福莱特玻

Corporate Information

DIRECTORS

Executive directors
Mr. Ran Hongliang
(Chairman of the Board of Directors)
Mr. Jiang Jinhua
Mr. Wei Yezhong
Mr. Shen Qifu

Independent non-executive directors
Mr. Xu Pan
Mr. Hua Fulan
Mr. Ng Yat Kwen Carmen

SUPERVISORS
Mr. Zheng Wenlong
(Chairman of the Board of Supervisors)
Mr. Shen Fuyan
Mr. Zhu Qianming
Mr. Ni Liqing
Mr. Zhang Haizhen

AUDIT COMMITTEE
Mr. Xu Pan *(Chairman)*
Mr. Hua Fulan
Mr. Ng Yat Kwen Carmen

REMUNERATION COMMITTEE
Mr. Xu Pan *(Chairman)*
Mr. Ran Hongliang
Mr. Hua Fulan

NOMINATION COMMITTEE
Mr. Xu Pan *(Chairman)*
Mr. Ran Hongliang
Mr. Hua Fulan

STRATEGIC DEVELOPMENT COMMITTEE
Mr. Ran Hongliang *(Chairman)*
Mr. Wei Yezhong
Mr. Xu Pan

RISK MANAGEMENT COMMITTEE
Mr. Ran Hongliang *(Chairman)*
Mr. Jiang Jinhua
Mr. Hua Fulan

COMPANY SECRETARY
Mr. Ran Zengyun

AUTHORISED REPRESENTATIVES
Mr. Ran Hongliang
Mr. Ran Zengyun

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC
1999 Yunhe Road
Xiasha District
Jiaxing
Zhejiang Province
People's Republic of China (the PRC)

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Unit 6, 11/F, Poonphey Place
6 Shing Yip Street, Kwun Tong
Kowloon
Hong Kong

CORPORATE WEBSITE
www.flatglo[illegible].com.cn

LEGAL ADVISERS AS TO HONG KONG LAW
Morgan, Lewis & Bockius

AUDITORS
Deloitte Touche Tohmatsu
Certified Public Accountants LLP

PRINCIPAL BANKERS
Bank of China Limited, Jiaxing Branch
China CITIC Bank Corporation Limited, Jiaxing Branch
Industrial and Commercial Bank of China Limited, Jiaxing Branch
Bank of China Limited, Fengyang Branch
Citibank, N.A., Hong Kong Branch
DBS Bank (Hong Kong) Limited

H SHARE REGISTRAR
Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Financial Summary

	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Operating revenue	**7,304,491.34**	4,028,022.49
Operating cost	**5,650,508.67**	2,245,213.46
Gross profit	**1,653,982.67**	1,782,811.03
Total profit	**1,097,398.83**	1,445,914.74
Income tax expense	**94,650.96**	184,884.75
Net profit	**1,002,747.88**	1,261,029.99

	As at	As at
	30 June 2022	31 December 2021
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Non-current assets	**16,628,524.13**	11,184,614.67
Current assets	**12,129,913.81**	8,898,302.43
Current liabilities	**8,467,777.31**	6,164,462.50
Net current (liabilities) assets	**3,662,136.50**	2,733,839.93
Total assets less current liabilities	**28,749,970.16**	13,918,454.60
Net assets	**13,200,226.90**	11,810,169.07
Share capital	**536,723.31**	536,723.31
Undistributed profit	**7,197,507.04**	6,194,759.17
Total equity	**13,200,226.90**	11,810,169.07

Management Discussion and Analysis

BUSINESS OVERVIEW

Fla Gla G o Co., Ld. (he Com an) and i b idia ie (oge he ih he Com an , he G o) a e inci all engaged in he man fac ing and ale of a io gla od c , incl ding PV gla , floa gla , a chiec al gla and ho ehold gla . The od c ion facili ie of he G o a e a egicall loca ed in Jia ing, Zhejiang P o ince, Feng ang Co n , Ch -zho , Anh i P o ince in he PRC and Hai hong, Vie nam. The G o mainl ell gla od c o c ome in co n ie incl ding China, Vie nam, Singa o e, Ko ea, India, Ge man , T ke , Me ico and he Unied S a e .

1. Domestic expansion in Anhui Province, the PRC

The Ann al od c ion of 750,000 on of ola e i men l a-hin and l a-high- an a en anel man fac ing ojec of Zhejiang Jia ing P od c ion Ba e e e en he ojec of ing he oceed f om he i ance of 2021 A ha e con e ible co o a e bond of he Com an (II P ojec of Jia ing P od c ion Ba e), incl ding o PV gla od c ion line ih a dail mel ing ca aci of 1,200 on , and e e igni ed and in o od c ion in he fi a e of 2022, e ec i el .

In addi ion, o he ojec nde con c ion of he G o a e og e ed ead il a a e l of he boom of PV ind a a hole and im o ing diffe en ia ed need of do n eam c ome fo la ge- i e and hin gla .

2. Cold repair and reconstruction of the existing furnaces

In o de o f he inc ea e he od c ion efficienc , he G o ha a ed he cold e ai and econ c ion of one PV gla f nace a Jia ing P od c ion ba e, Zhejiang P o ince, he PRC ih a dail mel ing ca aci 600- on, and i ha fini hed he cold e ai and igni ed in he fi a e of 2022.

3. Successful bidding for the mining rights

In order to further increase mineral resource reserves and secure the impact of the price fluctuation in the raw and auxiliary material on product cost and financial results of the Company, on 1 August 2022, Anhui Flat Glass, a wholly-owned subsidiary of the Company and Chuzhou Natural Resources and Planning Bureau (滁州市自然資源和規劃局) entered into the mining right assignment contract, pursuant to which, Anhui Flat Glass won the bid for the mining right of the thirteenth new segment of a quartzite mine for glass located at Linghan-Mijihan Mining Zone, Fengyang County, Anhui Province, from Chuzhou Natural Resources and Planning Bureau through public listing-for-sale at a consideration of RMB3.38 billion.

4. Acquisition of entire equity interest of Sanli Mining and Dahua Oriental Mining

The Company entered into an equity transfer agreement and a supplemental agreement to the equity transfer agreement with Anhui Fenghai Mining Company Limited (Fenghai Mining) on 27 October 2021 and 13 February 2022 respectively. It is determined that the Company acquired the entire equity interest of Anhui Dahua Oriental Mining Company Limited (Dahua Oriental Mining) and Anhui Sanli Mining Company Limited (Sanli Mining) (together the Target Companies) for a total consideration of RMB3,343,947,600.

The Company has completed the corresponding industrial and commercial registration procedures for the change in February 2022. Target Companies have become wholly-owned subsidiaries of the Company, which were directly held as to both 100% by the Company. The acquisition of the Target Companies were completed in 2022.

The strategy of the acquisition is mostly based on the long-term benefits. With the increasing customers' order, the Company's PV glass production capacity has expanded steadily, so the demand of the Company for raw and main auxiliary materials for PV glass production, has significantly. At the same time, with the rapid growth of PV glass industry, high-quality raw and with limited origin distribution will become a scarce resource. The control of high-quality and stable raw and is the guarantee for the development of PV glass enterprises.

5. Update on A Share Convertible Bonds issuance

On 16 J ne 2021, the Com an anno nced the lan to i e A ha e con e ible bond in the PRC fo a total amo n of not mo e than RMB4,000 million (A Sha e Con e ible Bond)ẅ hich a e con e ible into ne ẅ A ha e of the Com an (A Sha e). CSRC Main Boa d I ance A o al Commi ee (中國證監會主板發行審核委員會) e ie ẅ ed the a lica ion of the Com an fo the o o ed i ance of A ha e con e ible bond on 30 Ma ch 2022. Acco ding to the e l of the e ie ẅ bli hed on the ẅ eb ite of CSRC, the Com an ' a lica ion fo the o o ed i ance of A ha e con e ible bond ha been a o ed and ẅ itten a o al f om CSRC ẅ a ecei ed b the Com an . S ch blic i ance of A ha e con e ible bond amo n ed to RMB4 billion in e m of a al e ẅ ith a e m of i ea . The i ance of A ha e con e ible bond ẅ a com le ed in Ma 2022. The A ha e con e ible bond nde thi i ance ẅ e e ẅ ith a nominal al e of RMB100 and ẅ e e i ed a a . The b c i tion f nd fo the A ha e con e ible bond nde thi i ance to aled RMB4,000,000,000.00. Af e ded c ing the i ance fee of RMB23,078,799.67, the ne f nd ai ed ẅ e e RMB3,976,921,200.33.

6. Non-public Issuance of A Shares

On 1 J ne 2022, the Boa d a o ed the o o ed non- blic i ance of A ha e ẅ hich ẅ a al o a o ed b ha eholde a the 2022 Fi t e t ao dina gene al meeting, the 2022 Fi t A ha e cla meeting and the 2022 fi t H ha e cla meeting held on 29 J l 2022. The ele ant ma e ial hall be bject to the con ide a ion and a o al f om the CSRC. A of the da e of thi in e im e o t, the non- blic i ance of A ha e ha not been com le ed.

7. 2021 A share option incentive scheme

On 17 A g t 2021, the Com an anno nced the lan to im lement an A ha e o tion incenti e cheme (Scheme).

The inci al te m of the Scheme a e a follo :

a. Purpose of the Scheme

A incenti e o a d to eligible a tici ant fo thei cont ib tion to the Com an to f the im o e the co o ate go e nance t c e of the Com an , e tabli h and enhance the long-te m incenti e and con t aint mechani m of the Com an , att act and etain talent , f ll mobilize the oacti ene and c eati ite of the enio and mid-le el management and technical e onnel of the Com an , effecti el omote the cohe i ene of the co e team and the co e com eti i ene of the ente i e, effecti el align the inte e t of ha eholde , the Com an and the co e management team, enabling all a tie to foc on the long-te m de elo ment of the Com an , and en e the achie ement of the de elo ment t ategie and o e ation objecti e of the Com an .

b. Eligible participants of the Scheme

Pa tici ant of the Scheme a e the enio and mid-le el management and technical e onnel of the Com an . The Rem ne ation Committee e a ed a li t of eligible co e of the a tici ant of the Scheme and the li t a e ie ed and confi med b the S e i o Committee. None of the a tici ant of the Scheme i a Di ecto o S e i o of the Com an .

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

The n mbe of ha e o tion o o ed to be g anted nde the Scheme i 5,947,858, e e enting a o imate 0.28% of the total i ed ha e ca ital of 2,146,893,254 Sha e of the Com an a at the date of thi e o t, among hich, the fi t g ant of ha e o tion con i t of 5,353,072 ha e , e e enting a o imate 0.25% of the total i ed ha e ca ital of 2,146,893,254 ha e of the Com an a at the date of thi e o t and 90% of the total n mbe of ha e o tion nde the g ant; the e e ed ha e o tion con i t of 594,786 ha e , e e enting a o imate 0.03% of the total i ed ha e ca ital of 2,146,893,254 ha e of the Com an a at the date of thi e o t and 10% of the total n mbe of ha e o tion nde the g ant.

Exercise Arrangement	Exercise Period	Proportion of exercisable Share Options to the total number of Share Options granted
Thi d E e ci e Pe iod	Commencing f om the fi t t ading da af.e the e i of the 36.h mon.h f om the Da.e of G an. of the Fi t G an. of Sha e O tion , and ending on the la t t ading da of the 48.h mon.h f om the Da.e of G an.	20%
Fo th E e ci e Pe iod	Commencing f om the fi t t ading da af.e the e i of the 48.h mon.h f om the Da.e of G an. of the Fi t G an. of Sha e O tion , and ending on the la t t ading da of the 60.h mon.h f om the Da.e of G an.	20%
Fif.h E e ci e Pe iod	Commencing f om the fi t t ading da af.e the e i of the 60.h mon.h f om the Da.e of G an. of the Fi t G an. of Sha e O tion , and ending on the la t t ading da of the 72.h mon.h f om the Da.e of G an.	20%

The e e ci e a angemen. fo the Re e ed Sha e O tion :

Exercise Arrangement	Exercise Period	Proportion of exercisable Share Options to the total number of Share Options granted
Fi t E e ci e Pe iod	Commencing f om the fi t t ading da af.e the e i of the 12.h mon.h f om the Da.e of G an. of the Re e ed Sha e O tion , and ending on the la t t ading da of the 24.h mon.h f om the Da.e of G an.	20%

Exercise Arrangement	Exercise Period	Proportion of exercisable Share Options to the total number of Share Options granted
Second E e ci e Pe iod	Commencing f om the fi t t ading da af.e the e i of the 24.h mon.h f om the Da.e of G an. of the Re e ed Sha e O tion , and ending on the la t t ading da of the 36.h mon.h f om the Da.e of G an.	20%
Thi d E e ci e Pe iod	Commencing f om the fi t t ading da af.e the e i of the 36.h mon.h f om the Da.e of G an. of the Re e ed Sha e O tion , and ending on the la t t ading da of the 48.h mon.h f om the Da.e of G an.	20%
Fo th E e ci e Pe iod	Commencing f om the fi t t ading da af.e the e i of the 48.h mon.h f om the Da.e of G an. of the Re e ed Sha e O tion , and ending on the la t t ading da of the 60.h mon.h f om the Da.e of G an.	20%
Fif.h E e ci e Pe iod	Commencing f om the fi t t ading da af.e the e i of the 60.h mon.h f om the Da.e of G an. of the Re e ed Sha e O tion , and ending on the la t t ading da of the 72.h mon.h f om the Da.e of G an.	20%

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

U on the f lfillmen. of condi.ion of the e e ci e of the Sha e O tion , the Sha e O tion a e e e ci able in fi e. anche on e i of 12 mon.h f om the Da.e of G an..

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

The e i no amo nt a able on a lica.ion o acce tance of the o tion and the e i no time e i emen. fo ₹ hich a men. m t o ma be made.

h. The basis of determining the exercise price

The e e ci e ice nde the Fi t G an. of Sha e O tion hall no. be le than the nominal al e of the Sha e and in inci le the highe of:

(i) the a e age t ading ice of the A ha e of the Com an on the t ading da immedia.el eceding the da.e of anno ncemen. of the Scheme (d af.), being RMB44.02 e Sha e;

(ii) the a e age t ading ice of the A ha e of the Com an fo the 120 t ading da immedia.el eceding the da.e of anno ncemen. of the Scheme (d af.), being RMB34.90 e Sha e.

