instit te	–	4,000,000.00
Promoting high q alit de elopment f nd s bsid for technolog enterprise	–	500,000.00
The third batch of m nicipal ind strial and information de elopment special f nds	–	500,000.00
Jia ing m nicipal b siness f nd a ard and s bsid	–	300,000.00
The second batch of pro incial science and technolog de elopment special f nds	–	200,000.00
Jia ing Cit Xi ho District the first batch of science and technolog project s bsidies	–	200,000.00
Others	**912,276.00**	643,632.49
Total	**33,830,556.61**	22,642,494.29

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

33. Investment Income

RMB

Items	Amount for the year	Amo nt for last ear
Long term eq it in estment income meas red at eq it method	**6,277,401.74**	3,506,986.46
In estment income of trading financial assets d ring the holding period	**4,606,113.99**	1,445,418.77
Long term eq it in estment income meas red at cost method	**–**	800,000,000.00
Total	**10,883,515.73**	804,952,405.23

34. Credit Impairment (Losses) Gains

RMB

Items	Amount for the year	Amo nt for last ear
Credit impairment losses on bills recei able	**(685,492.76)**	(2,066,436.13)
Credit impairment (losses) gains on trade recei ables	**(16,055,816.15)**	25,832,893.32
Credit impairment gains on other recei ables	**–**	50,000.00
Total	**(16,741,308.91)**	23,816,457.19

35. Asset Impairment Losses

RMB

Item	Amount for the year	Amo nt for last ear
In entor impairment losses	**(824,680.43)**	(9,739,396.44)

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

36. Gains on Disposal of Asset

RMB

Item	Amount for the year	Amo nt for last [illegible]ear
Gains on disposal of asset	**515,053.81**	4,838,620.24

37. Non-operating Income

RMB

Items	Amount for the year	Amo nt for last [illegible]ear
Go ernment grants (Note (XIV) 43)	**–**	100,000.00
Others	**685,390.38**	416,476.14
Total	**685,390.38**	516,476.14

38. Non-operating Expenses

RMB

Items	Amount for the year	Amo nt for last [illegible]ear
Charitable donation e penses	**2,125,838.80**	1,251,000.00
Others	**8,051.18**	1,670,500.29
Total	**2,133,889.98**	2,921,500.29

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

39. Income Tax Expense

RMB

Items	Amount for the year	Amo nt for last ear
Income ta e penses for the period	–	56,255,483.83
Ref nd income ta for the last ear	(6,691,984.00)	(1,613,250.77)
Deferred income ta e penses	37,804,917.05	29,686,764.70
Total	31,112,933.05	84,328,997.76

Reconciliation bet een income ta e pense and acco nting profit is as follo s:

RMB

	Amount for the year	Amo nt for last ear
Total profits	371,429,124.49	1,485,936,681.32
Income ta e pense calc lated at ta rate of 15% (2021: 15%)	55,714,368.67	222,890,502.20
Effect of non-ded ctible costs, e penses and losses	15,599,715.91	1,272,669.08
Ta effect of ta -e empt income	–	(120,526,047.97)
Ref nd of the income ta for last period	(6,691,984.00)	(1,613,250.77)
Effect of ta incenti es	(11,960,766.40)	
Effect of research and de elopment costs pl s ded ction	(21,548,401.13)	(17,694,874.78)
Income ta e penses	31,112,933.05	84,328,997.76

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

40. Notes to Items of Cash Flow Statement

(1) Cash received relating to other operating activities

RMB

Items	Amount for the year	Amo nt for last ear
Interest income	**39,915,635.70**	16,825,294.54
Go ernment grants	**29,240,449.35**	12,679,123.88
Operating margin	**10,070,000.00**	400,000.00
Others	**2,059,454.67**	565,629.04
Total	**81,285,539.72**	30,470,047.46

(2) Cash paid and relating to other operating activities

RMB

Items	Amount for the year	Amo nt for last ear
Paid fees	**199,541,293.97**	177,243,140.27
Handling charge	**3,214,088.24**	1,297,680.54
E ternal donation e pendit re	**2,125,838.80**	1,251,000.00
Others	**820,294.84**	4,999,884.76
Total	**205,701,515.85**	184,791,705.57

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

40. Notes to Items of Cash Flow Statement (Contin ed)

(3) Cash received relating to other investment activities

RMB

Items	Amount for the year	Amo nt for last ear
Reco er of restricted monetar f nds	**39,597,589.45**	35,120,339.57
Project margin	**3,500.00**	4,453,400.00
Reco er of f nds borro ed to s bsidiar	**5,241,068,233.49**	304,036,534.71
Total	**5,280,669,322.94**	343,610,274.28

(4) Cash paid relating to other investment activities

RMB

Items	Amount for the year	Amo nt for last ear
F nds borro ed to s bsidiar	**8,278,808,835.03**	3,160,422,199.07
Pa ment of restricted monetar f nds	**30,618,224.96**	25,153,617.47
Project margin	**5,326,400.00**	8,881,011.92
Total	**8,314,753,459.99**	3,194,456,828.46

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

40. Notes to Items of Cash Flow Statement (Contin ed)

(5) Cash received relating to other financing activities

RMB

Items	Amount for the year	Amo nt for last ear
Reco er of restricted monetar f nds	**481,009,918.05**	127,972,201.44
F nds borro ed from s bsidiaries	**358,226,212.97**	70,100,449.75
Total	**839,236,131.02**	198,072,651.19

(6) Cash paid relating to other financing activities

RMB

Items	Amount for the year	Amo nt for last ear
Repa ment of f nds borro ed from s bsidiaries	**39,000,000.00**	1,150,283,770.05
Pa ment of restricted monetar f nds	**767,951,764.34**	174,921,416.20
E penses on iss ance of con ertible corporate bonds	**–**	1,325,756.98
Total	**806,951,764.34**	1,326,530,943.23

