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福萊特玻璃集團股份有限公司

**Flat Glass Group Co., Ltd.**

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

**(Stock code: 6865)**

## **THIRD QUARTERLY REPORT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022**

This a ou ce e t is ade by the Co pa y pursua t to Rule 13.09 a d Rule 13.10B of the Rules Gover i g the Listi g of Securities o The Stock Excha ge of Ho g Ko g Li ited a d the I side I for atio Provisio s u der Part XIVA of the Securities a d Futures Ordi a ce (Chapter 571, Laws of Ho g Ko g).

Pursua t to the regulatio s of the Chi a Securities Regulatory Co issio (the “CSRC”), Flat Glass Group Co., Ltd (the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”) is required to publish a quarterly report for each of the first a d third quarters. This quarterly report was prepared i accorda ce with the releva t require e ts i relatio to i for atio disclosure of quarterly reports of listed co pa ies issued by the CSRC.

All fi a cial i for atio set out i this quarterly report is u audited a d prepared i accorda ce with the revised Chi ese Accou ti g Sta dards for Busi ess E terprises.

The audit co ittee of the Co pa y has reviewed the u audited results of the Group for the third quarter e ded 30 Septe ber 2022.

The co te ts of this quarterly report are co siste t with the a ou ce e t published o the Sha ghai Stock Excha ge. The quarterly report is origi ally prepared i Chi ese. I case of a y i co siste cy betwee the Chi ese versio a d the E glish versio , the Chi ese versio shall prevail.

## 1. IMPORTANT NOTICE

- 1.1 The board of directors, the supervisory committee, directors, supervisors and senior management of the Company warrant that the information contained in the quarterly report are true, accurate and complete, and there are no false statements, misleading representations or material omissions, and are jointly and severally responsible for the liabilities of the Company.
- 1.2 Ruan Hongliang (legal representative of the Company), Jiang Weijie (person-in-charge of accounting affairs) and Ji Huipeng (person-in-charge of the accounting department) warrant the truthfulness, accuracy and completeness of the content of this quarterly report.
- 1.3 The third quarterly report of the Company is unaudited.

## 2. KEY FINANCIALS

### 2.1 Major financial statements items and financial indicators

*Unit: RMB*

For the  
three months  
from 1 July

Items

	As at 30 September 2022	As at 31 December 2021	Increase/decrease compared to the end of last year (%)
Total assets	29,898,936,014.85	20,082,917,100.50	48.88
Equity attributable to owners' of the Company	13,748,265,000.38	11,810,169,072.79	16.41

*Note:* The “reporting period” equals the three months from 1 July 2022 to 30 September 2022. The same applies to the below.

## 2.2 Non-recurring item

Items	<i>Unit: RMB</i>	
	For the three months from 1 July 2022 to 30 September 2022	For the nine months ended 30 September 2022
Gain/(losses) on disposal of non-current assets	-196,894.43	-9,347,893.17
Government grants recorded as other income, except for government grants that are closely related to the Company's business or given at a fixed quota or amount in accordance with government policies	10,556,155.98	49,121,254.43
Apart from hedging instruments relating to the normal operations of the Company, profit or loss from change in fair value of held-for-trading financial assets and held-for-trading financial liabilities, and investment income from disposal of held-for-trading financial assets, held-for-trading financial liabilities and available-for-sale financial assets	-2,613,544.65	1,664,244.41
Other non-operating income/(expenses) other than above	786,885.50	-188,972.62
Less: Effects of income tax	1,243,468.63	6,292,970.52
Total	7,289,133.77	34,955,662.53