The E e ci e P ice of the Re e ed Sha e O tion hall be adj ted to be iden.ical to the E e ci e P ice nde the Fi t G an. of Sha e O tion , being RMB44.02 e Sha e.

i. The remaining life of the Scheme

The Validi. Pe iod of the Scheme commenced f om the Da.e of G an. of the Sha e O tion , and hall end on the da.e on ₹ hich all the ha e o tion g an.ed to the a tici an. nde the Scheme ha e been e e ci ed o cancelled, and hall no. be longe than 72 mon.h .

j. Accounting policy adopted for the share options

The date of the g ant i 19 No embe 2021. On each balance heet date ithin the e ting e iod, the Com an hall ecognize the ele ant a et co t o c ent e en e fo the e ice ac i ed d ing ch e iod and hall be ecognized nde Ca ital Re e e Othe Ca ital Re e e at the fai al e of the ha e o tion on the Date of G ant ba ed on the be t e timate of the n mbe of e e ci able ha e o tion .

If the e e ci e condition a e met on the E e ci e Date, the ha e o tion can be e e ci ed and ca ied fo a d to the Ca ital Re e e Othe Ca ital Re e e ecognized on each balance heet date befo e the E ci e Date; if all o a t of the ha e o tion become in alid o a e aboli hed d e to fail e to e e ci e, it hall be t eated in acco dance ith acco nting tanda d and elated eg lation .

A fo the acco nting t eatment afte the e e ci e date, no adj tment hall be made to the confi med co t and total o ne ' e it .

In acco dance ith the ele ant e i ement of the Acco nting Standa d fo B ine Ente i e No. 11 Sha e-ba ed Pa ment (企業會計準則第11號 股份支付) and the Acco nting Standa d fo B ine Ente i e No. 22 Recognition and Mea ement of Financial In t ment (企業會計準則第22號 金融工具確認和計量), the Com an e the Black-Schole model (BS model) a the icing model, and the Com an e thi model to make an e timation on the fai al e of the ha e o tion g anted ba ed on 17 A g t 2021 (official calc lation ill be cond cted at the time of g ant). The ecific a amete a e elected a follo :

(i) P ice of ta get ha e : RMB42.89 e ha e (clo ing ice on 17 A g t 2021)

(ii) Validit Pe iod: 1 ea , 2 ea , 3 ea , 4 ea and 5 ea , e ecti el (e iod commencing f om Date of G ant and ending on the fi t date of e e ci e fo each e ecti e e iod)

(iii) Hi to ic olatilit : 14.73%, 17.44%, 18.71%, 17.92% and 16.55% (ann alized olatilit fo the co e onding e iod of SSE Com o ite Inde)

(i) Ri k-f ee inte e t ate: 1.50%, 2.10% and 2.75% (ba ed on one- ea , o- ea , th ee- ea , th ee- ea and abo e RMB de o it benchma k inte e t ate, e ecti el , of financial in tit te de elo ed b the Peo le' Bank of China)

On 26 No embe 2021, the Com an anno nced the fi t g ant of 5,341,072 ha e of A ha e o tion incenti e cheme to 288 a tici ant at an e e ci e ice of RMB44.02 e ha e. The detail of the Fi t G ant of the 2021 A Sha e O tion a e a follo :

a. *Date of g ant*

19 No embe 2021

b. *N mbe of g ant*

5,341,072

c. *N mbe of a tici ant of g ant*

288

d. *Connected e on a a tici ant*

E ce t fo M . Zh Y ing (祝宇平), on of M . Zh Q anming (祝全明), a S e i o of the Com an th a connected e on of the Com an , none of the a tici ant i a connected e on of the Com an a defined nde Cha te 14A of the Li ting R le . A total of 40,000 ha e o tion e e g anted to M . Zh Y ing nde the Fi t G ant of Sha e O tion to the a tici ant .

e. *E e ci e ice and e e ci e e iod*

RMB44.02 e ha e. In the e ent of ca italization of ca ital e e e , bon i e, di idend di t ib tion, bdi i ion o con olidation of ha e , igh i e, etc. of the Com an d ing the e iod f om the date of the anno ncement of the Scheme to the com letion of ha e egi t ation of ha e o tion b the a tici ant , the e e ci e ice and the total n mbe of nde l ing ha e in ol ed o ld be adj ted in acco dance ith the Scheme.

Fo detail of the e e ci e e iod of the Fi t G ant of Sha e O tion , lea e efe to the de c i tion abo e.

f. Clo ing ice of the A ha e on the da e of immedia el befo e the da e of g an

RMB46.55 e ha e

g. So ce of ha e

A ha e of the Com an to be di ec l i ed to the a tici an b the Com an

h. Ve ing e iod

All ha e o tion g an ed to the a tici an a e bjec to diffe en e ting e iod , and each of them commence on the da e on hich the egi t a ion of the g an of ha e o tion i com le ed. The inte al be een the Da e of G an and the fi t e e ci e da e hall no be le than 12 mon h .

The Pa tici an of the Scheme ma e e ci e ha e o tion on the e i a ion of the e ting e iod. The e e ci e da e m t be a t ading da ithin the Validi Pe iod of the Scheme, and hall no fall ithin the e iod ohibi ed f om e e ci ing igh of ha e o tion b the li ting le of the tock e change he e the Com an ' Sha e a e li ted.

The to al o t tanding ha e o tion a a 1 Jan a 2021 and 31 Decembe 2021 e e nil and 5,341,072, e ecti el . Fo the da e of g an , e ting e iod, e e ci e e iod and e e ci e ice of the ele an o t tanding o tion a a 31 Decembe 2021, lea e efe to the abo e a ag a h . D ing the Re o ting Pe iod, the e e e no o tion e e ci ed, o la ed. Boa d mee ing g an ed 5,341,072 ha e o tion to 288 Pa tici an nde the fi t g an . Befo e com le ion of egi t a ion of the ha e o tion on 13 Jan a 2022, 5 Pa tici an ga e he e 95,600 ha e o tion e e cancelled, e ting the adj ted n mbe of a tici an a 283 ith the adj ted fi t g an of ha e o tion a 5,245,472 ha e o tion .

The fai al e of the 5,245,472 ha e o tion g ant ed d ing the Re o ting Pe iod amo nt ed to RMB47.2396 million, mea ed a at the date of the g ant. S ch mea ement i ba ed on the Black-Schole o tion icing model and the follo ing a m tion : Whe e the em lo ee ha e to meet e ting condition befo e becoming nconditionall ent tled to the o tion , the total e timated fai al e of the o tion i ead o e the e ting e iod, taking into acco nt the obabilit that the o tion ill e t. The fai al e of ch ha e o tion g ant ed i bjecti e and nce tain a the a e bject to the a m tion de c ibed abo e and a e limited to the model ado ted. Fo the acco nting olicie of ch ha e o tion , lea e efe to the e io a ag a h .

INDUSTRY REVIEW

Industry half-year review

PV industry faced increasing challenges during development

Dome ticall , in the fi t half of 2022, alt ho gh ilicon od ction ca acit a elea ed, the e a a ob t demand at home and ab oad. A a e l , ilicon ice e e at a high le el and con in ed to i e, e en hitting a eco d high, leading to inc ea ing ice ac o the main ind t chain hile com omi ing the demand fo in tallation of dome tic cent ali ed o e lant to a ce tain e tent. Ho e e , the di t ib ted o e lant e e in talled e ten i el . Acco ding to tati tic of China Pho o oltaic Ind t A ociation, nea l 70% of the ne in tallation in the fi t half of the ea e e di t ib ted o e lant ith ela i el lo ice en iti it .

Inte nationall , t ade f iction occ f om time to time in a io co n ie and egion . Fo e am le, the e o t of mod le f om China to the United State i bject to Anti-d m ing and Anti-co nte ailing D tie and Section 201 ta iff , hile e o t f om So thea t A ia to the United State a e bject to Section 201 ta iff and WRO detention i k . In addition, f om 1 A il 2022, India im o ed a ne Ba ic C tom D t (BCD) on im o t of ola cell and mod le , ith a ta iff ate of 40% fo PV mod le and 25% fo PV cell . F e ent inte national f iction ha al o had an im act on the global de elo ment of the PV ind t .

Amid t the ola ile ind t and inte national land ca e, the Com an al o e o ted a high le el of a io co t in the fi t half of the ea . The co t of ene g , ch a nat al ga , o e ignificantl d e to the e cala ion of geo olitical ten ion ch a the R ia-Uk aine conflict; the ice of b lk commodit ie ch a f el oil and oda a h al o ged d e to inflation and mi match be een l and demand; additionall , the e a a tem o a inc ea e in f eight co t in A il and Ma thi ea d e to the ec ing COVID-19 andemic in China. Con e enl , the Com an faced ce tain co t e e on a mate ial and f el .

PV industry saw a thriving trend through overcoming challenges

De ite facing challenge nde the conte t at dome tic and ab oad, the PV ind t con.in ed to ho n ecedented e ilience to b a e m li le challenge , ith booming in talled demand do n t eam.

Acco ding to the tati tic of China National Ene g Admini t ation and China Photo oltaic Ind t A ociation, a of 30 J ne 2022, the dome tic PV in tallation ca acit a 30.88GW, e e enting an inc ea e of 137.4% ea -on- ea , PV mod le e o t ol me a 78.6GW, e e enting an inc ea e of 74.3% ea -on- ea , and the total e o t amo nt of PV od ct (ilicon afe , cell , mod le) a a o imatel US$25.9 billion, e e enting an inc ea e of 113% ea -on- ea ; and o e ea PV in tallation demand contin ed to be in high g o th. The e a e o cont ib ting facto : fi t l , fa o able olicie e e im lemented globall . Acco ding to the REPOWER EU Plan anno nced b the E o ean Commi ion in Ma 2022, fo e am le, the 2030 ene able ene g ta get ill be ai ed f om 40% to 45%, and a ecial EU ola t ateg ill be in lace to do ble the ola PV ca acit b 2025 and each an in talled ca acit of 600GW b 2030; econdl , d e to the im act of ene g ho tage, the demand fo ene g inde endence in E o e i g o ing, and i ing ene g ice a e d i ing high elect icit ta iff . A a e lt, the o e ea PV ma ket a in f ll bloom, and the in talled demand in EU co n ie , B azil, India, etc. al o o t e fo med ma ke e ectation . In the fi t half of 2022, the ne in talled ca acit of B azil and India eached 3,010MW, e e enting an inc ea e of 77.51% ea -on- ea , and 8.36GW, e e enting an inc ea e of 71.61% ea -on- ea , e ecti el .

To ati f the demand fo PV gla f om the a id de elo ment of PV in tallation , the Com an commenced the o e ation of o PV gla f nace ith a dail melting ca acit of 1,200 ton / da at it Jia ing P od ction Ba e in the fi t half of 2022. Mean hile, the PV gla f nace ith a dail melting ca acit of 600 ton /da at it Jia ing od ction Ba e a cold e ai ed in the fi t half of 2022.

FUTURE PROSPECT

With the elea e of ilicon od ction ca acit in econd half of the ea , the demand fo in talled ca acit do n t eam ill be f the enco aged. A ca bon ne t alit ha become a global con en and ne ene g gene ation i becoming an ine itable ath a and g o ing t end, the PV ind t ha ente ed a mat e tage of de elo ment and ill the efo e contin e to g o a idl in the coming ea .

To kee ab ea t of the de elo men of the ind t and e and it ma ke ha e, the Com an i e edi ing the od c ion ca aci e an ion of PV gla . U to no , the to al od c ion ca aci of o PV gla i 15,800 ton /da , and Pha e III and Pha e IV oje of Anh i od c ion ba e a e ill nde con t c ion. In addi ion, the Pha e V oje of Anh i od c ion ba e and the Nan ong oje a e ending a o al. U on thei a o al, the Com an will eed thei con t c ion og e .

F the mo e, the Com an will con olida e it com e i i e ad an age and leading o i ion th o gh con tan l o imiza ion of the od c t c e of PV gla and f the inc ea ing the ma ke ha e of hin and la ge- i ed gla .

FINANCIAL REVIEW

Fo the i month ended 30 J ne 2022, the G o benefi ed f om the demand g th in the PV gla ma ke and the elea e of ne od c ion ca aci , and it o e a ing e en e eached a ne high. Fo the i month ended 30 J ne 2022, the amo n of o e a ing e en e of the G o e e RMB7,304.5 million, hich inc ea ed b 81.34% a com a ed to the ame e iod of 2021 of RMB4,028.0 million. On the o he hand, the dec ea e in the a e age ale ice of PV gla and ignifican inc ea e in the co of a ma e ial and ene g e ed in a dec ea e in the G o ' ne ofi . The ne ofi a ib table to ha eholde of the a en com an fo the i month ended 30 J ne 2022 a RMB1,002.7 million, e e en ing a dec ea e of 20.48% a com a ed to the ame e iod of 2021 of RMB1,261.0 million.

Revenue

The follo ing table e o the b eakdo n of e en e of the G o b od c e and geog a hical loca ion:

Product type	Six months ended 30 June 2022 RMB'000	(%)	Si month ended 30 J ne 2021 RMB'000	(%)
PV gla	**6,468,102.10**	**88.55**	3,324,923.20	82.54
Floa gla	**154,622.63**	**2.12**	179,987.14	4.47
Ho ehold gla	**180,626.50**	**2.47**	178,247.09	4.43
A chi ec al gla	**319,281.96**	**4.37**	304,212.08	7.55
Mine al od c	**161,935.17**	**2.22**	18,668.91	0.46
O he b ine	**19,922.98**	**0.27**	21,984.07	0.55
To al	**7,304,491.34**	**100.00**	4,028,022.49	100.00

Location	Six months ended 30 June 2022 RMB'000	Si month ended 30 J ne 2021 RMB'000
Mainland China	**5,896,527.53**	2,739,990.53
Othe co n ie in A ia (e cl de China)	**1,165,341.16**	982,573.02
E o e	**101,446.16**	84,796.65
No th Ame ica	**128,647.29**	212,166.37
Othe	**12,529.20**	8,495.92
Total	**7,304,491.34**	4,028,022.49

Fo the i month ended 30 J ne 2022, the e en e of ale of the G o amo n ed to RMB7,304.5 million, inc ea ed b 81.34% a com a ed ith the ame e iod of 2021 of RMB4,028.0 million. Among them, the e en e of ale of PV gla amo n ed to RMB6,468.1 million, inc ea ed b 94.54% a com a ed ith the ame e iod of 2021 of RMB3,324.9 million, mainl d e to the inc ea e in ale ol me e ted f om the elea e of ne od c ion ca aci of PV gla , hich a a tiall off e b the dec ea e in a e age ale ice. In e m of ale loca ion, fo the i month ended 30 J ne 2022, the ale e en e in Mainland China amo n ed to RMB5,896.5 million, inc ea ed b 115.20% a com a ed ith the ame e iod of 2021 of RMB2,740.0 million; O e ea ale e en e amo n ed to RMB1,408.0 million, inc ea ed b 9.32% a com a ed ith the ame e iod of 2021 of RMB1,288.0 million. In the fi t half of 2022, the ale e en e f om Mainland China ho ed a a id g th a com a ed ith that f om o e ea egion , mainl d e to a ignifican inc ea e in the demand fo PV gla a a e l of the b tan ial inc ea e in the od c ion of PV mod le in Chine e Mainland, hich a in line ith the elea e a ea of the ne od c ion ca aci of the Com an .