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

41. Supplementary Information for Cash Flow Statement

(1) Supplementary information for cash flow statement

RMB

Supplementary information	Amount for the year	Amo nt for last ear
(1) Adj st net profit to cash flo from operating acti ities		
Net profit	**340,316,191.44**	1,401,607,683.56
Add: Pro ision for asset impairment	**824,680.43**	9,739,396.44
Credit impairment pro ision (gain)	**16,741,308.91**	(23,816,457.19)
Depreciation of fi ed assets	**244,268,126.62**	180,147,452.14
Amortisation of intangible assets	**10,928,626.98**	8,850,514.89
Amortisation of long-term deferred e penses	**866,710.47**	98,490.98
Gains on disposal of fi ed assets, intangible assets and other long-term assets	**(515,053.81)**	(4,838,620.24)
Finance e penses	**160,169,742.93**	44,142,410.74
In estment gains	**(10,883,515.73)**	(804,952,405.23)
Decrease in deferred income ta assets (less: increase)	**–**	21,128,907.19
Increase in deferred income ta liabilities (less: decrease)	**37,804,917.05**	8,557,857.51
Increase in in entor[illegible]	**(231,957,195.34)**	(149,548,891.50)
Decrease in operating recei ables (less: increase)	**(1,655,418,681.08)**	(75,973,634.82)
Increase in operating pa[illegible]ables (less: decrease)	**355,627,739.16**	439,694,493.39
Deferred income amortisation	**(4,590,107.26)**	(10,063,370.41)
Eq it[illegible] settled share-based pa[illegible]ment	**31,948,589.20**	37,007,309.90
Net cash flo from operating acti ities	**(703,867,920.03)**	1,081,781,137.36
(2) Net changes in cash and cash eq i alents		
Closing balance of cash and cash eq i alents	**918,983,312.20**	445,104,022.54
Less: opening balance of cash and cash eq i alents	**445,104,022.54**	188,559,197.40
Net increase in cash and cash eq i alents	**473,879,289.66**	256,544,825.14

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

41. Supplementary Information for Cash Flow Statement (Contin ed)

(2) Component of cash and cash equivalents

RMB

Items	Closing balance	Opening balance
I. Cash	**918,983,312.20**	445,104,022.54
Incl ding: Cash on hand	**12,539.79**	32,255.75
Bank deposit a ailable for pa ment	**918,970,772.41**	445,071,766.79
Other monetar f nds a ailable for pa ment	**–**	
II. Cash eq i alents	**–**	
Cash and cash eq i alents at the end of the ear	**918,983,312.20**	445,104,022.54

42. Assets with Restricted Ownership or Use Rights

RMB

Items	Closing balance of book value	Reasons for restriction
Monetar f nds	**425,953,563.97**	Bills deposits, deposit certificate pledge, etc.
Bills recei able	**35,918,137.34**	Pledged to bank to obtain credit facilities
Financing recei ables	**158,508,342.52**	Pledged to bank to obtain credit facilities
Fi ed assets	**1,177,954,933.01**	Pledged to bank to obtain credit facilities
Constr ction in progress	**18,602,073.80**	Pledged to bank to obtain credit facilities
Intangible assets	**210,153,509.35**	Pledged to bank to obtain credit facilities
Total	**2,027,090,559.99**	

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

43. Government Grants

RMB

Items	Asset-related/ re en e-related	Listed items	**Amount for the year**
Special f nds for scientific and technological de elopment	Re en e	Other re en es	**18,679,360.00**
Ind strial de elopment s bsid[illegible]	Re en e	Other re en es	**2,869,800.00**
S bsidies for m nicipal reso rces and en ironment constr ction	Re en e	Other re en es	**2,500,000.00**
S bsidies for emplo[illegible]ment stabili ation and e pansion	Re en e	Other re en es	**1,659,312.58**
S bsidies for e port credit ins rance of Jia ing M nicipal B rea of Commerce	Re en e	Other re en es	**785,468.00**
M nicipal f nd s bsidies for ind strial and information technolog[illegible]	Re en e	Other re en es	**750,000.00**
Ref nd income from handling fee for indi id al income ta	Re en e	Other re en es	**584,232.77**
Special f nds for m nicipal green prod ction	Re en e	Other re en es	**500,000.00**
Special f nds for pro incial standardi ation strateg[illegible]	Re en e	Other re en es	**60,000.00**
Anti-pandemic s bsidies	Re en e	Other re en es	**8,000.00**
Others	Re en e	Other re en es	**844,276.00**
Total			**29,240,449.35**
Incl ding: Go ernment s bsidies incl ded in profit and loss for the period			**29,240,449.35**

44. Related Parties and Related Party Transaction

(1) The Company's other related parties

E cept for the s bsidiaries mentioned in Note (V), please refer to Note (IX) for details of other related parties of the Compan[illegible]

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(2) Related party transactions

1) Sale of goods

RMB

Related parties	Content of the related part transaction	**Amount for the year**	Amo nt for last ear
Anh i Flat Glass	Sale	**356,758,205.34**	489,678,464.75
Flat (Hong Kong)	Sale	**314,822,978.26**	41,105,170.52
Zhejiang Flat	Sale	**149,768,376.38**	201,967,447.98
Zhejiang Jiaf	Sale	**100,785,869.35**	237,602,003.78
Flat (Vietnam)	Sale	**9,489,982.93**	1,931,830.03
Flat Import & E port	Sale	**37,798,855.04**	14,944,859.14
Kaihong Flat	Sale	**8,559.20**	553.10
Total		**969,432,826.50**	987,230,329.30

2) P rchase of goods

RMB

Related parties	Content of the related part transaction	**Amount for the year**	Amo nt for last ear
Zhejiang Jiaf	P rchase of ra materials	**334,857,087.24**	716,245,029.42
Anh i Flat Glass	P rchase of ra materials	**223,509,979.98**	562,286,620.22
Sanli Mining	P rchase of ra materials	**243,553,462.29**	
JiaXing Gas	P rchase of ra materials	**212,685,098.53**	100,621,506.58
Kaihong Flat	Accepting labor ser ice	**80,722,117.84**	38,680,143.35
Flat Import & E port	P rchase of ra materials	**30,876,621.31**	36,424,752.33
Flat Ne Energ	P rchase of ra materials	**3,975,261.86**	4,913,959.49
Zhejiang Flat	P rchase of ra materials	**1,377,726.85**	1,695,566.98
Total		**1,131,557,355.90**	1,460,867,578.37