## 2.3 Changes in major financial statements item and financial indicators and reason thereof

✓Applicable      Not Applicable

Items	Increase/ decrease (%)	Main reasons for the changes
Operating revenue – for the reporting period	69.33	Mainly due to the increase in sales volume resulted from the release of new production capacity of PV glass, which was partially offset by the decrease in average sales price
Operating revenue – from beginning of the year to the end of the reporting period	76.96	Mainly due to the increase in sales volume resulted from the release of new production capacity of PV glass, which was partially offset by the decrease in average sales price
Net profit attributable to owners of the parent – from beginning of the year to the end of the reporting period	-12.38	Mainly due to the decrease in the average sales price of PV glass and significant increase in the cost of raw materials and energy
Net profit attributable to owners of the parent after deducting non-operating items – from beginning of the year to the end of the reporting period	-12.69	Mainly due to the decrease in the average sales price of PV glass and significant increase in the cost of raw materials and energy
Net cash flow from operating activities – from beginning of the year to the end of the reporting period	219.10	Mainly due to the increase in cash inflows from operating activities
Basic earnings per share – from beginning of the year to the end of the reporting period	-12.50	Mainly due to the decrease in net profit attributable to equity owners of the Company
Diluted earnings per share – from beginning of the year to the end of the reporting period	-13.75	Mainly due to the decrease in net profit attributable to equity owners of the Company
Total assets – as at the end of the reporting period	48.88	Mainly due to the proceeds of A share convertible bonds, the increase of fixed assets and the increase in financing rights resulting in the increase of current assets and non-current assets
Equity attributable to owners of the parent – as at the end of the reporting period	16.41	Mainly due to the increase in undistributed profit

### 3. SHAREHOLDERS' INFORMATION

#### 3.1 Total number of ordinary shareholders and preferred shareholders with voting rights resumed and shareholding of the top ten shareholders

Unit: share

Total number of ordinary shareholders at end of the reporting period (shareholder)	51,777	Total number of preferred shareholders with voting rights resumed at end of the reporting period (if any)	Nil			
<b>Shareholding of top ten shareholders</b>						
Name of shareholders	Nature of shareholders	Shareholding as at the period end	Percentage (%)	Restricted shareholding	Pledge, mark or locked-up Status	Number
HKSCC Nominees Limited 香港中央結算(代理人) 有限公司	Foreign legal person	449,942,880	20.96	0	Unknown	
Ruaha Holdings	Domestic natural person	439,358,400	20.46	0	Pledge	21,000,000
Ruazeyu	Domestic natural person	350,532,000	16.33	0	Nil	
Jiangjiahua	Domestic natural person	324,081,600	15.10	0	Nil	
Zhengweirong	Domestic natural person	46,801,800	2.18	0	Nil	
Zhu Qiang	Domestic natural person	31,201,200	1.45	0	Pledge	10,850,000
Shenfuqua	Domestic natural person	31,201,200	1.45	0	Nil	
HKSCC Nominees Limited	Foreign legal person	24,258,725	1.13	0	Nil	
Shanghai Pudong Development Bank Co., Ltd. – GF High-end Manufacturing Stock-type Initiating Securities Investment Fund	Domestic non-state-owned legal person	22,291,991	1.04	0	Nil	
Shanghai Ruiyag Investment Management Co., LTD. – Ruiyag Emerging Growth Private Equity Investment Fund	Domestic non-state-owned legal person	20,500,041	0.95	0	Nil	

### Shareholdings of top ten unrestricted shareholders

Name of shareholders	Number of unrestricted tradable shares held	Class of shares and number	
		Class	Number
HKSCC Nominees Limited 香港中央結算（代理人）有限公司	449,942,880	Overseas listed foreign shares	449,942,880
Rua Hongliang	439,358,400	RMB ordinary shares	439,358,400
Rua Zeyu	350,532,000	RMB ordinary shares	350,532,000
Jiang Jihua	324,081,600	RMB ordinary shares	324,081,600
Zheng Weirong	46,801,800	RMB ordinary shares	46,801,800
Zhu Quanqiang	31,201,200	RMB ordinary shares	31,201,200
Shen Fuqun	31,201,200	RMB ordinary shares	31,201,200
HKSCC Nominees Limited 香港中央結算有限公司	24,258,725	RMB ordinary shares	24,258,725
Shanghai Pudong Development Bank Co., Ltd. – GF High-end Manufacturing Stock-type Initiating Securities Investment Fund	22,291,991	RMB ordinary shares	22,291,991
Shanghai Ruiyuan Investment Management Co., LTD. – Ruiyuan Emerging Growth Private Equity Investment Fund	20,500,041	RMB ordinary shares	20,500,041
Details relating to the related relationship of the Above shareholders or the parties acting in concert		Mr. Rua Hongliang, Ms. Jiang Jihua, Ms. Rua Zeyu and Mr. Zhao Xiaofei are parties acting in concert. Mr. Zhao Xiaofei held 4,800,000 A shares. 485,000 H Shares held by Mr. Rua Hongliang, 973,000 H Shares held by Ms. Rua Zeyu and 111,000 H Shares held by Jiang Jihua have been calculated with HKSCC Nominees Limited.	
Explanation of top ten shareholders and top ten shareholders not subject to restriction on sale participations in any financial and securities related and related business (if any)		The shareholder of the company, Shanghai Ruiyuan Investment Management Co., LTD. – Ruiyuan Emerging Growth Private Equity Investment Fund, holds 20,500,041 shares of the Company through the credit securities account.	