Operating costs

The o e a ing co t of the G o fo the i month ended 30 J ne 2022 a RMB5,650.5 million, e e en ing an inc ea e of 151.67% a com a ed to the o e a ing co t of RMB2,245.2 million fo the ame e iod of 2021. The inc ea e a mainl d e to the inc ea e in ale ol me of PV gla , a tial of hich a enhanced b ignifican inc ea e in co t of a ma e ial and ene g .

Gross profit and gross profit margin

The g o ofi of the G o fo the i month ended 30 J ne 2022 a RMB1,654.0 million, e e en ing a dec ea e of 7.22% f om RMB1,782.8 million in the ame e iod of la ea . The g o ofi ma gin of the G o fo the i month ended 30 J ne 2022 a 22.64%, e e en ing a dec ea e of 21.62 e cen age oin f om the g o ofi ma gin of 44.26% in the ame e iod of la ea . The dec ea e in g o ofi and g o ofi ma gin a mainl d e to the dec ea e in a e age ale ice of PV gla , and ignifican inc ea e in co t of a ma e ial and ene g a com a ed ith the ame e iod of la ea .

The following table sets out the gross profit of main products of the Group:

Production type	Six months ended 30 June 2022 Gross profit RMB'000	Gross profit margin (%)	Six months ended 30 June 2021 Gross profit RMB'000	Gross profit margin (%)
PV glass	**1,488,648.70**	**23.02**	1,527,909.50	45.95
Float glass	**5,323.60**	**3.44**	74,290.40	41.28
Household glass	**39,818.60**	**22.04**	58,047.50	32.57
Architectural glass	**59,949.80**	**18.78**	95,553.10	31.41
Mineral products	**43,811.10**			

Financial costs

Fo the i month ended 30 J ne 2022, the financial co t of the G o amo nted to RMB76.8 million, e e enting an inc ea e of 460.58% f om RMB13.7 million fo the i month ended 30 J ne 2021. The inc ea e was mainl d e to the inc ea e in inte e t e en e on bo owing .

Income tax expense

Fo the i month ended 30 J ne 2022, the income ta e en e of the G o amo nted to RMB94.7 million, e e enting a dec ea e of 48.78% f om RMB184.9 million fo the i month ended 30 J ne 2021, hich was mainl d e to the dec ea e in income ta e en e in the c ent e iod a a e lt of the dec ea e in total ofit and ce tain efe ential olic of income ta e em tion.

EBITDA and net profit

Fo the i month ended 30 J ne 2022, the EBITDA of the G o (ea ning befo e inte e t, ta e, de eciation and amo tization) inc ea ed b RMB99.7 million f om RMB1,694.7 million fo the i month ended 30 J ne 2021 to RMB1,794.4 million. The G o 's EBITDA ma gin was 24.57% fo the i month ended 30 J ne 2022 a com a ed ith 42.07% fo the ame e iod of 2021.

Fo the i month ended 30 J ne 2022, the net ofit dec ea ed b RMB258.3 million f om RMB1,261.0 million fo the ame e iod of 2021 to RMB1,002.7 million.

Assets and equity

A at 30 J ne 2022, the total a et amo nted to RMB28,758.4 million, hich inc ea ed b RMB8,675.5 million, o 43.20% f om RMB20,082.9 million a at 31 Decembe 2021. A at 30 J ne 2022, the ha eholde 's e it amo nted to RMB13,200.2 million, hich inc ea ed b RMB1,390.0 million, o 11.77% f om RMB11,810.2 million a at 31 Decembe 2021.

Financial resources and liquidity

A at 30 J ne 2022, the c ent atio was 1.43 a com a ed with 1.44 a at 31 Decembe 2021.

Fo the i month ended 30 J ne 2022, the G o ' main o ce of f nding we e oceed f om A ha e con e tible bond , ca h f om o e ating acti ities and c edit financing o ided b bank .

Asset-liability ratio

A at 30 J ne 2022, the G o ' a et-liabilit atio (a et-liabilit atio e al to total debt di ided b total a et a of the end of the ea o e iod m lti lied b 100%) was 54.10%, inc ea ed b 12.91 e centage a com a ed to 41.19% a at 31 Decembe 2021.

Capital expenditures

A at 30 J ne 2022, total ca ital e endit e of the G o amo nted to a o imatel RMB4,992.7 million (a at 30 J ne 2021: RMB1,899.0 million), in ol ing the cha e of fi ed a et , con t ction in og e and intangible a et fo PV gla oject and the ac i ition of b idia ie .

EMPLOYEE AND REMUNERATION POLICY

A at 30 J ne 2022, the G o em lo ed a total of 6,816 em lo ee and mo t of them we e ba ed in the PRC, with a total em lo ee em ne ation amo nting to RMB319.0 million fo the i month ended 30 J ne 2022, e e en ing 4.37% of the G o ' o e ating e en e fo the ame e iod.

The G o main tain a good elation hi with it em lo ee and o ide t aining to it em lo ee . New joine m t attend manda o in-ho e t aining. F the mo e, em lo ee ma attend e te nal t aining ch a t aining fo man fact ing management, ali cont ol management and h man e o ce management. Rem ne ation of em lo ee i e ie ed e iodicall b efe ence to the ma ket ate. Afe con ide ing e fo mance of the G o and job e fo mance of ecific em lo ee , the G o ma a them a di c etiona bon .

The G o make cont ib tion fo it em lo ee in the PRC in elation to the manda o ocial ec it f nd incl ding en ion, o k- elated inj in ance, mate nit in ance, medical and nem lo ment in ance and ho ing o iden t f nd cont ib tion .

CREDIT RISK AND FOREIGN EXCHANGE RISK

T an action of the G o a e mainl e ed in RMB, Unie S a e dolla , Hong Kong dolla , Vie nam Dong and Ja ane e en, he ea , the G o ' o e a ing ac i i ie a e mainl loca ed in the PRC. Bank financing of the G o a e ed in RMB and Unie S a e dolla fo the i mon h ended 30 J ne 2022 i h ann al in e e a e anging f om 1.30% o 4.65%. A the G o ' a ding c enc of global ce ain ale , oc emen and financing a e no in the RMB b in fo eign c encie , the G o i e o ed o fo eign e change i k. Fo the i mon h ended 30 J ne 2022, ch i k did no ha e an ma e ial im ac on the financial e fo mance of the G o .

F the mo e, the G o moni o the in e e a e i k, in a ic la f om the a iable- a e bo o ing i h DBS Bank (Hong Kong) Limi ed of US$135 million. The G o ill clo el moni o in e e a e i k e o e and cha e a o iae in e e a e a con ac in d e co e o mi iga e i k e o e .

CAPITAL STRUCTURE

A a 30 J ne 2022, the Com an i ed a o al of 2,146,893,254 ha e , of hich 1,696,893,254 e e A ha e and 450,000,000 e e H ha e .

Interests and Short Positions of Directors, Supervisors and Chief Executives

As at 30 June 2022, the interests and short positions of Directors, supervisors and chief executives of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited pursuant to the Division 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors or the chief executives are taken or deemed to have under such provisions) and the Model Code contained in the Listing Rules, were as follows:

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. Ren Hongliang[3]	1,178,784,425(L)	A share	Beneficial owner and parties acting in concert	69.47%	54.91%
	1,569,000(L)	H share	Beneficial owner and parties acting in concert	0.35%	0.07%
Mr. Jiang Jinhua[3]	1,178,784,425(L)	A share	Beneficial owner and parties acting in concert	69.47%	54.91%
	1,569,000(L)	H share	Beneficial owner and parties acting in concert	0.35%	0.07%
Mr. Wei Yezhong[4]	16,437,445(L)	A share	Beneficial owner	0.97%	0.77%
Mr. Shen Qifu[5]	10,958,297(L)	A share	Beneficial owner	0.65%	0.51%
Supervisors					
Mr. Zheng Wenhong	46,801,800(L)	A share	Beneficial owner	2.76%	2.18%
Mr. Shen Fuan	31,201,200(L)	A share	Beneficial owner	1.84%	1.45%
Mr. Shen Fuan	20,351,200(L)	A share	Beneficial owner	1.20%	0.95%
	10,850,000(S)	A share	Beneficial owner	0.64%	0.51%

Note:

(1) The calculation is based on the total number of 1,696,893,254 A Shares of the Company in issue as at 30 June 2022.

(2) The calculation is based on the total number of 1,696,893,254 A Shares and the total number of 450,000,000 H Shares (i.e. a total of 2,146,893,254 Shares) in issue as at 30 June 2022.

(3) Mr. Ran Hongliang is the owner of Mr. Jiang Jinhua. As at 30 June 2022, Mr. Ran Hongliang owns 462,926,174 A Shares and 485,000 H Shares. Mr. Jiang Jinhua owns 341,465,760 A Shares and 111,000 H Shares. Mr. Ran Zenni is the owner of Mr. Zhao Xiaofei, and the daughter of Mr. Ran Hongliang and Mr. Jiang Jinhua. Mr. Ran Zenni owns 369,335,004 A Shares and 973,000 H Shares. Mr. Zhao Xiaofei owns 5,057,487 A Shares. In addition, pursuant to a concert party agreement dated 19 September 2016 entered into among Mr. Ran Hongliang, Mr. Jiang Jinhua, Mr. Ran Zenni and Mr. Zhao Xiaofei, each of Mr. Ran Hongliang, Mr. Jiang Jinhua, Mr. Ran Zenni and Mr. Zhao Xiaofei is considered to be interested in 1,178,784,425 A Shares and 1,569,000 H Shares under the SFO. On 31 May 2022, the Company completed the grant of 10,355,680, 7,638,600, 8,262,040 and 113,140 A share convertible bonds to Mr. Ran Hongliang, Mr. Jiang Jinhua, Mr. Ran Zenni and Mr. Zhao Xiaofei, respectively.

(4) In May 2022, the Company completed the grant of 367,710 A share convertible bonds listed on the Shanghai Stock Exchange to Mr. Wei Yezong. The wife of Mr. Wei Yezong acquired the right to convert such convertible bonds into A shares.

(5) In May 2022, the Company completed the grant of 245,140 A share convertible bonds listed on the Shanghai Stock Exchange to Mr. Shen Qifang. The wife of Mr. Shen Qifang acquired the right to convert such convertible bonds into A shares.

Save as disclosed above, as at 30 June 2022, to the knowledge of the Company, none of the Directors, supervisors and the chief executive of the Company had or was deemed under the SFO to have an interest or short position in any of the shares or the underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Division 7 and 8 of Part XV of the SFO or to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Interests and Short Positions of Substantial shareholders

As at 30 June 2022, the persons or corporations which had an interest or short position, other than Directors and chief executives of the Company, in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

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]
Mr. Ran Zenn[3]	1,178,784,425 (L)	A Share	Beneficial owner and parties acting in concert	69.47%	54.91%
	1,569,000 (L)	H Share		0.35%	0.07%
Mr. Zhao Xiaofei[3]	1,178,784,425 (L)	A Share	Beneficial owner and parties acting in concert	69.47%	54.91%
	1,569,000 (L)	H Share		0.35%	0.07%
JPMorgan Chase & Co.[4]	63,029,896 (L)	H Share	Interest of controlled corporation, investment manager, security interest in shares and approved lending agent	14.01%	2.94%
	13,008,326 (S)			2.89%	0.61%
	28,387,546 (P)			6.31%	1.32%
The Capital Group Companies, Inc.[5]	54,791,000 (L)	H Share	Interest of controlled corporation	12.18%	2.55%
BlackRock, Inc.[6]	47,486,390 (L)	H Share	Interest of controlled corporation	10.55%	2.21%
	3,172,000 (S)			0.70%	0.15%
Bank of America Corporation[7]	35,842,386 (L)	H Share	Interest of controlled corporation	7.96%	1.67%
	35,329,158 (S)			7.85%	1.65%
Pacific Asset Management Co., Ltd.	31,525,000 (L)	H Share	Investment manager	7.01%	1.47%
Schroders PLC[8]	27,236,000 (L)	H Share	Investment manager	6.05%	1.27%
Shanghai Greenwood Asset Management Company Limited[9]	27,042,000 (L)	H Share	Investment manager	6.01%	1.26%
Xinang Jingning Corporate Management Company Limited[9]	27,042,000 (L)	H Share	Interest of controlled corporation	6.01%	1.26%

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]
Citigroup Inc.[10]	26,366,672 (L)	H Share	Interest of controlled corporation and approved lending agent	5.86%	1.23%
	9,247,099 (S)			2.05%	0.43%
	16,813,949 (P)			3.74%	0.78%
UBS Group AG[11]	25,014,145 (L)	H Share	Interest of controlled corporation	5.56%	1.17%
	18,462,525 (S)			4.10%	0.86%
CICC Pacheng Investment Co., Ltd.	23,870,000 (L)	H Share	Beneficial interest	5.30%	1.11%
China International Capital Corporation Limited[12]	22,573,000 (L)	H Share	Interest of controlled corporation	5.02%	1.05%

Note:

(1) The calculation is based on the total number of 1,696,893,254 A shares and 450,000,000 H shares of the Company in issue as at 30 June 2022.

(2) The calculation is based on the total number of 1,696,893,254 A shares and the total number of 450,000,000 H shares (i.e. a total of 2,146,893,254 shares) in issue as at 30 June 2022.

(3) Mr. Ran Hongliang is the spouse of Mr. Jiang Jinhua. As at 30 June 2022, Mr. Ran Hongliang directly held 462,926,174 A Shares and 485,000 H Shares. Mr. Jiang Jinhua directly held 341,465,760 A Shares and 111,000 H Shares. Mr. Ran Zeni is the spouse of Mr. Zhao Xiaofei, and the daughter of Mr. Ran Hongliang and Mr. Jiang Jinhua. Mr. Ran Zeni directly held 369,335,004 A Shares and 973,000 H Shares. Mr. Zhao Xiaofei directly held 5,057,487 A Shares. In addition, pursuant to a concert party agreement dated 19 September 2016 entered into among Mr. Ran Hongliang, Mr. Jiang Jinhua, Mr. Ran Zeni and Mr. Zhao Xiaofei, each of Mr. Ran Hongliang, Mr. Jiang Jinhua, Mr. Ran Zeni and Mr. Zhao Xiaofei is considered to be interested in 1,178,784,425 A Shares and 1,569,000 H Shares under the SFO. On 31 May 2022, the Company completed the grant of 10,355,680, 7,638,600, 8,262,040 and 113,140 A share convertible bonds to Mr. Ran Hongliang, Mr. Jiang Jinhua, Mr. Ran Zeni and Mr. Zhao Xiaofei, respectively.