44. Related Parties and Related Party Transactions (Contin ed)

(3) Related leases

The Compan as the lessor:

RMB

Lessee name	T pe of leased asset	**Amount for the year Recognised rental incomes**	Amo nt for last ear Recognised rental incomes
Zhejiang Flat	Ho ses	**6,035,622.84**	6,035,622.84

The Compan as the lessee:

RMB

Lessor name	T pe of leased asset	**Amount for the year Recognised rental expenses**	Amo nt for last ear Recognised rental e penses
Jia ing Yihe In estment Co., Ltd.	Ho ses	**8,499,629.28**	7,760,530.68

(4) Sale of fixed assets

RMB

Related parties	Related Part transaction	**Amount for the year**	Amo nt for last ear
Zhejiang Jiaf	Sale of fi ed assets	**277,663.56**	2,654.87
Zhejiang Flat	Sale of fi ed assets	**410.88**	87,869.68
Anh i Flat Glass	Sale of fi ed assets	**–**	15,486.73
Total		**278,074.44**	106,011.28

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(5) Procurement of fixed assets and engineering materials

RMB

Related parties	Content of the related party transaction	**Amount for the year**	Amo nt for last year
Anh i Flat Glass	Proc rement of fi ed assets and engineering materials	**2,046,626.56**	1,806,553.28
Zhejiang Jiaf	Proc rement of fi ed assets and engineering materials	**–**	2,727,651.86
Flat Import & E port	Proc rement of fi ed assets and engineering materials	**–**	451,327.44
Total		**2,046,626.56**	4,985,532.58

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(6) Amounts due to/from related parties (Contin ed)

RMB

Items	Related parties	Closing balance	Opening balance
Other recei ables	Flat (Hong Kong)	**1,144,467,141.56**	793,593,817.53
Other recei ables	Feng ang Flat Ne Energ	**406,000,000.00**	.
Other recei ables	Dah a Mining	**239,552,000.00**	.
Other recei ables	Nantong Flat	**2,900,000.00**	1,500,000.00
Other recei ables	Flat Intelligent Eq ipment	**1,138,993.69**	.
Other recei ables	G ang i Flat	**500,000.00**	.
Other recei ables	JiaXing Gas	**500,000.00**	.
Other recei ables	Zhejiang Jiaf	**–**	800,000,000.00
Other recei ables	Anh i Flat Material	**–**	236,535,030.00
Other recei ables	Shanghai Flat	**–**	16,000.00
Total		**1,795,058,135.25**	1,831,644,847.53
Other non-c rrent assets	Anh i Flat Glass	**6,137,472,218.16**	3,144,025,000.00
Other non-c rrent assets	Zhejiang Jiaf	**457,100,000.00**	762,471,699.07
Other non-c rrent assets	Flat Import & E port	**3,595,310.72**	344,554,191.96
Total		**6,598,167,528.88**	4,251,050,891.03
Contract liabilities	Kaihong Flat	**25,604.55**	25,604.55
Other pa ables	Flat (Hong Kong)	**509,285,802.74**	509,285,802.74
Other pa ables	Anh i Flat Glass	**203,464,970.00**	.
Other pa ables	Zhejiang Flat	**72,297,600.00**	.
Other pa ables	Flat Import & E port	**25,418,843.50**	.
Other pa ables	Flat Ne Energ	**11,000,000.00**	2,955,200.53
Other pa ables	Shanghai Flat	**10,000,000.00**	.
Other pa ables	Kaihong Flat	**300,000.00**	.
Total		**831,767,216.24**	512,241,003.27

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(6) Amounts due to/from related parties (Contin ed)

RMB

Items	Related parties	**Closing balance**	Opening balance
Trade payables	Sanli Mining	**149,743,753.24**	.
Trade payables	Anh i Flat Glass	**91,188,647.33**	6,254,190.89
Trade payables	Zhejiang Jiaf	**21,839,444.08**	5,354,703.30
Trade payables	Kaihong Flat	**16,146,812.79**	5,713,422.80
Trade payables	Flat Import & E port	**6,283,744.31**	.
Trade payables	Zhejiang Flat	**2,143,921.86**	.
Trade payables	Flat Ne Energy	**1,908,266.72**	.
Trade payables	Flat Intelligent Eq ipment	**509,950.00**	.
Trade payables	Nantong Flat	**200,000.00**	.
Trade payables	Jia ing Yihe In estment Co., Ltd.	**27,600.57**	173,342.70
Total		**289,992,140.90**	17,495,659.69

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(7) Borrowings to related parties