*Note 1:* HKSCC Nominees Limited is the nominee holder on behalf of the non-registered shareholders of the H shares of the Company.

*Note 2:* The shares under Hong Kong Securities Clearing Company Limited are held by the non-registered shareholders of the Shanghai Stock Exchange.

*Note 3:* The shareholding listed here was extracted from the register of members of the Company as at 30 September 2022.

*Note 4:* As the Shares could be used as underlying securities for margin financing and securities lending, the shareholdings of the Shareholders are the aggregate of all the Shares and interests held in ordinary securities accounts and credit securities accounts.

## 4. QUARTERLY FINANCIAL STATEMENTS

### 4.1 Financial Statements

#### Consolidated Balance Sheet As at 30 September 2022

Prepared by Flat Glass Group Co., Ltd.

*Unit: RMB Type of audit: unaudited*

Items	As at 30 September 2022	As at 31 December 2021
<b>Current assets:</b>		
Cash at bank and on hand	3,142,143,264.45	2,842,677,267.48
Trading financial assets	600,000,000.00	200,000,000.00
Derivative financial assets		62,739.00
Notes receivables	2,400,444,702.90	939,748,112.41
Receivables	2,736,215,671.67	1,105,759,571.75
Financing receivables	376,854,207.78	531,196,547.78
Advance payment	486,562,541.65	692,261,958.13
Other receivables	93,346,420.55	54,999,617.97
Inventories	1,739,662,944.96	2,276,469,528.29
Other current assets	125,249,226.22	255,127,082.80
Total current assets	11,700,478,980.18	8,898,302,425.61
<b>Non-current assets:</b>		
Long-term equity investment	79,733,309.10	71,530,334.22
Investment properties	17,728,628.23	18,802,231.03
Fixed asset	9,130,187,893.87	6,316,279,511.19
Construction in progress	2,763,868,631.40	3,067,207,867.50
Right-of-use asset	176,635,308.94	170,070,872.22
Intangible assets	3,927,877,856.66	662,708,796.08
Long-term prepaid expenses	12,774,470.86	6,948,461.94
Deferred tax assets	3,373,135.73	4,162,665.30
Other non-current assets	2,086,277,799.88	866,903,935.41
Total non-current assets	18,198,457,034.67	11,184,614,674.89
Total assets	29,898,936,014.85	20,082,917,100.50



Items	As at 30 September 2022	As at 31 December 2021
<b>Current liabilities:</b>		
Short-term borrowings	3,014,599,770.84	1,860,696,500.00
Derivative financial liabilities	1,988,999.38	
Notes payables	788,782,888.60	1,036,982,577.72
Payables	3,499,002,629.32	2,306,910,116.65
Contract liabilities	97,838,409.48	352,681,717.14
Payroll payables	55,943,765.17	67,519,702.61
Tax payables	206,094,915.94	48,629,486.85
Other payables	660,648,558.58	136,664,417.03
Including: Interests payable	12,722,918.80	4,225,184.38
Dividends payable	791,200.00	791,200.00
Non-current liabilities due within one year	911,465,973.12	310,100,070.52
Other current assets	5,887,550.77	44,277,908.91
Total current liabilities	9,242,253,461.20	6,164,462,497.43
<b>Non-current liabilities:</b>		
Long-term borrowings	2,930,500,000.00	1,967,748,428.04
Bonds payables	3,691,450,030.09	
Lease liability	10,797,484.71	10,879,703.29
Long-term payables	130,893,939.13	
Deferred income	61,451,408.83	25,441,145.12
Deferred income tax liability	83,324,690.51	104,216,253.83
Total non-current liabilities	6,908,417,553.27	2,108,285,530.28
Total liabilities	16,150,671,014.47	8,272,748,027.71
<b>Owner's equity:</b>		
Share capital	536,723,313.50	536,723,313.50
Other equity instrument	333,235,286.91	
Capital surplus	4,856,664,055.94	4,832,768,261.83
Less: Treasury stock	24,570,200.00	32,096,200.00
Other comprehensive income	52,793,093.24	-7,613,180.72
Special reserve	26,003,465.64	17,266,053.61
Surplus reserve	268,361,656.75	268,361,656.75
Undistributed profit	7,699,054,328.40	6,194,759,167.82
Total equity attributable to owners of the parent company	13,748,265,000.38	11,810,169,072.79
Total owner's equity	13,748,265,000.38	11,810,169,072.79
Total liabilities and owners' equity	29,898,936,014.85	20,082,917,100.50