(4) JPMorgan Chase & Co. held relevant interest and short position through a series of its controlled corporations, including holding of certain listed derivatives (cash settlement: 1,100 shares (short position) and unlisted derivatives (physical settlement: 313,784 shares (short position); cash settlement: 3,930,380 shares (long position) and 616,270 shares (short position)).

(5) The Ca ital G o Com anie , Inc. indi ect l held ele an int e t th o gh a e ie of it con olled co o ation .

(6) BlackRock, Inc. indi ect l held ele an int e t and ho t o ition th o gh a e ie of it con olled co o ation , incl ding holding of ce tain nli ted de i ati e (ca h e ilement: 39,000 ha e (long o ition) and 1,549,000 ha e (ho t o ition)).

(7) Bank of Ame ica Co o ation indi ect l held ele an int e t and ho t o ition th o gh a e ie of it con olled co o ation , incl ding holding of ce tain nli ted de i ati e (ca h e ilement: 17,338,242 ha e (long o ition) and 2,088,900 ha e (ho t o ition)).

(8) Sch ode PLC indi ect l held ele an int e t th o gh a e ie of it con olled co o ation .

(9) Xi ang Jingning Co o ate Managemen Com an held 100% e it int e t in Shanghai G een ood A et Managemen Com an Limi ed 100%.

(10) Citig o Inc. indi ect l held ele an int e t and ho t o ition th o gh a e ie of it con olled co o ation , incl ding holding of ce tain nli ted de i ati e (ca h e ilement:2,918,610 ha e (long o ition) and 175,000 ha e (ho t o ition)).

(11) UBS G o AG held ele an int e t and ho t o ition th o gh a e ie of it con olled co o ation , incl ding holding of ce tain li ted de i ati e (ca h e ilement: 325 ha e (long o ition) and 12,363 ha e (ho t o ition)) and nli ted de i ati e (ca h e ilement : 1,513,656 ha e (long o ition)and 1,322,971 ha e (ho t o ition)).

(12) China Int e national Ca ital Co o ation Limi ed indi ect l held ele an int e t th o gh a e ie of it con olled co o ation .

Sa e a di clo ed abo e, a at 30 J ne 2022, o fa a i kno n to the Di ecto , the e i no o he e on (o he than the Di ecto o e i o o the chief e ec ti e of the Com an) ho had int e t o ho t o ition in the ha e o nde l ing ha e of the Com an hich old fall to be di clo ed to the Com an and the Stock E change nde the o i ion of Di i ion 2 and 3 of Pa t XV of the SFO, o hich e e eco ded in the egi te e i ed to be ke t nde ection 336 of the SFO.

Purchase, Sale or Redemption of the Company's Listed Securities

1. Issuance of A Share Convertible Bonds

To f the e and the ca acit and main ain the leading echnolog and cale ad an age of the Com an 's co e od c PV gla , hile enhancing the financial t engh and mee the o king ca ital e i emen of the Com an , the Com an o o ed o i e A ha e con e ible co o a e bond in the PRC, i h o al oceed of no mo e han RMB4 billion. The ele an e ol ion a a o ed a the Boa d mee ing held on 16 J ne 2021, and a a o ed a the 2021 econd e ao dina gene al mee ing, the 2021 econd A ha e cla mee ing and the 2021 econd H ha eholde cla mee ing of the Com an on 20 A g 2021. On 16 J ne 2021, the anno ncemen in elation o the i ance of A ha e con e ible bond a bli hed on the eb i e of The Stock E change of Hong Kong Limi ed (the Stock E change) and the clo ing ice of A ha e on ha da a RMB29.53 e ha e. The a ge in e o of the A ha e con e ible bond a e na al e on , legal e on , ec ie in e men f nd and o he in e o ho mee the e i emen nde the la , and ho ha e main ained ec ie acco n i h the Shanghai B anch of China Sec ie De o i o and Clea ing Co o a ion Limi ed (e ce o ho e ohibi ed b the a e la and eg la ion in the PRC). I a e o ed o the China Sec ie Reg la o Commi ion (CSRC) on 8 No embe 2021 and i a a o ed b CSRC in Ma ch 2022.The i ance of A ha e con e ible bond a com le ed in Ma 2022.The A ha e con e ible bond nde hi i ance e e i h a nominal al e of RMB100 and e e i ed a a . The Com an com le ed the i e of 40 million con e ible bond . The b c i ion f nd fo the A ha e con e ible bond nde hi i ance o aled RMB4,000,000,000.00. Af e ded c ing the i ance fee of RMB23,078,799.67, the ne f nd ai ed e e RMB3,976,921,200.33.

The total net proceeds from the public issuance of A shares convertible bonds by the Company amounted to approximately RMB3,976.92 million. As at 30 June 2022, the use of such proceeds were as follows:

Use for	Percentage of net proceeds	Amount of net proceeds RMB'0,000	Amount utilized RMB'0,000	Amount unutilized RMB'0,000
Annual production of 750,000 tons of ultra-thin and ultra-high-strength anti-reflective coated glass manufacturing project	48.50%	192,896.85	94,513.73	98,383.12
Distributed PV power generation construction project	16.41%	65,257.65		65,257.65
Annual production of 15 million square meters of ultra-thin PV cover glass technical transformation project	4.91%	19,537.62	1,523.54	18,014.08
Working capital	30.17%	120,000.00	120,000.00	0

The amount unutilized is expected to be fully utilized by the Company according to its use of proceeds plan for such proceeds by December 2023. As at the date of this report, the Directors confirm that the proceeds were used and are proposed to be used according to the intention previously disclosed.

2. *Non-public Issuance of A Shares*

In order to further enhance the company's capital scale, meet the growing market demand of the horizontal industry, provide customers with better quality products and efficient and timely service, further improve the company's comprehensive competitiveness, and consolidate and enhance the company's market position, on 1 June 2022, the Board approved the proposed non-public issuance of A shares which was also approved by shareholders at the 2022 first extraordinary general meeting, the 2022 first A shares class meeting and the 2022 first H shares class meeting held on 29 July 2022. On 1 June 2022, the announcement in relation to the proposed non-public issuance of A shares was published on the website of Stock Exchange and the closing price of A shares on that day was RMB43.18 per share. The target subscribers including securities investment fund management companies, securities firms, trust companies, finance companies, insurance institutional investors, qualified foreign institutional investors which satisfy the relevant requirement of the CSRC and other corporate bodies, individuals or other institutional investors which satisfy the relevant requirements of the relevant laws and regulations. The shares to be issued under the non-public issuance are RMB denominated ordinary shares (A shares) with a nominal value of RMB0.25 each, which will be listed on the Shanghai Stock Exchange. Calculated by the total share capital of the Company on the date of announcement of the plan, the number of A shares to be issued in the non-public issuance shall not exceed 30% of the total number of A shares of the Company prior to the offering, i.e. not more than 509.068 million A shares (inclusive), and shall be subject to the approval of the CSRC. As of the date of this interim report, the issuance of A shares convertible corporate bond has not been completed.

The total net proceeds from the non-public issuance of A shares by the Company are expected to be amounted to approximately RMB6,000,000,000. As at 30 June 2022, the use of such proceeds were as follows:

Unit: RMB10,000

Project	Percentage of net proceeds	Amount of utilized	Amount unutilized	Amount of net proceeds to be used
Annual production of 1,950,000 tons of new energy efficient high-strength and environmental friendly manufacturing project				
Annual production of 750,000 tons of new energy efficient high-strength and environmental friendly manufacturing project				
Annual production of 1,200,000 tons of new energy efficient high-strength and environmental friendly manufacturing project				193,000.00[note 2]
Annual production of 1,500,000 tons of new energy efficient within and outside high-strength and environmental friendly manufacturing project				227,000.00[note 1, 3]
Working capital				180,000.00[note 4]
Total				600,000.00

Note:

1. The annual production of 1,500,000 tons of new energy efficient within and outside high-strength and environmental friendly manufacturing project in the second column above will be implemented in phase, and changes in the project will be reported for the first phase of the project.

2. The proceeds of Non-Public Issuance of A Shares will be utilized according to its progress, and the project is expected to be operated before 2022.

3. The proceeds of Non-Public Issuance of A Shares will be utilized according to its progress, and the project is expected to be operated before 2023.

4. The proceeds of Non-Public Issuance of A Shares is used to repay bank loan and business operation, which is expected to be used within month of receiving the proceeds.

As at the date of the report, the Directors confirm that the proceeds are to be used according to the intention previously disclosed.

Except as disclosed above, neither the Company nor any of its subsidiaries had changed, sold or redeemed any of the Company's listed securities during the period from 1 January 2022 to 30 June 2022.

Proceeds Brought Forward from Issuance of Equity Securities Made In Previous Financial Year

1. Non-public Issuance of A Shares

In o de to meet the de elo ment need of the Com an , enhance the Com an ' co e com eti i ene , tainable ofitabilit , and afeg a d the inte e t of mino it ha eholde of the Com an , on 12 J ne 2020 and 15 J l 2020, the Boa d a o ed the o o ed non- blic i ance of A ha e and it e i ed e ion hich a al o a o ed b ha eholde at the 2020 fi t e t ao dina gene al meeting, the 2020 econd A ha e cla meeting and the 2020 econd H ha e cla meeting held on 10 A g t 2020. On 12 Octobe 2020, the I ance A o al Committee of the CSRC cond cted a e ie of the Com an ' a lication fo non- blic i ance of A ha e . P ant to the e lt of the e ie , the Com an ' a lication fo non- blic i ance of A ha e a a o ed.

The ha e to be i ed nde the non- blic i ance a e RMB denominated o dina Sha e (A Sha e) ith a nominal al e of RMB0.25 each, hich ill be li ted on the Shanghai Stock E change. On 18 Jan a 2021, the Com an com leted the non- blic i ance of A ha e ith the i ance of 84,545,147 A Sha e in total at i e ice of RMB29.57 e ha e. The total oceed f om the non- blic i ance of A ha e i RMB2,499,999,996.79. Afte ded cting the nde iting fee and othe i ance fee (e cl ding al e-added ta) of RMB16,918,053.10, the net f nd ai ed e e RMB2,483,081,943.69. On 12 J ne 2020, the anno ncement of P o o ed Non- blic I ance of A Sha e a bli hed on the eb ite of HKEX and the clo ing ice of A Sha e on that da a RMB15.61 e ha e. The ta get b c ibe incl ding ec itie in e tment f nd management com anie , ec itie fi m , t t com anie , finance com anie , in ance in tit tional in e to , alified fo eign in tit tional in e to hich ati f the ele ant e i ement of the CSRC and othe co o ate bodie , indi id al o othe in tit tional in e to hich ati f the ele ant e i ement of the ele ant la and eg lation .

The total net proceeds from the non-public issuance of A shares by the Company amounted to approximately RMB2,483,081,943.69. As at 30 June 2022, the use of such proceeds were as follows:

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 project with an annual production capacity of 750,000 tons	56.38%	140,000	140,000	0
PV backplane glass with an annual production capacity of 42 million square 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 have been fully applied according to the intentions previously disclosed.

2. *Issuance of New H Shares under Specific Mandate*

In order to provide long-term capital at a relatively low financing cost, promote the stable development and growth of the Company, and the interests of H shareholders and enhance the Company's access to international investors ( ) of strategical value, a well as optimize the company's capital structure, on 5 February 2021, the Company announced to offer to issue no more than 76,000,000 new H shares, which was approved by the Board. The capital raised by the new H shares proposed to be issued shall be fully used for: (i) approximately 3.5% of the total issued share capital of the Company as at the date of the Board meeting; (ii) approximately 3.4% of the total issued share capital of the Company enlarged by this issuance; (iii) approximately 16.9% of the total issued H Share of the Company as at the date of the Board meeting; and (iv) approximately 14.4% of the total issued H Share of the Company enlarged by this issuance. This issuance was considered and approved at the 2021 first extraordinary general meeting, the 2021 first A share class meeting and the 2021 first H share class meeting held on 25 March 2021. The Company received the Approval Regarding the Issuance of Overseas Listed Foreign Investment Shares by Flat Glass Group Co., Ltd. (the Approval) issued by CSRC on 1 June 2021.

The new H Shares to be issued are overseas-listed foreign shares which shall be listed on the Main Board of the Stock Exchange with a nominal value of RMB0.25 each. On 5 February 2021, the announcement in relation to the proposed issuance of new H shares under specific mandate was published on the website of the Stock Exchange and the closing price of the Company's H Shares on that day was HK$32.48 per share. The target place of the new H Shares will be qualified investors (excluding those in respect of which bonus issue has been or would be prohibited under relevant laws and regulations), who together with their respective ultimate beneficial owners are independent third parties and not connected persons (as defined under the Listing Rules) of the Company. Due to the change in the capital market condition, the Company has not completed the issuance of additional H shares within twelve months from the date of the AGM. According to the announcement of the company dated 1 June 2022, the AGM lapsed automatically on 1 June. Therefore proceeds from the proposed issuance of H shares is not applicable any more.

Taxation

Holders of A shares

In accordance with the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on Implementing Differentiated Individual Income Tax Policy for Stock Dividend of Listed Companies (Cai Shui [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 acquired by individuals from public offering or transfer of shares in the market, where the holding period exceeds one year, the dividend shall be temporarily exempted from individual income tax; where the holding period is less than one month (inclusive), the full amount of dividend shall be counted as taxable income and where the holding period is more than one month and less than one year (inclusive), 50% of the dividend shall be counted as taxable income on a provisional basis. The individual income tax rate of 20% shall be applicable for all income mentioned above. For dividend distributed by listed companies, where the period of individual shareholding is within one year (inclusive), the listed company shall not withhold the individual income tax temporarily. The taxable, subject to individual tax for shares, shall be calculated by China Securities Depository and Clearing Corporation Limited in accordance with duration of its holding period. Custodian of shares including securities companies will withhold the amount from individual accounts and transfer the tax to China Securities Depository and Clearing Corporation Limited. China Securities Depository and Clearing Corporation Limited shall transfer the tax to the listed companies within 5 working days of the next month, and the listed companies shall declare the tax to the competent tax authorities on receiving the tax amount within the tax reporting period in that month.

Re ident ente i e ha eholde of A ha e hall e o t and a fo the ente i e income ta of di idend b them el e .