RMB

Related parties	Increased in the ear	Decreased in the ear	Commencement date	E pir date	Year end amount	Partic lars
During the year						
Anh i Flat Material		236,535,030.00	Nil	Nil	-	Interest free ith no fi ed term of repa ment
Anh i Flat Glass			2021 01 01	2023 12 31	**100,000,000.00**	Interest free ith no fi ed term of repa ment
Anh i Flat Glass			2021 01 01	2023 12 31	**500,000,000.00**	Interest free ith no fi ed term of repa ment
Anh i Flat Glass			2021 01 01	2023 12 31	**1,444,025,000.00**	Interest free ith no fi ed term of repa ment
Anh i Flat Glass	5,649,506,841.34	2,656,059,623.18	Nil	Nil	**4,093,447,218.16**	Interest free ith no fi ed term of repa ment
Zhejiang Jiaf	976,000,000.00	1,281,371,699.07	Nil	Nil	**457,100,000.00**	Interest free ith no fi ed term of repa ment
Flat Import & E port	167,661,000.00	508,619,881.24	Nil	Nil	**3,595,310.72**	Interest free ith no fi ed term of repa ment
Flat (Hong Kong)	443,524.03		Nil	Nil	**16,201,941.56**	Interest free ith no fi ed term of repa ment
Flat (Hong Kong)	7,066,800.00		2021 03 10	2023 03 09	**83,575,200.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	14,722,500.00		2021 03 10	2023 04 13	**174,115,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	5,889,000.00		2021 02 26	2023 02 28	**69,646,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	5,889,000.00		2021 07 19	2023 07 18	**69,646,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	11,778,000.00		2021 09 01	2023 08 31	**139,292,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	11,778,000.00		2021 10 27	2023 10 26	**139,292,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	14,722,500.00		2021 11 30	2023 11 29	**174,115,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	139,292,000.00		2022 03 14	2023 03 13	**139,292,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	139,292,000.00		2022 04 13	2023 03 14	**139,292,000.00**	Fi ed rate at 2.5%
Nantong Flat	1,400,000.00		Nil	Nil	**2,900,000.00**	Interest free ith no fi ed term of repa ment
Shanghai Flat		16,000.00	Nil	Nil	-	Interest free ith no fi ed term of repa ment
Feng ang Flat Ne Energ	636,000,000.00	230,000,000.00	Nil	Nil	**406,000,000.00**	Interest free ith no fi ed term of repa ment
Sanli Mining	568,018,000.00	328,466,000.00	Nil	Nil	**239,552,000.00**	Interest free ith no fi ed term of repa ment
Flat Intelligent Eq ipment	1,138,993.69		Nil	Nil	**1,138,993.69**	Interest free ith no fi ed term of repa ment
G ang i Flat	500,000.00		Nil	Nil	**500,000.00**	Interest free ith no fi ed term of repa ment

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

45. Related Parties and Related Party Transactions (Contin ed)

(7) Borrowings to related parties (Contin ed)

RMB

Related parties	Increased in the ear	Decreased in the ear	Commencement date	E pir date	Year end amount	Partic lars
D ring last ear						
Anh i Flat Material	454,500,000.00	278,964,970.00	Nil	Nil	**236,535,030.00**	Interest free ith no fi ed term of repa ment
Anh i Flat Glass	.	.	2021 01 01	2023 12 31	**100,000,000.00**	Fi ed rate at 4.75%
Anh i Flat Glass	.	.	2021 01 01	2023 12 31	**500,000,000.00**	Fi ed rate at 4.75%
Anh i Flat Glass	.	.	2021 01 01	2023 12 31	**1,444,025,000.00**	Fi ed rate at 4.75%
Anh i Flat Glass	1,400,000,000.00	300,000,000.00	Nil	Nil	**1,100,000,000.00**	Interest free ith no fi ed term of repa ment
Flat Ne Energ	.	2,597,573.69	Nil	Nil	-	Interest free ith no fi ed term of repa ment
Flat (Vietnam)	.	158,695.03	Nil	Nil	-	Interest free ith no fi ed term of repa ment
Zhejiang Jiaf	762,471,699.07	.	Nil	Nil	**762,471,699.07**	Interest free ith no fi ed term of repa ment
Flat Import & E port	.	15,037,170.09	Nil	Nil	**344,554,191.96**	Interest free ith no fi ed term of repa ment
Flat (Hong Kong)	.	1,757,725.90	Nil	Nil	**15,758,417.53**	Interest free ith no fi ed term of repa ment
Flat (Hong Kong)	.	1,790,400.00	2021 03 10	2022 03 09	**76,508,400.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	.	3,730,000.00	2021 03 10	2022 03 09	**159,392,500.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	63,757,000.00	.	2021 02 26	2022 02 25	**63,757,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	63,757,000.00	.	2021 07 19	2022 07 18	**63,757,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	127,514,000.00	.	2021 09 01	2022 08 31	**127,514,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	127,514,000.00	.	2021 10 27	2022 10 26	**127,514,000.00**	Fi ed rate at 2.5%
Flat (Hong Kong)	159,392,500.00	.	2021 11 30	2022 11 29	**159,392,500.00**	Fi ed rate at 2.5%
Nantong Flat	1,500,000.00	.	Nil	Nil	**1,500,000.00**	Interest free ith no fi ed term of repa ment
Shanghai Flat	16,000.00	.	Nil	Nil	**16,000.00**	Interest free ith no fi ed term of repa ment

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(8) Borrowings from related parties

RMB

Related parties	Increased in the ear	Decreased in the ear	Commencement date	E pir date	Year end amount	Partic lars
During the year						
Flat (Hong Kong)			Nil	Nil	**509,285,802.74**	Interest free ith no fi ed term of repa ment
Flat Ne Energ	8,044,799.47		Nil	Nil	**11,000,000.00**	Interest free ith no fi ed term of repa ment
Zhejiang Flat	111,297,600.00	39,000,000.00	Nil	Nil	**72,297,600.00**	Interest free ith no fi ed term of repa ment
Flat Import & E port	25,418,843.50		Nil	Nil	**25,418,843.50**	Interest free ith no fi ed term of repa ment
Anh i Flat Material	203,464,970.00		Nil	Nil	**203,464,970.00**	Interest free ith no fi ed term of repa ment
Shanghai Flat	10,000,000.00		Nil	Nil	**10,000,000.00**	Interest free ith no fi ed term of repa ment
D ring last ear						
Flat (Hong Kong)	67,145,249.22	49,172,043.48	Nil	Nil	**509,285,802.74**	Interest free ith no fi ed term of repa ment
Anh i Flat Glass		1,101,103,489.19	Nil	Nil	**–**	Interest free ith no fi ed term of repa ment
Flat Ne Energ	2,955,200.53		Nil	Nil	**2,955,200.53**	Interest free ith no fi ed term of repa ment

(9) Interest income

RMB

Related parties	Content of the related party transaction	Amount for the year	Amo nt for last ear
Flat (Hong Kong)	borro ing f nds	**27,590,844.58**	9,360,004.02
Anh i Flat Glass	borro ing f nds	**–**	97,091,187.50
Total		**27,590,844.58**	106,451,191.52

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(10) Receiving guarantees from related parties