Legal representative: Rua Hongliang Person in charge of accounting function: Jiang Weijie  
Person in charge of accounting department: Ji Huiping

**Consolidated Income Statement**  
**For the nine months ended 30 September 2022**

Prepared by Flat Glass Group Co., Ltd.

*Unit: RMB Type of audit: unaudited*

Items	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021
<b>I. Total operating income</b>	11,214,719,651.52	6,337,267,597.37
Included: Operating revenue	11,214,719,651.52	6,337,267,597.37
<b>II. Total operating costs</b>	9,574,049,667.44	4,467,865,886.88
Included: Operating costs	8,738,029,621.04	3,890,993,469.39
Taxes and surcharges	82,256,801.26	30,340,609.54
Selling expenses	73,587,579.22	83,327,908.51
General and administrative expenses	199,827,695.16	155,345,617.83
Research and development expenses	384,913,278.71	303,236,157.80
Financial expenses	95,434,692.05	4,622,123.81
Included: Interest expenses	207,418,003.35	57,728,223.46
Interest income	50,496,142.95	36,210,850.21
Add: Other income	53,739,204.17	40,213,585.39
Investment income (loss stated with "-")	4,159,230.91	25,236,719.77
Included: Gains on investment in associates and joint ventures	4,546,724.88	3,009,980.60
Profit arising from changes in fair value (loss stated with "-")	-2,051,738.38	-1,744,629.89
Loss on credit impairment (loss stated with "-")	-32,903,007.18	20,451,405.33
Loss on assets impairment (loss stated with "-")	-3,998,363.16	-12,371,307.56
Gain on disposal of assets (loss stated with "-")	-9,347,893.17	3,349,838.44
<b>III. Operating profit (loss expressed with "-")</b>	1,650,267,417.27	1,944,537,321.97
Add: Non-operating income	2,144,086.36	4,816,984.44
Less: Non-operating expenses	2,333,058.98	1,140,211.48
<b>IV. Total profit (total loss expressed with "-")</b>	1,650,078,444.65	1,948,214,094.93
Less: Income tax expense	145,783,284.07	231,362,074.78

Items	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021
<b>V. Net profit (net loss expressed with “-”)</b>	1,504,295,160.58	1,716,852,020.15
(I) Classified on a going concern basis		
1. Net profit from continuing operations (net loss stated with “-”)	1,504,295,160.58	1,716,852,020.15
(II) Classified by attribution of the ownership		
1. Net profit attributed to shareholders of parent company (net loss expressed with “-”)	1,504,295,160.58	1,716,852,020.15
<b>VI. Other comprehensive income, net of tax</b>	60,406,273.96	11,557,675.03
(I) Net amount of other comprehensive income after tax attributable to the shareholders of parent company	60,406,273.96	11,557,675.03
1. Other comprehensive income to be not reclassified to profit or loss		-966,722.50
(1) Changes in fair value of other equity instruments		-966,722.50
2. Other comprehensive income to be reclassified to profit or loss	60,406,273.96	12,524,397.53
(1) Conversion difference of foreign currency statement	59,064,604.46	11,684,218.40
(2) Other	1,341,669.50	840,179.13
<b>VII. Total comprehensive income</b>	1,564,701,434.54	1,728,409,695.18
(I) Total comprehensive income attributable to parent company	1,564,701,434.54	1,728,409,695.18
<b>VIII. Earnings per share</b>		
(I) Basic earnings per share	0.70	0.80
(II) Diluted earnings per share	0.69	0.80

For the business combination under common control effected in the current period, the net profit recognized by the merged party before the combination was RMB0, and the net profit recognized by the merged party in the previous period was RMB0.