Fo the ha eholde ho a e Q alified Fo eign In tit tional In e to (QFII), the li ted com anie hall ithhold and a ente i e income ta at a ate of 10% ant to the e i ement of the Notice of the State Admini tation of Ta ation Conce ning the Rele ant Q e tion on the Withholding and Pa ment of Ente i e Income Ta Relating to the Pa ment of Di idend , Bon and Inte e t b PRC Re ident Ente i e 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 ha eholde entitled to efe ential ta t eatment nde ta t eatie (a angement) hall a l to the com etent ta ation a tho it fo ta ebate acco ding to the ele ant le and eg lation afte the ecei e the di idend , and ta ebate ill be e ec ted nde ta t eatie on e ification ca ied o t b com etent ta a tho itie .

Fo non- e ident ente i e ha eholde of A ha e e ce t the abo e-mentioned QFII, li ted com anie hall ithhold and a ente i e income ta at a ate of 10% ant to the e i ement of the Tentati e Mea e fo Admini tation of Withholding at the So ce of Income Ta of Non- e ident Ente i e (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 Re on e of the State Admini tation of Ta ation Conce ning Q e tion on Ente i e Income Ta o e Di idend of B- ha e and Othe ha e Recei ed b Non- e ident Ente i e (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- e ident ente i e ha eholde entitled to efe ential ta t eatment hall make egi tation in acco dance ith the ele ant o i ion of the ta t eatie .

P ant to the e i ement of the Notice of the Mini t of Finance, the State Admini tation of Ta ation and the CSRC on the Ta Policie Related to the Pilot P og am 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)), li ted com anie hall ithhold an income ta at the ate of 10% on di idend fom the A ha e of the com an in e ted b Hong Kong in e to (incl ding ente i e and indi id al) th o gh the SSE, and a l fo ithholding ia the com etent ta a tho itie (befo e the Hong Kong Sec itie Clea ing Com an Limited i able to o ide detail ch a in e to identitie and holding e iod to China Sec itie De o ito and Clea ing Co o ation Limited, the olic of diffe entiated ate of ta ation ba ed on holding e iod ill tem o a il not be im lemented). Fo in e to ho a e ta e ident of othe co nt ie and ho e co nt of domicile i a co nt hich ha ente ed into a ta t eat ith the PRC ti lating a di idend ta ate of lo e than 10%, tho e ente i e and indi id al ma , o ma ent ta ithholding agent to, a l to the com etent ta a tho it of the li ted com an fo the entitlement of the ate nde ch ta t eat . U on a o al b the com etent ta a tho it , the aid amo nt in e ce of the ta a able ba ed on the ta ate acco ding to ch ta t eat ill be ef nded.

Acco ding to the e i emen of the No ice on the Ta Policie Conce ning the Pilo P og am of the Shanghai-Hong Kong Stock Connec bli hed b the Mini of Finance, the Sta e Admini a ion of Ta a ion 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- ha e com anie hall ithhold an indi id al income ta a the a e of 20% on di idend f om the H ha e of the com an in e ted b mainland indi id al in e o on the Hong Kong Stock E change th o gh the Shanghai-Hong Kong Stock Connec. Fo di idend of the ha e li ted on the Hong Kong Stock E change ecei ed b mainland ec itie in e tmen f nd f om in e tmen th o gh the Shanghai-Hong Kong Stock Connec, indi id al income ta hall be calc la ed in acco dance ith the abo e e i emen . Fo di idend of the ha e li ted on the Hong Kong Stock E change ecei ed b mainland en e i e in e to f om in e tmen th o gh the Shanghai-Hong Kong Stock Connec, H- ha e com anie hall no ithhold income ta of di idend , and mainland en e i e in e to hall e o t and a the ta amo n b them el e . In a tic la , the di idend ecei ed b e iden en e i e in mainland hich hold H ha e fo a lea t 12 con ec ti e mon h hall be e em ted f om en e i e income ta acco ding to la .

Acco ding to the e i emen of the No ice on the Ta Policie Conce ning the Pilo P og am of the Shen-zhen Hong Kong Stock Connec bli hed b the Mini of Finance, the Sta e Admini a ion of Ta a ion 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- ha e com anie hall ithhold an indi id al income ta a the a e of 20% on di idend f om the H ha e of the com an in e ted b mainland indi id al in e o on the Hong Kong Stock E change th o gh the Shen-zhen-Hong Kong Stock Connec. Fo di idend of the ha e li ted on the Hong Kong Stock E change ecei ed b mainland ec itie in e tmen f nd f om in e tmen th o gh the Shen-zhen-Hong Kong Stock Connec, indi id al income ta hall be calc la ed in acco dance ith the abo e e i emen . Fo di idend of the ha e li ted on the Hong Kong Stock E change ecei ed b mainland en e i e in e to f om in e tmen th o gh the Shen-zhen-Hong Kong Stock Connec, H- ha e com anie hall no ithhold income ta of di idend , and mainland en e i e in e to hall e o t and a the ta amo n b them el e . In a tic la , the di idend ecei ed b e iden en e i e in mainland hich hold H ha e fo a lea t 12 con ec ti e mon h co ld be e em ted f om en e i e income ta acco ding to la .

The ha eholde of the Com an hall a the ele an ta and/o a e en itled to ta elief in acco dance ith the abo e e i emen .

Dividends

Fo the i month ended 30 J ne 2022, the Boa d ecommended an o dina int e im di idend of RMB0.23 an e ha e (befo e ta) (the 2022 Inte im Di idend) and i bject to the a o al b the 2022 thi d e t ao dina gene al meeting of ha eholde of the Com an (2022 Thi d EGM) to be con ened. A the date of the 2022 Thi d EGM i et to be et, the Com an ill anno nce in d e co e the detail of the date of clo e of egi te of membe , the eco d date and the a ment date in a e a ate anno ncement.

Di idend on A ha e ill be aid in RMB and di idend on H ha e ill be aid in Hong Kong dolla . The e change ate fo the di idend to be aid in Hong Kong dolla ill be the mean of the e change ate of Hong Kong dolla to RMB a anno nced b the Peo le' Bank of China d ing the fi e b ine da io to the date of e t ao dina gene al meeting.

Review of the Interim Report by the Audit Committee of the Company

The Com an ' inte im e o t fo the i month ended 30 J ne 2022 ha not been a dited b t ha been e ie ed b the Com an ' a dit committee, com i ing it th ee inde endent non-e ec ti e Di ecto .

Consolidated Balance Sheet

RMB

Items	Note	30 June 2022	31 December 2021
Current assets:			
Cash at bank and on hand	1	**4,023,250,509.82**	2,842,677,267.48
Trading financial assets	2	**700,000,000.00**	200,000,000.00
Derivative financial assets	3	**–**	62,739.00
Bills receivable	4	**2,016,706,300.57**	939,748,112.41
Trade receivables	5	**2,713,330,450.16**	1,105,759,571.75
Financing receivables	6	**596,244,502.28**	531,196,547.78
Advances to suppliers	7	**415,641,169.16**	692,261,958.13
Other receivables	8	**53,523,216.63**	54,999,617.97
Inventories	9	**1,496,902,516.96**	2,276,469,528.29
Other current assets	10	**114,315,141.92**	255,127,082.80
Total current assets		**12,129,913,807.50**	8,898,302,425.61
Non-current assets:			
Long-term equity investments	11	**74,269,507.82**	71,530,334.22
Investment properties	12	**18,086,495.83**	18,802,231.03
Fixed assets	13	**9,179,825,831.06**	6,316,279,511.19
Construction in progress	14	**2,072,848,900.09**	3,067,207,867.50
Right-of-use assets	15	**172,642,131.34**	170,070,872.22
Intangible assets	16	**4,023,561,481.57**	662,708,796.08
Long-term prepaid expenses		**11,469,799.56**	6,948,461.94
Deferred tax assets	17	**4,451,373.78**	4,162,665.30
Other non-current assets	18	**1,071,368,607.59**	866,903,935.41
Total non-current assets		**16,628,524,128.64**	11,184,614,674.89
Total assets		**28,758,437,936.14**	20,082,917,100.50

RMB

Items	Note	30 June 2022	31 December 2021
Current liabilities:			
Short-term borrowing	19	**1,966,252,066.84**	1,860,696,500.00
Derivative financial liabilities	20	**3,598,130.06**	
Bills payable	21	**967,943,844.79**	1,036,982,577.72
Trade payable	22	**3,369,204,291.79**	2,306,910,116.65
Contract liabilities	23	**119,823,950.23**	352,681,717.14
Payroll payable	24	**52,276,720.97**	67,519,702.61
Tax payable	25	**236,427,450.22**	48,629,486.85
Other payable	26	**680,675,249.47**	136,664,417.03
Including: Interest payable		**7,398,469.04**	4,225,184.38
Dividend payable		**791,200.00**	791,200.00
Non-current liabilities due within one year	27	**1,059,384,444.73**	310,100,070.52
Other current liabilities		**12,191,163.60**	44,277,908.91
Total current liabilities		**8,467,777,312.70**	6,164,462,497.43
Non-current liabilities:			
Long-term borrowing	28	**3,091,900,000.00**	1,967,748,428.04
Bonds payable	29	**3,660,546,167.06**	
Lease liabilities	30	**10,685,236.11**	10,879,703.29
Long-term payable	32	**178,010,897.90**	
Deferred income	31	**64,503,881.87**	25,441,145.12
Deferred tax liabilities	17	**84,787,542.50**	104,216,253.83
Total non-current liabilities		**7,090,433,725.44**	2,108,285,530.28
Total liabilities		**15,558,211,038.14**	8,272,748,027.71

RMB

Items	Note	30 June 2022	31 December 2021
Shareholders' equity			
Share capital	33	**536,723,313.50**	536,723,313.50
Other equity instruments	34	**333,235,286.91**	
Capital reserve	35	**4,848,611,260.86**	4,832,768,261.83
Less: Treasury stock		**30,104,000.00**	32,096,200.00
Other comprehensive income	37	**22,276,078.73**	(7,613,180.72)
Special reserve	38	**23,616,256.64**	17,266,053.61
Surplus reserve	39	**268,361,656.75**	268,361,656.75
Undistributed profits	40	**7,197,507,044.61**	6,194,759,167.82
Total equity attributable to shareholders of the parent company		**13,200,226,898.00**	11,810,169,072.79
Total shareholders' equity		**13,200,226,898.00**	11,810,169,072.79
Total liabilities and shareholders' equity		**28,758,437,936.14**	20,082,917,100.50

Balance Sheet of the Parent Company

RMB

Items	Note	30 June 2022	31 December 2021
Current assets:			
Cash at bank and on hand		**2,597,515,069.67**	593,095,104.71
Trading financial assets		**300,000,000.00**	
Derivative financial assets		**–**	
Bills receivable		**641,605,961.31**	448,120,747.17
Trade receivables	1	**937,073,154.17**	347,593,588.48
Financing receivables		**167,943,409.99**	176,107,817.92
Advances to suppliers		**202,602,599.16**	113,797,898.71
Other receivables	2	**1,742,784,071.43**	1,837,334,934.64
Including: Dividends receivable		**148,731,538.16**	800,000,000.00
Inventories		**429,521,571.27**	319,598,489.09
Other current assets		**14,699,155.04**	20,480,374.08
Total current assets		**7,033,744,992.04**	3,856,128,954.80
Non-current assets:			
Long-term equity investments	3	**4,157,352,990.72**	1,350,059,171.12
Investments in other equity instruments		**–**	
Investment properties		**–**	
Fixed assets		**2,811,721,752.27**	1,280,018,460.38
Construction in progress		**262,536,204.31**	1,309,136,814.51
Right-of-use assets		**–**	
Intangible assets		**387,273,873.79**	392,286,140.98
Long-term prepaid expenses		**5,686,374.76**	2,596,418.88
Deferred tax assets		**–**	
Other non-current assets		**5,292,653,398.94**	4,622,171,949.91
Total non-current assets		**12,917,224,594.79**	8,956,268,955.78
Total assets		**19,950,969,586.83**	12,812,397,910.58

RMB

Items	Note	30 June 2022	31 December 2021
Current liabilities:			
Short-term borrowing		**1,023,332,866.84**	1,261,939,500.00
Derivative financial liabilities		**–**	
Bills payable		**739,859,796.22**	557,046,846.40
Trade payable		**1,273,574,861.40**	874,183,753.59
Contract liabilities		**25,943,220.46**	172,956,634.95
Payroll payable		**23,467,573.41**	28,878,501.78
Tax payable		**62,888,608.01**	17,775,591.40
Other payable		**1,304,872,044.34**	565,827,131.31
Including: Interest payable		**5,358,807.57**	2,551,415.40
Dividend payable		**791,200.00**	791,200.00
Non-current liabilities due within one year		**101,700,000.00**	3,200,000.00
Other current liabilities		**3,337,865.04**	22,438,022.78
Total current liabilities		**4,558,976,835.72**	3,504,245,982.21
Non-current liabilities:			
Long-term borrowing		**2,656,700,000.00**	786,800,000.00
Bonds payable		**3,660,546,167.06**	
Lease liability		**–**	
Long-term payable		**–**	
Estimated liabilities		**–**	
Deferred income		**10,741,749.57**	13,423,678.16
Deferred income tax liability		**4,905,810.86**	8,557,857.51
Total non-current liabilities		**6,332,893,727.49**	808,781,535.67
Total liabilities		**10,891,870,563.21**	4,313,027,517.88

RMB

Items	Note	30 June 2022	31 December 2021
Shareholders' equity:			
Share capital		**536,723,313.50**	536,723,313.50
Other equity instruments		**333,235,286.91**	
Capital reserve		**4,848,611,260.86**	4,832,768,261.83
Less: Treasury stock		**30,104,000.00**	32,096,200.00
Other comprehensive income		**(775,619.54)**	(609,915.05)
Special reserve		**268,361,656.75**	268,361,656.75
Undistributed profit		**3,103,047,125.14**	2,894,223,275.67
Total equity attributable to owners of the parent company		**9,059,099,023.62**	8,499,370,392.70
Total shareholders' equity		**9,059,099,023.62**	8,499,370,392.70
Total liabilities and shareholders' equity		**19,950,969,586.83**	12,812,397,910.58