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
During the year					
Anh i Flat Glass	The Compan[redacted]	50,000,000.00	2021 10 29	2022 10 28	Yes
Anh i Flat Glass	The Compan[redacted]	100,000,000.00	2022 07 28	2022 12 13	Yes
Anh i Flat Glass	The Compan[redacted]	180,000,000.00	2022 07 28	2022 12 30	Yes
Anh i Flat Glass	The Compan[redacted]	20,000,000.00	2022 07 28	2023 07 28	No
Anh i Flat Glass	The Compan[redacted]	200,000,000.00	2022 07 29	2023 07 27	No
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 17	2022 06 20	Yes
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 17	2022 12 20	Yes
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 17	2023 06 20	No
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 17	2023 12 20	No
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 17	2024 06 20	No
Anh i Flat Glass	The Compan[redacted]	197,500,000.00	2021 11 17	2024 11 16	No
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 19	2022 06 20	Yes
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 19	2022 12 20	Yes
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 19	2023 06 20	No
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 19	2023 12 20	No
Anh i Flat Glass	The Compan[redacted]	500,000.00	2021 11 19	2024 06 20	No
Anh i Flat Glass	The Compan[redacted]	197,500,000.00	2021 11 19	2024 11 16	No
Anh i Flat Glass	The Compan[redacted]	10,000,000.00	2022 11 30	2023 06 15	No
Anh i Flat Glass	The Compan[redacted]	10,000,000.00	2022 11 30	2023 12 15	No
Anh i Flat Glass	The Compan[redacted]	20,000,000.00	2022 11 30	2024 06 15	No
Anh i Flat Glass	The Compan[redacted]	20,000,000.00	2022 11 30	2024 12 15	No
Anh i Flat Glass	The Compan[redacted]	20,000,000.00	2022 11 30	2025 06 15	No

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(10) Receiving guarantees from related parties (Contin ed)

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
Anh i Flat Glass	The Compan	20,000,000.00	2022 11 30	2025 11 29	No
Zhejiang Jiaf	The Compan	31,878,500.00	2021 11 26	2022 07 18	Yes
Zhejiang Jiaf	The Compan	127,514,000.00	2021 11 26	2022 11 01	Yes
Zhejiang Jiaf	The Compan	99,000,000.00	2021 06 17	2022 04 27	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2021 07 20	2022 01 17	Yes
Zhejiang Jiaf	The Compan	2,000,000.00	2021 07 30	2022 01 26	Yes
Zhejiang Jiaf	The Compan	2,000,000.00	2021 08 09	2022 02 07	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2021 08 19	2022 02 09	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2021 09 09	2022 03 07	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2021 09 18	2022 03 16	Yes
Zhejiang Jiaf	The Compan	4,000,000.00	2021 09 29	2022 03 28	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2021 10 19	2022 04 18	Yes
Zhejiang Jiaf	The Compan	4,000,000.00	2021 10 29	2022 04 26	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2021 11 19	2022 05 09	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2021 12 09	2022 06 06	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2021 12 16	2022 06 13	Yes
Zhejiang Jiaf	The Compan	4,000,000.00	2022 01 07	2022 06 27	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2022 01 18	2022 07 18	Yes
Zhejiang Jiaf	The Compan	4,000,000.00	2022 01 27	2022 07 25	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2022 02 08	2022 08 08	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2022 02 18	2022 08 16	Yes
Zhejiang Jiaf	The Compan	4,000,000.00	2022 02 25	2022 08 23	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2022 03 09	2022 09 05	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2022 03 18	2022 09 13	Yes
Zhejiang Jiaf	The Compan	4,000,000.00	2022 03 30	2022 09 26	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2022 04 08	2022 10 08	Yes
Zhejiang Jiaf	The Compan	3,000,000.00	2022 04 18	2022 10 12	Yes
Zhejiang Jiaf	The Compan	7,000,000.00	2022 04 29	2022 10 25	Yes

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
Zhejiang Jiaf	The Company	100,000,000.00	2022-04-18	2023-01-27	No
Zhejiang Jiaf	The Company	20,000,000.00	2022-05-30	2022-11-23	Yes
Zhejiang Jiaf	The Company	9,000,000.00	2022-07-19	2023-01-16	No
Zhejiang Jiaf	The Company	12,000,000.00	2022-07-29	2023-01-30	No
Zhejiang Jiaf	The Company	9,000,000.00	2022-08-09	2023-02-06	No
Zhejiang Jiaf	The Company	9,000,000.00	2022-08-19	2023-02-14	No
Zhejiang Jiaf	The Company	11,000,000.00	2022-08-29	2023-02-21	No
Zhejiang Jiaf	The Company	10,000,000.00	2022-10-28	2023-04-24	No
Zhejiang Jiaf	The Company				

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

44. Related Parties and Related Party Transactions (Contin ed)

(10) Receiving guarantees from related parties (Contin ed)

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2021
During last year					
Anh i Flat Glass	The Compan	39,149,400.00	2020 02 17	2021 02 10	Yes
Anh i Flat Glass	The Compan	50,241,730.00	2020 02 27	2021 02 25	Yes
Anh i Flat Glass	The Compan	50,000,000.00	2021 10 29	2022 10 28	No
Anh i Flat Glass	The Compan	40,000,000.00	2021 11 17	2024 10 16	No
Anh i Flat Glass	The Compan	40,000,000.00	2021 11 19	2024 10 19	No
Zhejiang Jiaf	The Compan	80,000,000.00	2020 12 28	2023 12 27	No
Zhejiang Jiaf	The Compan	90,000,000.00	2020 11 16	2023 11 15	No
Zhejiang Jiaf	The Compan	1,000,000.00	2021 06 10	2021 06 18	Yes
Zhejiang Jiaf	The Compan	99,000,000.00	2021 06 17	2022 05 01	No
Zhejiang Jiaf	The Compan	3,000,000.00	2021 07 20	2022 01 17	No
Zhejiang Jiaf	The Compan	2,000,000.00	2021 07 30	2022 01 16	No
Zhejiang Jiaf	The Compan	2,000,000.00	2021 08 09	2022 02 07	No
Zhejiang Jiaf	The Compan	3,000,000.00	2021 08 19	2022 02 09	No
Zhejiang Jiaf	The Compan	3,000,000.00	2021 09 09	2022 03 07	No
Zhejiang Jiaf	The Compan	3,000,000.00	2021 09 18	2022 03 16	No
Zhejiang Jiaf	The Compan	4,000,000.00	2021 09 29	2022 03 28	No
Zhejiang Jiaf	The Compan	3,000,000.00	2021 10 19	2022 04 18	No
Zhejiang Jiaf	The Compan	4,000,000.00	2021 10 29	2022 04 26	No
Zhejiang Jiaf	The Compan	3,000,000.00	2021 11 19	2022 05 09	No
Zhejiang Jiaf	The Compan	159,392,500.00	2021 11 26	2022 11 01	No
Zhejiang Jiaf	The Compan	120,000,000.00	2021 12 07	2024 12 03	No
Zhejiang Jiaf	The Compan	3,000,000.00	2021 12 09	2022 06 06	No
Zhejiang Jiaf	The Compan	3,000,000.00	2021 12 16	2022 06 13	No