Legal representative: Rua Hongliang Person in charge of accounting function: Jiag Weijie  
Person in charge of accounting department: Ji Huiping

**Consolidated Statement of Cash Flow**  
**For the nine months ended 30 September 2022**

Prepared by Flat Glass Group Co., Ltd.

*Unit: RMB Type of audit: un audited*

Items	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021
<b>I. Cash flow from operating activities:</b>		
Cash received from sale of goods or rendering of services	5,556,000,426.87	3,591,585,177.90
Cash received from refunds of taxes	96,824,370.26	197,912,768.86
Cash received relating to other operating activities	155,879,423.24	75,748,711.99
Subtotal of cash inflows from operating activities	5,808,704,220.37	3,865,246,658.75
Cash paid for goods and services	3,366,148,830.75	3,333,427,352.56
Cash paid to and on behalf of employee	502,750,256.06	314,813,682.34
Cash paid for payments of taxes and surcharges	438,184,843.15	480,501,670.95
Cash paid relating to other operating activities	429,231,381.79	636,932,897.83
Subtotal of cash outflows from operating activities	4,736,315,311.75	4,765,675,603.68
Net cash flow from operating activities	1,072,388,908.62	-900,428,944.93
<b>II. Cash flow from investing activities</b>		
Cash receipts from disposal of investments	300,000,000.00	2,050,000,000.00
Cash received from disposal of investments	2,200,396.03	23,273,837.86
Net cash received from disposal of fixed assets, intangible assets and other long-term equity investment	8,910,560.01	13,467,268.65
Cash received relating to investing activities	24,892,731.52	67,161,439.65
Subtotal of cash inflows from investing activities	336,003,687.56	2,153,902,546.16
Cash paid to purchase fixed assets, intangible assets and other long-term assets payable	3,990,976,529.63	2,980,745,217.52
Cash paid to investment	704,500,000.00	2,050,000,000.00
Net cash paid for acquisition of subsidiaries and other operating	2,803,965,670.84	
Cash paid relating to other investing activities	56,578,874.38	25,679,856.10
Subtotal of cash outflows from investing activities	7,556,021,074.85	5,056,425,073.62
Net cash flow from investing activities	-7,220,017,387.29	-2,902,522,527.46

Items	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021
<b>III. Cash flow from financing activities:</b>		
Cash received from capital contribution		2,509,960,996.79
Cash received from issued bonds	3,978,000,000.00	
Cash received from borrowings	5,491,891,470.84	3,102,378,042.43
Cash received relating to other financing activities	1,145,381,098.42	784,405,415.17
Subtotal of cash inflows from financing activities	10,615,272,569.26	6,396,744,454.39
Cash paid for payment of borrowings	2,949,994,600.00	997,501,414.78
Cash paid for distribution of dividends, and profits or payment of interest	142,003,967.60	384,806,224.98
Cash paid relating to other financing activities	1,184,910,480.15	1,164,450,702.67
Subtotal of cash outflows from financing activities	4,276,909,047.75	2,546,758,342.43
Net cash flow from financing activities	6,338,363,521.51	3,849,986,111.96
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	67,571,959.41	-4,099,811.18
<b>V. Net increase in cash and cash equivalents</b>	258,307,002.25	42,934,828.39
Add: cash and cash equivalents at beginning of period	2,101,730,679.46	1,146,171,930.13
<b>VI. Cash and cash equivalents at end of period</b>	2,360,037,681.71	1,189,106,758.52

Legal representative: Rua Hongliang  
 Personal charge of accounting officer: Jiag Weijie  
 Personal charge of accounting officer: Ji Huiping

Jiag, Zhejiang Province, People's Republic of China  
 27 October 2022

*As at the date of this announcement, the executive directors of the Company are Mr. Rua Hongliang, Ms. Jiag Jihua, Mr. Wei Yezhong and Mr. She Qifu, and the independent non-executive directors of the Company are Ms. Xu Pa, Ms. Hua Fula and Ms. Ng Yau Kuei Caroline.*