Consolidated Income Statements

RMB

Items			Note	For the six months ended 30 June 2022	For the six months ended 30 June 2021
I.	**Operating revenue**		41	**7,304,491,338.96**	4,028,022,488.56
	Less:	Operating cost		**5,650,508,668.44**	2,245,211,455.30
		Taxes and charges	42	**45,449,665.35**	21,201,184.74
		Selling expenses	43	**49,650,173.34**	56,442,822.66
		General and administrative expenses	44	**126,399,595.74**	107,119,073.48
		Research and development expenses	45	**255,054,636.60**	200,038,514.30
		Financial expenses	46	**76,768,433.12**	13,720,261.74
		Including: Interest expenses		**120,102,101.64**	34,644,318.71
		Interest income		**25,481,363.85**	21,301,664.66
	Add:	Other income	47	**40,868,360.92**	12,336,592.31
		Investment income (loss)	48	**4,199,843.60**	21,587,263.15
		Including: Gain on investment in associates and joint ventures		**3,582,923.60**	2,834,046.74
		Profit (loss) arising from changes in fair value	49	**(3,660,869.06)**	(160,041.62)
		Credit impairment losses	50	**(28,631,879.47)**	30,496,077.35
		Asset impairment losses	51	**(6,723,522.16)**	(4,329,681.98)
		Gain (loss) on disposal of assets	52	**(9,150,998.74)**	(950,017.12)
II.	**Operating profit**			**1,097,561,101.46**	1,443,269,368.43
	Add:	Non-operating income	53	**2,092,103.81**	3,355,129.18
	Less:	Non-operating expenses	54	**2,254,370.81**	709,760.70
III.	**Total profit**			**1,097,398,834.46**	1,445,914,736.91
	Less:	Income tax expenses	55	**94,650,957.67**	184,884,747.88
IV.	**Net profit**			**1,002,747,876.79**	1,261,029,989.03
	Net profit attributable to owners of parent company			**1,002,747,876.79**	1,261,029,989.03

Items	Note	For the six months ended 30 June 2022	For the six months ended 30 June 2021
V. Other comprehensive income, net of tax		**29,889,259.45**	(1,066,315.53)
Other comprehensive income, net of tax attributable to the owners of the parent company		**29,889,259.45**	(1,066,315.53)
(1) Other comprehensive income that cannot be reclassified to profit or loss		–	(1,133,085.00)
Change in fair value of other equity investment		–	(1,133,085.00)
(2) Other comprehensive income that will be reclassified to profit or loss		**29,889,259.45**	66,769.47
Exchange difference on foreign currency financial statement translation		**29,586,440.51**	

Income Statements of the Parent Company

RMB

Items			Note	For the six months ended 30 June 2022	For the six months ended 30 June 2021
I.	**Operating revenue**		4	**2,364,194,413.72**	2,016,966,902.46
	Less:	Operating cost		**1,951,593,318.84**	1,538,006,914.04
		Taxes and charges		**3,634,539.87**	3,204,356.66
		Selling expenses		**19,135,579.80**	11,821,433.25
		General and administrative expenses		**69,871,990.97**	62,026,068.29
		Research and development expenses		**85,360,429.83**	78,720,175.00
		Financial expenses		**6,265,338.85**	(6,898,182.62)
		Including: Interest expenses		**71,407,412.96**	13,981,123.78
		Interest income		**13,340,110.93**	12,234,408.51
	Add:	Other income	5	**9,529,261.87**	6,292,315.65
		Investment income (loss)		**2,293,819.60**	2,834,046.74
		Including: Gain on investment in associates and joint ventures		**2,293,819.60**	2,834,046.74
		Credit impairment loss		**(8,110,426.25)**	23,862,144.23
		Asset impairment loss		**(3,932,514.57)**	(4,325,366.00)
		Gain (loss) on disposal of assets		**401,795.49**	106,241.91
II.	**Operating profit**			**228,515,151.70**	358,855,520.37
	Add:	Non-operating income		**867,335.51**	64,595.34
	Less:	Non-operating expenses		**1,275,851.39**	563,362.04
III.	**Total profit**			**228,106,635.82**	358,356,753.67
	Less:	Income tax expenses		**19,282,786.35**	40,660,678.66
IV.	**Net profit**			**208,823,849.47**	317,696,075.01
	Net profit from continuing operations			**208,823,849.47**	317,696,075.01

RMB

Items	Note	For the six months ended 30 June 2022	For the six months ended 30 June 2021
V. Other comprehensive income, net of tax		**(165,704.49)**	1,971,851.19
(1) Other comprehensive income that will be reclassified to profit or loss		**(165,704.49)**	1,971,851.19
Other		**(165,704.49)**	1,971,851.19
VI. Total comprehensive income		**208,658,144.98**	319,667,926.20

Consolidated Statements of Cash Flow

RMB

Items		Note	For the six months ended 30 June 2022	For the six months ended 30 June 2021
I.	**Cash flow from operating activities:**			
	Cash received from sale of goods or rendering of services		**3,038,800,978.84**	2,887,893,348.03
	Cash received from refund of taxes		**67,399,490.94**	157,930,399.47
	Cash received relating to other operating activities	56	**123,781,925.79**	34,157,968.08
	Subtotal of cash inflows		**3,229,982,395.57**	3,079,981,715.58
	Cash paid for goods and services		**1,551,673,945.49**	1,698,762,995.28
	Cash paid to and on behalf of employees		**334,286,062.44**	224,622,530.60
	Cash paid for payments of taxes and charges		**235,588,722.86**	344,428,646.38
	Cash paid relating to other operating activities	56	**202,168,255.91**	415,015,587.14
	Subtotal of cash outflows		**2,323,716,986.70**	2,682,829,759.40
	Net cash flow from operating activities		**906,265,408.87**	397,151,956.18
II.	**Cash flow from investing activities:**			
	Cash received from disposal of investments		**200,000,000.00**	2,050,000,000.00
	Cash received from returns on investments		**1,460,670.00**	20,492,482.61
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**4,044,620.93**	6,771,658.76
	Cash received relating to other investing activities	56	**14,489,983.85**	40,985,939.59
	Subtotal of cash inflows		**219,995,274.78**	2,118,250,080.96
	Cash paid to purchase fixed assets, intangible assets and other long-term assets		**2,188,693,239.71**	1,898,993,502.24
	Cash paid relating to investments		**700,000,000.00**	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	**46,849,962.30**	25,166,299.08
	Subtotal of cash outflows		**5,739,508,872.85**	3,974,159,801.32
	Net cash flow from investing activities		**(5,519,513,598.07)**	(1,855,909,720.36)

RMB

Items	Note	For the six months ended 30 June 2022	For the six months ended 30 June 2021
III. Cash flow from financing activities:			
Cash received from capital contribution		–	2,509,960,996.79
Cash received from issued bond		**3,978,000,000.00**	
Cash received from borrowing		**4,085,382,666.84**	1,298,907,944.79
Cash received relating to other financing activities	56	**466,542,322.25**	459,117,039.95
Subtotal of cash inflows		**8,529,924,989.09**	4,267,985,981.53
Cash paid for repayment of borrowing		**2,208,375,500.00**	649,455,977.28
Cash paid for distribution of dividend, profit or repayment of interest		**92,732,448.31**	361,036,874.42
Cash paid relating to other financing activities	56	**496,112,910.71**	748,526,906.50
Subtotal of cash outflows		**2,797,220,859.02**	1,759,019,758.20
Net cash flow from financing activities		**5,732,704,130.07**	2,508,966,223.33
IV. Effect of foreign exchange rate changes on cash and cash equivalents		**23,638,751.01**	(6,274,196.59)
V. Net increase (decrease) in cash and cash equivalents		**1,143,094,691.88**	1,043,934,262.56
Add: Cash and cash equivalents at the beginning of the year		**2,101,730,679.46**	1,146,171,930.13
VI. Cash and cash equivalents at the end of the year		**3,244,825,371.34**	2,190,106,192.69

Statements of Cash Flow of the Parent Company

RMB

Items		Note	For the six months ended 30 June 2022	Fo the i month ended 30 J ne 2021
I.	**Cash flow from operating activities:**			
	Ca h ecei ed f om ale of good o ende ing of e ice		**788,861,444.80**	1,306,196,622.88
	Ca h ecei ed f om ef nd of ta e		**4,593,212.60**	13,018,012.65
	Ca h ecei ed ela ing to o he o e a ing ac i i ie		**34,354,347.21**	13,232,174.14
	Subtotal of cash inflows		**827,809,004.61**	1,332,446,809.67
	Ca h aid fo good and e ice		**810,338,583.44**	883,910,966.58
	Ca h aid to and on behalf of em lo ee		**106,759,256.97**	29,570,696.15
	Ca h aid fo a men of ta e and cha ge		**34,502,346.92**	75,294,778.68
	Ca h aid ela ing to o he o e a ing ac i i ie		**84,347,262.63**	114,761,990.71
	Subtotal of cash outflows		**1,035,947,449.96**	1,103,538,432.12
	Net cash flow from operating activities		**(208,138,445.35)**	228,908,377.55
II.	**Cash flow from investing activities:**			
	Ca h ecei ed f om di o al of in e tmen		**–**	200,000,000.00
	Ne ca h ecei ed f om di o al of fi ed a e , in angible a e and o he long-te m a e		**1,304,506.44**	781,387.96
	Ca h ecei ed ela ing to o he in e ting ac i i ie		**2,006,266,142.87**	402,268,570.34
	Subtotal of cash inflows		**2,007,570,649.31**	603,049,958.30
	Ca h aid to cha e fi ed a e , in angible a e and o he long-te m a e		**435,769,660.39**	684,855,708.49
	Ca h aid ela ing to in e tmen		**300,000,000.00**	200,000,000.00
	Ne ca h in e ted in e tabli hment of b idia o o he o e a ing ni		**2,284,052,400.00**	
	Ca h aid ela ing to o he in e ting ac i i ie		**2,649,637,730.51**	2,245,398,155.55
	Subtotal of cash outflows		**5,669,459,790.90**	3,130,253,864.04
	Net cash flow from investing activities		**(3,661,889,141.59)**	(2,527,203,905.74)

RMB

Items	Note	For the six months ended 30 June 2022	For the six months ended 30 June 2021
III. Cash flow from financing activities:			
Cash received from capital contribution		–	2,509,960,996.79
Cash received from borrowing		**3,149,547,866.84**	691,399,876.83
Cash received relating to other financing activities		**4,245,681,541.07**	376,740,309.13
Subtotal of cash inflows		**7,395,229,407.91**	3,578,101,182.75
Cash paid for repayment of borrowing		**1,421,394,000.00**	208,319,006.22
Cash paid for distribution of dividend, and profit or repayment of interest		**52,818,566.82**	334,567,349.26
Cash paid relating to other financing activities		**221,263,681.40**	572,625,524.85
Subtotal of cash outflows		**1,695,476,248.22**	1,115,511,880.33
Net cash flow from financing activities		**5,699,753,159.69**	2,462,589,302.42
IV. Effect of foreign exchange rate changes on cash and cash equivalents		**5,498,339.01**	(990,178.53)
V. Net increase (decrease) in cash and cash equivalents		**1,835,223,911.76**	163,303,595.70
Add: Cash and cash equivalents at the beginning of the year		**445,104,022.54**	188,559,197.40
VI. Cash and cash equivalents at the end of the year		**2,280,327,934.30**	351,862,793.10

Consolidated Statements of Changes in Shareholders' Equity

RMB

Items	The half year for 2022								
	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. 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
II. Opening balance of the current half 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
III. Increase/decrease for the current period										
(I) Total comprehensive income	-	-	-	-	29,889,259.45	-	-	1,002,747,876.79	-	1,032,637,136.24
(II) Contribution of shareholders	-	333,235,286.91	15,842,999.03	-	-	-	-	-	-	349,078,285.94
1. Common shares contributed by owners	-	-	-	-	-	-	-	-		-
2. Contribution of capital by holders of other equity instruments	-	333,235,286.91	-	-	-	-	-	-		333,235,286.91
3. Amount of share-based payments included in owners' equity	-	-	15,842,999.03	-	-	-	-	-	-	15,842,999.03
(III) Profit distribution	-	-	-	(1,992,200.00)	-	-	-	-	-	1,992,200.00
1. Appropriation to shareholders	-	-	-	(1,992,200.00)	-	-	-	-	-	1,992,200.00
(IV) Special reserve	-	-	-	-	-	6,350,203.03	-	-	-	6,350,203.03
1. Provision of special reserve	-	-	-	-	-	6,557,571.38	-	-	-	6,557,571.38
2. Utilization of special reserve						(207,368.35)				(207,368.35)
IV. Closing balance of the current half year	536,723,313.50	333,235,286.91	4,848,611,260.86	(30,104,000.00)	22,276,078.73	23,616,256.64	268,361,656.75	7,197,507,044.61	-	13,200,226,898.00

RMB

Items	For the six months ended 30 June 2021 Equity attributable to the owners of the parent company Paid-in capital (or 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. Closing 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. Opening balance of the current half 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
III. Increase/decrease for the current period										
(I) Total comprehensive income					(1,066,315.53)			1,261,029,989.03		1,259,963,673.50
(II) Contribution of shareholders	26,411,116.50	(49,401,670.49)	2,767,546,281.74	9,961,000.00						2,734,594,727.75
1. Common shares contributed by owners	21,311,286.75		2,471,731,656.94	9,961,000.00						2,483,081,943.69
2. Contribution of capital by holders of other equity instruments	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			16,880,485.86							16,880,485.86
(III) Profit distribution				(690,000.00)				(321,928,988.10)		(321,238,988.10)
1. Appropriation to shareholders				(690,000.00)				(321,928,988.10)		(321,238,988.10)
(IV) Special reserve						829,457.82				829,457.82
1. Provision of special reserve						843,834.60				843,834.60
2. Utilization of special reserve						14,376.78				14,376.78
IV. Closing balance of the current half year	536,723,313.50		4,812,641,437.79	37,630,000.00	(27,405,191.68)	15,199,389.20	220,705,199.31	5,388,657,362.70		10,908,891,510.82

Statements of Changes in Shareholders' Equity of the Parent Company

RMB

Items	For the six months ended 30 June 2022							
	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	–	–	–	–	(165,704.49)	–	208,823,849.47	208,658,144.98
(II) Contribution and withdrawal of capital by shareholders	–	333,235,286.91	15,842,999.03	–	–	–	–	349,078,285.94
1. Common shares contributed by owners	–	–	–	–	–	–	–	
2. Contribution of capital by holders of other equity instruments	–	333,235,286.91	–	–	–	–		333,235,286.91
3. Amount of share-based payment included in owners' equity	–	–	15,842,999.03	–	–	–	–	15,842,999.03
(III) Profit distribution	–	–	–	(1,992,200.00)	–	–	–	1,992,200.00
2. Appropriation to shareholders	–	–	–	(1,992,200.00)	–	–	–	1,992,200.00
III. Closing balance of the current half year	536,723,313.50	333,235,286.91	4,848,611,260.86	30,104,000.00	(775,619.54)	268,361,656.75	3,103,047,125.14	9,059,099,023.62

RMB

Items	Fo .he i mon.h ended 30 J ne 2021							
	Sha e ca i.al	O.he e i. in : men.	Ca i.al e e e	Le : T ea :ock	O.he com ehen i e income	S l e e e	Undi : ib :ed ofi.	To.al ha eholde ' e i.
I. Opening balance of the current 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) To.al com ehen i e income					1,971,851.19		317,696,075.01	319,667,926.20
(II) Con. ib :ion and ¥ i.hd ƒ al of ca i.al b ha eholde	26,411,116.50	(49,401,670.49)	2,767,546,281.74	9,961,000.00				2,734,594,727.75
1. Common ha e con. ib :ed b ƒ ne	21,311,286.75		2,471,731,656.94	9,961,000.00				2,483,081,943.69
2. Con. ib :ion of ca i.al b o.he e i. in : men. ƒ ne	5,099,829.75	(49,401,670.49)	278,934,138.94					234,632,298.20
3. Amo n. of ha e-ba ed a men. incl ded in ƒ ne ' e i.			16,880,485.86					16,880,485.86
(III) P ofi. di : ib :ion				(690,000.00)			(321,928,988.10)	(321,238,988.10)
2. A o ia.ion :o ha eholde				(690,000.00)			(321,928,988.10)	(321,238,988.10)
III. Closing balance of the current year	536,723,313.50		4,812,641,437.79	37,630,000.00	(3,992,716.25)	220,705,199.31	1,857,968,124.56	7,386,415,358.91

Notes to the Financial Statements

(I) CORPORATION INFORMATION

1. Company Overview

Flat Gla G o Co., Ltd. (the Com an) a e tabli hed on 24 J ne 1998 ith it egi te ed add e at 1999 Y nhe Road, Xi -zho Di t ict, Jia ing, Zhejiang P o ince. On 29 Decembe 2005, the Com an a con e ted into a joint tock limited liabilit com an and changed it name to Zhejiang Flat Gla & Mi o Co., Ltd.* (浙江福萊特玻璃鏡業股份有限公司). On 23 Ma ch 2011, the Com an a enamed a Flat Sola Gla G o Co., Ltd.* (福萊特光伏玻璃集團股份有限公司) and b e enti enamed a Flat Gla G o Co., Ltd.* (福萊特玻璃集團股份有限公司) on 10 Octobe 2014.