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

45. Related Parties and Related Party Transactions (Contin ed)

(11) Providing guarantees to related parties

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
During the year					
The Compan[redacted]	Zhejiang Flat	10,000,000.00	2022 03 18	2023 03 17	No
The Compan[redacted]	Zhejiang Jiaf	50,000,000.00	2021 10 29	2022 10 28	Yes
The Compan[redacted]	Zhejiang Jiaf	110,000,000.00	2021 12 09	2022 06 02	Yes
The Compan[redacted]	Zhejiang Jiaf	200,000,000.00	2022 07 29	2023 07 28	No
The Compan[redacted]	Zhejiang Jiaf	50,000,000.00	2022 11 01	2023 10 28	No
The Compan[redacted]	Zhejiang Jiaf	90,000,000.00	2022 12 29	2023 12 28	No
The Compan[redacted]	Zhejiang Jiaf	100,000.00	2021 03 04	2022 03 03	Yes
The Compan[redacted]	Zhejiang Jiaf	50,000,000.00	2021 03 04	2022 06 02	Yes
The Compan[redacted]	Zhejiang Jiaf	100,000.00	2021 03 04	2022 09 05	Yes
The Compan[redacted]	Zhejiang Jiaf	100,000.00	2021 03 04	2023 03 03	No
The Compan[redacted]	Zhejiang Jiaf	100,000.00	2021 03 04	2023 09 03	No
The Compan[redacted]	Zhejiang Jiaf	49,500,000.00	2021 03 04	2024 03 03	No
The Compan[redacted]	Anh i Flat Glass	75,000,000.00	2021 02 03	2022 02 03	Yes
The Compan[redacted]	Anh i Flat Glass	100,000,000.00	2021 11 23	2022 11 22	Yes
The Compan[redacted]	Anh i Flat Glass	10,000,000.00	2021 08 31	2022 08 24	Yes
The Compan[redacted]	Anh i Flat Glass	75,000,000.00	2022 01 07	2023 01 07	No
The Compan[redacted]	Anh i Flat Glass	100,000,000.00	2022 02 17	2022 08 16	Yes
The Compan[redacted]	Anh i Flat Glass	200,000,000.00	2022 02 23	2022 08 22	Yes
The Compan[redacted]	Anh i Flat Glass	109,000,000.00	2022 04 19	2023 04 18	No
The Compan[redacted]	Anh i Flat Glass	100,000,000.00	2022 12 06	2023 12 05	No
The Compan[redacted]	Anh i Flat Glass	60,000,000.00	2022 11 16	2023 04 27	No
The Compan[redacted]	Anh i Flat Glass	60,000,000.00	2022 11 16	2023 10 27	No
The Compan[redacted]	Anh i Flat Glass	80,000,000.00	2022 11 16	2024 04 27	No
The Compan[redacted]	Anh i Flat Glass	80,000,000.00	2022 11 16	2024 10 27	No

45. Related Parties and Related Party Transactions (Contin ed)

(11) Providing guarantees to related parties (Contin ed)

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
The Compan[redacted]	Anh i Flat Glass	80,000,000.00	2022 11 16	2025 04 27	No
The Compan[redacted]	Anh i Flat Glass	80,000,000.00	2022 11 16	2025 10 27	No
The Compan[redacted]	Anh i Flat Glass	80,000,000.00	2022 11 16	2026 04 27	No
The Compan[redacted]	Anh i Flat Glass	80,000,000.00	2022 11 16	2026 10 27	No
The Compan[redacted]	Anh i Flat Glass	100,000,000.00	2022 11 16	2027 04 27	No
The Compan[redacted]	Anh i Flat Glass	100,000,000.00	2022 11 16	2027 10 27	No
The Compan[redacted]	Anh i Flat Glass	1,000,000.00	2021 06 28	2022 06 20	Yes
The Compan[redacted]	Anh i Flat Glass	1,000,000.00	2021 06 28	2022 12 20	Yes
The Compan[redacted]	Anh i Flat Glass	1,000,000.00	2021 06 28	2023 06 20	No
The Compan[redacted]	Anh i Flat Glass	1,000,000.00	2021 06 28	2023 12 20	No
The Compan[redacted]	Anh i Flat Glass	155,000,000.00	2021 06 28	2024 06 24	No
The Compan[redacted]	Anh i Flat Glass	100,000.00	2021 06 15	2022 06 15	Yes
The Compan[redacted]	Anh i Flat Glass	100,000.00	2021 06 15	2022 12 15	Yes
The Compan[redacted]	Anh i Flat Glass	100,000.00	2021 06 15	2023 06 15	No
The Compan[redacted]	Anh i Flat Glass	100,000.00	2021 06 15	2023 12 15	No
The Compan[redacted]	Anh i Flat Glass	229,500,000.00	2021 06 15	2024 12 15	No
The Compan[redacted]	Flat (Hong Kong)	104,356,650.00	2022 01 28	2023 01 27	No
The Compan[redacted]	Flat (Hong Kong)	3,373,350.00	2022 01 28	2022 08 25	Yes
The Compan[redacted]	Flat (Hong Kong)	7,099,200.00	2022 01 28	2022 10 24	Yes
The Compan[redacted]	Flat Import & E port	6,000,000.00	2022 12 30	2023 12 29	No