On 26 No embe 2015, the Com an i ed 450,000,000 o e ea li ted fo eign ha e (H ha e) ith a a al e of RMB0.25 e ha e th o gh global blic offe ing. On the ame date, the Com an ' ha e e e li ted on The Stock E change of Hong Kong Limited.

On 23 No embe 2018, the Com an ecei ed the A o al of the Initial P blic Offe ing of Sha e of Flat Gla G o Co., Ltd. (CSRC A o al [2018] No.1959) i ed b China Sec itie Reg lato Commi ion, that the Com an can i e no mo e than 150,000,000 o dina ha e (A ha e) and li t on Shanghai Stock E change. On 15 Feb a 2019, the Com an i ed 150,000,000 RMB o dina ha e (A ha e) ith a a al e of RMB0.25 e ha e at the i e ice of RMB2.00 e ha e. Afte the change, the egi te ed ca ital a RMB487,500,000.00.

On 11 A g t 2020, in acco dance ith the P o o al on Adj ting the Li t of Incenti e Pa tici ant and the N mbe of Re t icted Sha e G anted on the Fi t G ant of the Com an ' 2020 A-Sha e Re t icted Sha e Incenti e Scheme and the P o o al on the Fi t G ant of A-Sha e Re t icted Sha e to Incenti e Pa tici ant , the Com an g anted e t icted ha e to o o ed incenti e a tici ant . A total of 15 incenti e a tici ant b c ibed fo 4,600,000 RMB o dina ha e (A Sha e) ith a a al e of RMB0.25 each, and the g ant ice a RMB6.23 e ha e. Afte the com letion of the abo ementioned t an action, the egi te ed ca ital of the com an afte the change a RMB488,650,000.00.

A a o ed b the China Sec itie Reg la.o Commi ion, the Com an blicl i ed 14.50 million A ha e con e tible co o a.e bond (the Con e tible Bond) ¥ ith a a al e of RMB100 each on 27 Ma 2020. The to.al amo n. of thi i ance i RMB1,450,000,000.00 and the te m i 6 ea . P an. to the R le Go e ning the Li ting of Sto.k on Shanghai Sto.k E change and o.he ele an. eg la.ion and the P o ect of A Sha e Con e tible Co o a.e Bond th o gh P blic I ance of Flat Gla G o Co., L.d., the Con e tible Bond can be con e ted into the RMB o dina ha e (A ha e) of the Com an f om 3 Decembe 2020. The in.ial con e ion ice i RMB13.56 e ha e. The Com an ¥ ill adj t the con e ion ice ba ed on the o ect on the occ ence of di t ib tion of tock di idend, ca .ali a.ion i e, i ance of ne¥ ha e (e cl ding the inc ea e in ha e ca .al d e to the con e tible co o a.e bond in thi i ance), igh i e o di t ib tion of ca h di idend. On 9 No embe 2020, the Com an adj ted the con e ion ice to RMB13.48 e ha e ba ed on the A- ha e e t ic.ed ha e incen.i e cheme and 2020 in.e im ofit di t ib tion o o al. On 28 Jan a 2021, the Com an adj ted the con e ion ice to RMB14.15 e ha e d e to the non- blic i ance of RMB o dina ha e (A ha e). D ing the e iod f om 3 Decembe 2020 to 27 Jan a 2021, the con e tible bond of the Com an amo n.ing to RMB1,358,240,000.00 ¥ e e con e ted into 100,754,542 RMB o dina ha e (A ha e) at a con e ion ice of RMB13.48 e ha e. D ing the e iod f om 28 Jan a 2021 to 29 Jan a 2021, the con e tible bond of the Com an amo n.ing to RMB89,057,000.00¥ e e con e ted into 6,293,565 RMB o dina ha e (A ha e) at a con e ion ice of RMB14.15 e ha e. D ing the e iod f om 3 Decembe 2020 to 23 Decembe 2020, the clo ing ice of ha e of the Com an fo at lea t 15 t ading da o t of an 30 con ec ti e t ading da d ing the con e ion e iod¥ e e no le than 130% (130% incl i e) of the e ailing con e ion ice, t igge ing the conditional edem tion te m of con e tible bond . On 23 Decembe 2020, the Re ol tion on Ea l Redem tion of Flat Con e tible Bond b the Com an ¥ a con ide ed and a o ed at the 28th meeting of the fifth e ion of the Boa d, nde ¥ hich the Com an decided to e e ci e the ea l edem tion igh of Flat Con e tible Bond , and edeemed all the Flat Con e tible Bond egi te ed on the edem tion egi t ation da.e¥ ith the edem tion egi t ation da.e of 29 Jan a 2021. A of 29 Jan a 2021, the con e tible bond in an amo n. of RMB1,447,297,000.00 ha e been con e ted into RMB o dina ha e (A ha e), and the c m lati e n mbe of con e ted ha e amo n.ed to 107,048,107 ha e (incl ding: con e ion of 86,648,788.00 ha e in 2020,¥ hich e anded the egi te ed ca .al b RMB21,662,197.00 and ca .al e e e b RMB1,162,828,718.24; and con e ion of 20,399,319.00 ha e , ¥ hich e anded the egi te ed ca .al b RMB5,099,829.75 and ca .al e e e b RMB278,934,138.94), and the non-con e ted con e tible bond of RMB2,703,000.00 ha e been edeemed b the Com an . D e to the con e ion of con e tible bond , the egi te ed ca .al of the Com an inc ea ed b RMB26,762,026.75, the n mbe of ha e inc ea ed b 107,048,107 ha e and the ca .al e e e inc ea ed b RMB1,441,762,857.18.

A con ide ed and a o ed a: the 20:h mee:ing of the fif:h e ion of the Boa d, 2020 fi t e t ao dina gene al mee:ing, 2020 econd A ha eholde cla mee:ing and 2020 econd H ha eholde cla mee:ing of the Com an , and a o ed b the A o al of the Non- blic I ance of Sha e of Flat Gla G o Co., L:d. (CSRC A o al [2020] No. 2648) i ed b China Sec i:ie Reg la:o Commi ion, the Com an ₹ a e mi::ed to i e no: mo e than 450,000,000 RMB o dina ha e (A ha e) b ₹ a of non- blic i ance. A of 7 Jan a 2021, the Com an ha com le:ed the non- blic i ance of 84,545,147 RMB o dina ha e (A ha e) a: a a al e of RMB0.25 e ha e a: an i e ice of RMB29.57 e ha e₹ i:h the to:al amo n: of f nd ai ed of RMB2,499,999,996.79. The ne: oceed ₹ e e RMB2,483,081,943.69 af:e ded c:ing the i e co: of RMB16,918,053.10, of ₹ hich the amo n: of RMB21,136,286.75 and RMB2,461,945,656.94₹ a incl ded in to:al ha e ca i:al and ca i:al e e e, e ec:i el . All a men: of b c i :ion amo n: ₹ e e made b ca h in Renminbi. D e to the non- blic i ance of A ha e , the egi :e ed ca i:al of the Com an inc ea ed b RMB21,136,286.75, the n mbe of ha e inc ea ed b 84,545,147 ha e and the ca i:al e e e inc ea ed b RMB2,461,945,656.94.

On 25 Ma 2021, the Com an held the econd mee:ing of the i :h e ion of the Boa d, a:₹ hich the Re ol :ion in ela:ion to the Re e ed G an: of the Re :ic:ed A Sha e to Pa :ici an: ₹ a con ide ed and a o ed to g an: e :ic:ed ha e to :h ee a :ici an: . The a :ici an: ac: all b c ibed fo 700,000 RMB o dina ha e (A ha e),₹ i:h a a al e of RMB0.25 e ha e a: a g an: ice of RMB14.23 e ha e. U on the com le:ion of the abo e g an: of e :ic:ed ha e , the egi :e ed ca i:al of the Com an became RMB536,723,313.50.

A a o ed b the A o al of the P blic I ance of Con e tible Bond of Flat Gla G o Co., Ltd. (CSRC A o al [2022] No. 664) i ed b China Sec itie Reg la o Commi ion and ant to the P o ect of A Sha e Con e tible Co o ate Bond th o gh P blic I ance and the Anno ncement on A Sha e Con e tible Co o ate Bond th o gh P blic I ance of the Com an , the Com an blicl i ed 40 million A ha e con e tible co o ate bond ith a a al e of RMB100 each on 26 Ma 2022. The total amo nt of thi i ance i RMB4,000,000,000.00 and the e m i 6 ea . The total oceed ecei ed b the Com an a e RMB3,978,000,000.00 af e ded cting the nde iting fee of RMB20,754,716.98 and the co e onding al e-added ta of RMB1,245,283.02. Acco ding to ele ant eg la ion incl ding the R le Go e ning the Li ting of Stock on Shanghai Stock E change and the o i ion nde the P o ect of A Sha e Con e tible Co o ate Bond th o gh P blic I ance, the Con e tible Bond a e con e tible into RMB o dina ha e (A ha e) ith effect f om 28 No embe 2022 at an initial con e ion ice of RMB43.94 e ha e. The Com an ill adj t the con e ion ice ba ed on the o ect on the occ ence of di t ib tion of tock di idend, ca italization i e, i ance of ne ha e (e cl ding the inc ea e in ha e ca ital d e to the con e tible co o ate bond in thi i ance), ight i e o di t ib tion of ca h di idend.

The inci al act i ities of the Com an and it b idia ie (the G o) a e the man fact ing and ale of gla od ct .

The de facto cont olle of the Com an a e M . R an Hongliang, M . Jiang Jinh a, M . R an Ze n and M . Zhao Xiaofei, of hom M . R an Hongliang and M . Jiang Jinh a a e di ecto of the Com an .

2. Scope of the Consolidated Financial Statements

On 26 A g t 2022, the Com an ' com an and con olidated financial tatement ha e been a o ed b the Boa d of Di ecto of the Com an .

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

The G o ha im lemen ed he Acco n ing S anda d fo B ine En e i e and o he ele an eg la ion i ed b he Mini of Finance (he einafe efe ed o a he CASBE) and ha al o di clo ed ele an financial info ma ion in acco dance i h he P e a a ion Con en ion of Info ma ion Di clo e b Com anie Offe ing Sec i ie o he P blic No.15 Gene al P o i ion on Financial Re o ing (e i ed in 2014). In addi ion, he financial a emen al o incl de di clo e e i ed b he Com anie O dinance and he Li ing R le of he ock e change of Hong Kong.

Going concern

The G o ha a e ed he abili o con in e a a going conce n fo a 12-mon h e iod ince 30 J ne 2022 and i no a e of an e en o condi ion ha ma ca ignifican do b on he abili o con in e a a going conce n. So he financial a emen ha e been e a ed on a going conce n ba i .

Basis of accounting and principle of measurement

The G o ha ado ed acc al ba i fo acco n ing mea emen . E ce ome financial in men a e mea ed a fai al e, he financial a emen a e ba ed on hi o ical co . If he a e a e im ai ed, co e onding o i ion fo im ai men hall be made acco ding o ele an eg la ion .

Unde he hi o ical co con en ion, a e a e mea ed a he amo n of ca h o ca h e i alen aid o he fai al e of he con ide a ion gi en o ac i e hem a he ime of ac i i ion. Liabili ie a e mea ed acco ding o he amo n of a men o a e ac all ece ei ed d e o he a m ion of c en obliga ion , o he con ac amo n of he c en obliga ion, o in acco dance i h he amo n of ca h o ca h e i alen e ec ed o be aid in dail ac i i ie o mee liabili ie .

Fai al e i he ice ha o ld be ece ei ed o ell an a e o aid o an fe a liabili in an o de l an ac ion be een ma ke a ici an a he mea emen da e, ega dle of he he ha ice i di ec l ob e able o e ima ed ing al a ion echni e. Fai al e mea ed and di clo ed in he financial a emen a e de e mined acco ding o he abo e ba i .

The fai al e mea ement i di ided into h ee le el ba ed on the ob e abili of the in t of the fai al e and the im o tance of the in t to the fai al e mea ement a a hole:

Le el 1 in t a e the nadj ted o ed ice of the ame a e o liabili ie in the ac i e ma ke that can be ob tained on the mea ement da e.

Le el 2 in t a e in t , o he than o ed ice incl ded i hin Le el 1, that a e ob e able fo the a e o liabili , ei he di ec l o indi ec l .

Le el 3 in t a e nob e able in t fo the ele ant a e o liabili .

2. Going concern

The financial ta ement ha e been e a ed on a going conce n ba i .