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

45. Related Parties and Related Party Transactions (Contin ed)

(11) Providing guarantees to related parties (Contin ed)

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2021
During last year					
The Compan	Zhejiang Jiaf	79,500,000.00	2020/07/21	2021/07/21	Yes
The Compan	Zhejiang Jiaf	5,000,000.00	2020/11/24	2021/10/29	Yes
The Compan	Zhejiang Jiaf	50,000,000.00	2021/10/29	2022/10/28	No
The Compan	Zhejiang Jiaf	110,000,000.00	2021/12/09	2022/06/08	No
The Compan	Zhejiang Jiaf	99,900,000.00	2021/03/04	2024/03/03	No
The Compan	Zhejiang Flat	22,510,905.00	2020/09/18	2021/03/17	Yes
The Compan	Anh i Flat Glass	4,000,000.00	2017/05/04	2022/12/25	No
The Compan	Anh i Flat Glass	9,756,056.00	2017/06/09	2022/12/25	No
The Compan	Anh i Flat Glass	31,597,604.03	2017/07/14	2022/12/25	No
The Compan	Anh i Flat Glass	9,461,900.00	2017/05/04	2021/12/25	Yes
The Compan	Anh i Flat Glass	14,009,702.95	2017/09/18	2021/04/01	Yes
The Compan	Anh i Flat Glass	14,413,700.00	2018/02/05	2022/04/01	No
The Compan	Anh i Flat Glass	6,107,203.21	2018/02/26	2021/04/01	Yes
The Compan	Anh i Flat Glass	7,523,628.00	2018/03/12	2021/12/25	Yes
The Compan	Anh i Flat Glass	6,195,070.00	2018/03/21	2021/12/25	Yes
The Compan	Anh i Flat Glass	1,000,000.00	2017/05/04	2022/12/25	No
The Compan	Anh i Flat Glass	4,060,214.00	2017/05/04	2022/12/25	No
The Compan	Anh i Flat Glass	7,443,700.00	2017/05/04	2022/12/25	No
The Compan	Anh i Flat Glass	4,106,000.00	2017/05/04	2022/12/25	No
The Compan	Anh i Flat Glass	6,910,195.00	2017/05/04	2022/12/25	No
The Compan	Anh i Flat Glass	17,470,000.00	2017/05/04	2022/12/25	No
The Compan	Anh i Flat Glass	4,999,288.64	2017/05/04	2022/12/25	No

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Contin ed)

45. Related Parties and Related Party Transactions (Contin ed)

(11) Providing guarantees to related parties (Contin ed)

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2021
The Compan[redacted]	Anh i Flat Glass	4,985,810.47	2018/02/09	2022/12/25	No
The Compan[redacted]	Anh i Flat Glass	4,900,000.00	2018/09/30	2022/12/30	No
The Compan[redacted]	Anh i Flat Glass	21,302,338.00	2019/09/19	2022/12/09	No
The Compan[redacted]	Anh i Flat Glass	50,000,000.00	2019/03/27	2022/12/20	No
The Compan[redacted]	Anh i Flat Glass	50,000,000.00	2019/04/08	2022/06/20	No
The Compan[redacted]	Anh i Flat Glass	50,000,000.00	2020/04/02	2021/04/01	Yes
The Compan[redacted]	Anh i Flat Glass	80,000,000.00	2020/04/24	2021/01/18	Yes
The Compan[redacted]	Anh i Flat Glass	70,000,000.00	2020/07/24	2021/07/23	Yes
The Compan[redacted]	Anh i Flat Glass	70,000,000.00	2020/08/04	2021/08/03	Yes
The Compan[redacted]	Anh i Flat Glass	150,000,000.00	2020/12/21	2021/12/17	Yes
The Compan[redacted]	Anh i Flat Glass	75,000,000.00	2021/02/03	2022/02/03	No
The Compan[redacted]	Anh i Flat Glass	229,900,000.00	2021/06/15	2024/06/15	No
The Compan[redacted]	Anh i Flat Glass	159,000,000.00	2021/06/28	2024/06/24	No
The Compan[redacted]	Anh i Flat Glass	10,000,000.00	2021/08/31	2022/08/24	No
The Compan[redacted]	Anh i Flat Glass	100,000,000.00	2021/11/23	2022/11/23	No
The Compan[redacted]	Flat (Hong Kong)	998,412,983.63	2020/05/06	2023/03/20	No

1. DETAILS OF EXTRA-ORDINARY PROFIT OR LOSS

The calc lation form of the details of e tra-ordinar profit or loss is prepared in accordance ith the rele ant pro isions of P blic Iss ance of Sec rities Companies Information Disclos re and Compilation R les Interpretati e Anno ncement No. 1 E tra-ordinar Profit or Loss (CSRC Anno ncement [2008] No. 43) iss ed b the China Sec rities Reg lator Commission.

RMB

Items	During the year
Gains on disposal of non-c rrent assets	**(8,899,606.56)**
Go ernment grants recorded in c rrent profit or loss (e cept for go ernment grants closel associated ith the b siness of the Compan in fi ed amo nt or fi ed q antit according to national policies) (Note)	**70,910,299.08**
Apart from hedging instr ments relating to the normal operations of the Compan , gain/loss from changes in fair al e of held-for trading financial assets, deri ati e financial assets and deri ati e financial liabilities, and in estment income from disposal of the abo e financial assets/liabilities and financing recei ables	**(3,469,282.36)**
Other non-operating income and e penses other than the abo e	**(2,339,421.37)**
S btotal	**56,201,988.79**
Effects of income ta	**(8,003,149.89)**
Effects of minorit interests	**–**
Total	**48,198,838.90**

Note: The go ernment grants incl ded in the c rrent profit and loss for the ear are: (1) Recei ed RMB379,773.84 of the social sec rit s bsid ; (2) Recei ed 21,337,800.00 of f nds for redemption of enterprise benefit polic for 2020; (3) Recei ed RMB18,739,360.00 of special f nds for science and technolog de elopment; (4) Recei ed RMB4,128,925.00 of the ind strial de elopment s bsid ; (5) Recei ed RMB2,987,293.49 of s bsidies for emplo ment stabili ation and e pansion; (6) Recei ed RMB2,500,000.00 of s bsidies for m nicipal reso rces and en ironment constr ction; (7) Recei ed foreign trade a ards of RMB2,099,000.00; (8) RMB12,710,376.58 of asset-related go ernment grants amorti ed and incl ded profit and loss for c rrent period. The abo e s bsid amo nt does not incl de the s bsid of distrib ted PV po er generation project of RMB5,928,708.68 and the ref nd income from handling fee for indi id al income ta of RMB613,380.32, hich are closel related to the Gro p's b siness and are fi ed or q antified in accordance ith national nified standards.

Supplementary Information

2. RETURN ON NET ASSETS AND EARNINGS PER SHARE

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

RMB

Items	2022	2021	2020	2019	2018
I. Total operating income	**15,460,843,227.36**	8,713,228,065.59	6,260,417,792.26	4,806,804,020.96	3,063,802,709.44
Less: Operating costs	**12,048,190,879.61**	5,620,391,966.94	3,600,864,085.34	3,517,642,435.22	2,341,603,779.32
Ta es and s rcharges	**134,772,326.23**	48,466,185.37	61,083,688.80	35,026,838.85	28,635,983.23
Selling e penses	**118,877,978.75**	85,724,646.32	47,632,079.18	27,205,988.86	19,485,823.41
General and administrati e e penses	**277,541,944.49**	221,778,736.93	172,349,032.43	121,498,560.29	117,786,385.22
Research and de elopment e penses	**523,230,185.51**	408,417,461.35	284,717,812.81	204,151,559.30	113,246,196.64
Financial e penses	**240,434,620.48**	52,518,443.24	141,528,692.18	53,129,460.34	1,611,581.32
Incl ding: Interest e pense	**338,235,144.15**	90,252,414.76	80,273,151.69	65,388,264.94	25,791,618.68
Interest income	**59,295,478.89**	37,314,406.92	16,412,291.81	17,902,429.34	18,599,358.49
Add: Other re en es	**77,452,388.08**	58,331,820.26	25,471,233.82	30,189,426.63	24,929,136.86
In estment income losses	**12,864,496.08**	31,886,225.40	5,675,836.26	6,908,081.15	(16,191,214.96)
Incl ding: Gains on in estment in associates	**7,566,505.74**	5,558,487.56	2,614,841.66		
Losses(gains) from changes in fair al es	**(1,828,707.98)**	(1,382,927.57)	1,245,626.59	(5,234,350.32)	13,259,290.30
Gains (losses) on credit impairment	**(39,074,459.18)**	23,554,616.85	(29,914,991.88)	(12,816,559.04)	(7,363,612.81)
Asset impairment losses	**(3,094,217.86)**	(10,202,178.73)	(71,783,469.77)	(14,697,934.51)	(2,589,390.06)
Gains (losses) on disposal of assets	**(8,899,606.56)**	3,599,005.34	(18,018,346.26)	(6,541,402.98)	5,040,070.63
II. Operating profit	**2,155,215,184.87**	2,381,717,186.99	1,864,918,290.28	845,956,439.03	458,517,240.26
Add: Non-operating income	**1,435,472.21**	2,674,782.95	12,889,216.85	16,897,963.68	7,757,924.37
Less: Non-operating e pense	**3,774,893.58**	4,176,927.50	3,899,465.44	184,158.59	129,905.64
III. Total profit	**2,152,875,763.50**	2,380,215,042.44	1,873,908,041.69	862,670,244.12	466,145,258.99
Less: Income ta e penses	**30,095,335.07**	260,295,716.01	245,124,254.06	145,426,535.45	58,830,542.68
IV. Net profit	**2,122,780,428.43**	2,119,919,326.43	1,628,783,787.63	717,243,708.67	407,314,716.31
Net profit attrib table to shareholders of the parent compan	**2,122,780,428.43**	2,119,919,326.43	1,628,783,787.63	717,243,708.67	407,314,716.31
Profit or loss attrib table to minorit interests	**–**				
V. Other comprehensive income, net of tax	**49,963,457.84**	13,594,620.59	(32,274,518.98)	10,620,833.40	11,271,623.87
Other comprehensi e income, net of ta attrib table to the o ners of the parent compan	**49,963,457.84**	13,594,620.59	(32,274,518.98)	10,620,833.40	11,271,623.87
(I) Other comprehensi e income that cannot be reclassified to profit or loss	**–**	(1,913,160.00)	(3,217,914.84)		
Changes in fair al e of other eq it instr ment 329i( )T53					
			(1,913,160.00)	(3,217,914.84)	
recllassified to			ill.025 Tc -25.167 -1.2 lassified(329i5.714 loss)]TJ/T1 1 Tf0 86004.529 0.15 Td( )Tj/T1 1 Tf0.025 Tc -0.025		

41.69)Tj11.Td4 -195290i0,833.40

Tw -71.3,036,8(27540,833.40)Tj10.394 510.(11625 26)Tj-77.453 -1.35 Td( )Tj1.025 0.15 Td(–)Tj0.025 Tc 0sive income25 -0.15 Td(rhe)25 ( )TJ0 -1.2 Td)-750 (owners of the parent 2 lassified(329i94 1 loss)]TJ/T1 1 Tf0 94 1 529 0.15 Td

Supplementary Information

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

RMB

Items	31 December 2022	31 December 2021	31 December 2020	31 December 2019	31 December 2018
Total Assets	**32,381,722,606.05**	20,082,917,100.50	12,265,800,375.02	9,392,280,569.91	6,953,549,102.12
Total Liabilities	**18,349,275,392.88**	8,272,748,027.71	5,031,057,735.17	4,879,392,181.91	3,284,895,438.09
Minority interests	**–**				