(III) SIGNIFICANT ACCOUNTS POLICIES AND ACCOUNTING ESTIMATES

The inci al ac i ie of the G o a e the man fac ing and ale of gla od c . The efo e, the acco n ing olicie fo ecogni ion of e en e, im ai men of financial in t men , de ecia ion of fi ed a e and amo i a ion of in angible a e a e ba ed on the cha ac e i ic of the gla man fac ing ind t .

1. Statement of Compliance with CASBE

The financial ta emen of the Com an ha e been e a ed in acco dance i h the CASBE, and e en t l and com le el the con olida ed and the Com an ' financial o i ion a a 30 J ne 2022 and the con olida ed and the Com an ' e l of o e a ion , the con olida ed and the Com an ' change in ha eholde ' e i and the con olida ed and the Com an ' ca h flo in the half ea of 2022.

2. Accounting Period

The acco nting ea of the G o i the calenda ea , i.e. f om 1 Jan a to 31 Decembe of each ea .

3. Operating Cycle

O e ating c cle efe to the e iod f om the cha e of a e ed fo oce ing to the ealization of ca h o ca h e i alent . The G o ' o e ating c cle all take a o imatel 12 month .

4. Functional Currency

The c enc ed b the Com an in e a ing the financial tatement i RMB.

5. Accounting Methods of Business Combination Involving Enterprises under Common Control and Not Involving Enterprises under Common Control

B ine combination a e cla ified into b ine combination in ol ing ente i e nde common cont ol and b ine combination not in ol ing ente i e nde common cont ol.

5.1 Business combinations involving enterprises under common control

A b ine combination in ol ing ente i e nde common cont ol i a b ine combination in ₹ hich all of the combining ente i e a e ultimatel cont olled b the ame a t o a tie both befo e and afte the combination, and that cont ol i not t an ito .

A et and liabilitie ac i ed in a b ine combination a e mea ed at thei ca ing amo nt of the combined a t at the combination date. The diffe ence bet₹ een the ca ing amo nt of the net a et ac i ed b the combining a t and the ca ing amo nt of the con ide ation aid fo the combination (o the agg egate face al e of the ha e i ed) i adj ted to ha e emi m nde ca ital e e e, if the ha e ca ital emi m i in fficient to off et the diffe ence, the etained ea ning ₹ ill be adj ted.

The co t that a e di ectl att ib table to the b ine combination a e cha ged to ofit o lo in the e iod in ₹ hich the a e inc ed.

5.2 Business combinations not involving enterprises under common control and goodwill

A b ine combination not in ol ing ente i e nde common cont ol i a b ine combination in ¥ hich all of the combining ente i e a e not ltimatel cont olled b the ame a t o a tie both befo e and afte the combination.

The co t of combination i mea ed at the agg egate of the fai al e , at the ac i ition date, of a et gi en, liabilitie inc ed o a med, and e it in t ment i ed b the ac i e in e change fo cont ol of the ac i ee. The inte media fee inc ed b the ac i e in e ect of a diting, legal e ice , al ation and con ltanc e ice , etc. and o the elated admini t ati e e en e att ib table to the b ine combination a e cha ged to ofit o lo in the e iod in ¥ hich the a e inc ed.

The identifiable a et , liabilitie and contingent liabilitie of the ac i ee that meet the ecognition condition ac i ed b the ac i e in a b ine combination, a e mea ed at thei fai al e at the ac i ition date.

Whe the co t of combination e ceed the ac i e ' inte e t in the fai al e of the ac i ee' identifiable net a et , the diffe ence i ecogni ed a an a et a good ¥ ill and i initiall mea ed at co t. Whe the co t of combination i le than the ac i e ' inte e t in the fai al e of the ac i ee' identifiable net a et , the ac i e fi t l ea e e the mea ement of the fai al e of the ac i ee' identifiable a et , liabilitie and contingent liabilitie and the mea ement of the co t of combination. If afte that ea e ment, the co t of combination i till le than the ac i e ' inte e t in the fai al e of the ac i ee' identifiable net a et ac i ed in the combination, the diffe ence i ecogni ed in ofit o lo .

Good ¥ ill occ ed a a e lt of combination hall be ecogni ed e a atel in the con olidated financial tatement and mea ed at co t le acc m lated im ai ment o i ion.

6. Preparation of Consolidated Financial Statements

The co e of con olida ion fo he con olida ed financial a emen i de e mined ba ed on con ol. Con ol efe o he ow e ha he in e o ha o e he in e ee; i mean ha he in e o enjo a iable e n b aking a in he ele an ac i ie of he in e ee and i ca able of ing i ow e o e he in e ee o infl ence he amo n of e n. In ca e of change in he ele an elemen in ol ed in he afo e aid definition of con ol a a e l of he change in fac and ci c m ance, he G o ill cond c e-a e men.

Con olida ion of a b idia begin hen he G o obain con ol o e he b idia and cea e hen he G o lo e con ol of he b idia .

Fo a b idia di o ed of b he G o , he o e a ing e l and ca h flow befo e he da e of di o al (he da e hen con ol i lo) a e incl ded in he con olida ed income a emen and con olida ed a emen of ca h flow , a a o ia e.

Fo a b idia ac i ed h o gh a b ine combina ion no in ol ing en e i e nde common con ol, he o e a ing e l and ca h flow f om he ac i i ion da e (he da e hen con ol i obained) a e incl ded in he con olida ed income a emen and con olida ed a emen of ca h flow , a a o ia e.

No ma e hen he b ine combina ion occ in he e o ing e iod, b idia ie ac i ed h o gh a b ine combina ion in ol ing en e i e nde common con ol o he a ie being ab o bed nde me ge b ab o ion a e incl ded in he G o ' co e of con olida ion a if he had been incl ded in he co e of con olida ion f om he da e hen he fi ame nde he common con ol of he ima e con olling a . Thei o e a ing e l and ca h flow f om he beginning of he ea lie e o ing e iod o f om he da e hen he fi ame nde he common con ol of he ima e con olling a a e incl ded in he con olida ed income a emen and con olida ed a emen of ca h flow , a a o ia e.

The ignificant acco nting olicie and acco nting e iod ado ted b the b idia ie a e dete mined in acco dance ith the Com an ' nified acco nting olicie and acco nting e iod .

All ignificant acco nt and t an action be een the Com an and it b idia ie and among the b idia ie a e elimina ted on con olida tion.

The o tion of a b idia ' e it that i not att ib table to the Com an i t ea ted a mino it inte e t and e ented a mino it inte e t nde ha eholde ' e it in the con olida ted balance hee t. The o tion of a b idia ' net ofit o lo fo the e iod att ib table to mino it inte e t i e ented a ofit o lo att ib table to mino it inte e t nde net ofit in the con olida ted income tatement.

When the amo nt of lo fo the e iod att ib table to the mino it ha eholde of a b idia e ceed the mino it ha eholde ' o tion in the o ening balance of o ne ' e it of the b idia , the balance i till allocated again t mino it inte e t .

A t an action i acco nted fo a an e it t an action hen the cha e of mino it inte e t in a b idia o the di o al of a t of e it in e tment in a b idia doe not e lt in the G o lo ing con ol o e the b idia , and the ca ing amo nt of e it att ib table to the o ne of the Com an and mino it ha eholde ill be adj ted to eflect the change of thei ela ted inte e t in the b idia . The diffe ence bet een the adj ted e it of mino it ha eholde and the fai al e of the con ide ation aid/ ecei ed i adj ted to ca ital e e e. If the ca ital e e e i in fficient to off et the diffe ence, the etained ea ning ill be adj ted.

7. Recognition Criteria of Cash and Cash Equivalents

Ca h e i alent a e ho t-te m (all d e ithin 3 mon h f om the date of cha e), highl li id in e tment held b the G o that a e eadil con e tible to kno n amo nt of ca h and hich a e bjec to an in ignificant i k of change in al e.

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

8.1 Foreign currency business

Fo eign c enc t an action a e t an lated at the o e change ate on the date of t an action at initial ecognition.

At the balance hee t date, fo eign c enc mone a item a e t an lated into RMB ing the o e change ate at the balance hee t date. E change diffe ence a i ing f om the diffe ence bet een the o e change ate e ailing at the balance hee t date and tho e on initial ecognition o at the e io balance hee t date a e ecogni ed in ofit o lo fo the e iod, e ce t that: (1) e change diffe ence elated to ecial bo ing denominated in fo eign c enc eligible fo ca italization hall be ca italized into the co t of the elated a et d ing the ca italization e iod; (2) e change diffe ence on hedging in t ment fo the o e of hedging again t fo eign c enc i k a e acco nted fo ing hedge acco nting; and (3) e change diffe ence a i ing f om change in ca ing amo nt (othe than amo ti ed co t) of mone a item at fai al e th o gh com ehen i e income a e ecogni ed in othe com ehen i e income.

Non-mone a item denomina ed in fo eign c encie that a e mea ed at hi to ical co t a e t an lated to f nctional c enc at the o e change ate at the date of the t an action. Non-mone a item denomina ed in fo eign c encie that a e mea ed at fai al e a e t an lated ing the fo eign e change ate at the date the fai al e i dete mined. The diffe ence bet een the t an lated f nctional c enc amo nt and the o iginal f nctional c enc amo nt i t eated a change in fai al e (incl ding change in e change ate) and i ecogni ed in ofit o lo o a othe com ehen i e income.

8.2 Translation of foreign currency financial statements

Fo the o e of e a ing the con olida ed financial a emen , he fo eign c enc financial a emen of o e ea o e a ion a e an la ed in o RMB financial a emen ing he follo ing me hod: all a e and liabili ie in he balance hee a e an la ed a he o e change a e a he balance hee da e; e i i em con e ted a he o e change a e a he ime of occ e nce; all i em in he income a emen and i em eflec ing he amo n of ofi di i b ion a e an la ed a he e change a e a o ima ing he fo eign e change a e ling a he da e of he an ac ion ; he diffe ence be een a e and he m of liabili ie and ha eholde ' e i af e an la ion i ecogni ed in o he com ehen i e income and incl ded in ha eholde ' e i .

Ca h flo a i ing f om a an ac ion in fo eign c enc and he ca h flo of a fo eign b idia a e an la ed a an e change a e hich a o ima e he o e change a e on he da e of he ca h flo . The effec of e change a e change on ca h and ca h e i alen i ega ded a a econcilia ion i em and e en ed e a a el in he a emen of ca h flo a effec of e change a e change on ca h and ca h e i alen .

The o ening balance and he ac al fig e of io ea a e e en ed a he an la ed amo n in he io ea ' financial a emen .

9. Financial Instruments

The G o ecogni e a financial a e o a financial liabili hen it become a a t o a financial in t men con ac .

Whe e financial a e a e cha ed o old in a eg la a , a e o be ecei ed and liabilitie o be bo ne a e ecogni ed on the da e of t an ac ion, o a e old a e de ecogni ed on the da e of t an ac ion.

Financial a e and financial liabilitie a e initiall mea ed a fai al e. Fo financial a e and financial liabilitie a fai al e th o gh ofi o lo , the ela ed t an ac ion co a e di ec l ecogni ed in ofi o lo in the e iod in hich the a e inc ed. Fo o he ca ego ie of financial a e and financial liabilitie , the ela ed t an ac ion co a e incl ded in the initiall ecogni ed amo n . When the G o initiall ecogni e ecei able that do no con ain a ignifican financing com onen o do no con ide the financing com onen in a con ac no e ceeding one ea in acco dance h the Acco n ing Standa d fo B ine Ente i e No. 14 Re en e (the Re en e Standa d), the G o initiall mea e the ecei able a the t an ac ion ice a defined in the Re en e Standa d.

Effec i e inte e t a e me hod i the me hod that i ed in the calc la ion of the amo i ed co of a financial a e o a financial liabili and in the allocation and ecognition of the inte e e en e o inte e e en e in ofi o lo o e the ele an e iod.

The effec i e inte e t a e i the a e that di co n e imated f t e ca h flo h o gh the e ec ed d a ion of a financial a e o a financial liabili to the ca ing amo n of the financial a e o to the amo i ed co of the financial liabili . In de e mining the effec i e inte e t a e, the e ec ed ca h flo i e imated on the ba i of all con ac al e m of the financial a e o financial liabili (ch a ea l e a men, e en ion, call o ion o o he imila o ion , e c.) h o aking into acco n the e ec ed c edi lo .

The amo i ed co of a financial a e o a financial liabili i the amo n initiall ecogni ed fo a financial a e o a financial liabili ne of inci al e aid, l o le the c m la i e amo i ed amo n a i ing f om amo iza ion of the diffe ence be een the amo n initiall ecogni ed and the amo n a the ma i da e ing the effec i e inte e t me hod, ne of c m la i e lo allo ance (onl a licable to financial a e).

9.1 Classification, recognition and measurement of financial assets

S b e ent to initial ecogni.ion, the G o ' financial a et of a io

The G o ' o e of holding the financial a e i fo t ading if one of the follo ing condition i a i fied:

The o e of ac i ing the financial a e i to ell the a e in the nea f t e.

The ele ant financial a e a e a t of a o tfolio of identified financial in t men that a e cent all managed on initial ecogni ion, and the e i objec i e e idence of ac all a ecen ho t-te m ofit-taking model.

The ele ant financial a e a e de i a i e , e ce t fo de i a i e defined nde financial g a antee con ac and de i a i e de igna ed a effec i e hedging in t men .

Financial a e at FVTPL incl de financial a e cla ified a at FVTPL and financial a e de igna ed a at FVTPL.

Financial a e that do not mee the cla ifica ion c i e ia fo financial a e at amo i ed co t o financial a e at FVTOCI a e cla ified a financial a e at FVTPL.

On initial ecogni ion, the G o ma i e ocabl de igna e a financial a e a at FVTPL if doing o elimina e o ignifican l ed ce an acco n ing mi matchi o hen the c i e ia fo the h b id con ac ith embedded de i a i e a e me .

E ce t fo de i a i e financial a e , financial a e at FVTPL a e e en ed a held-fo -t ading financial a e .

9.1.1 Financial a et mea ed at amo ti ed co t

Financial a et at amo ti ed co t i b e ent l mea ed at amo ti ed co t ing the effecti e inte e t method. Gain o lo e a i ing f om de ecogniti on, im ai ment o amo tization a e ecogni ed in ofit o lo .

The G o ecogni e inte e t income on financial a et mea ed at amo ti ed co t ing the effecti e inte e t method. The G o dete mine the inte e t income ba ed on the ca ing amo nt of financial a et m lti lied b the effecti e inte e t ate, e ce t fo :

Fo cha ed o o iginated c edit im ai ed financial a et , the G o ecogni e thei inte e t income ba ed on amo ti ed co t and c edit-adj ted effecti e inte e t ate of ch financial a et ince initial ecogniti on.

Fo cha ed o o iginated financial a et ithout c edit im ai ment b t ith c edit im ai ment inc ed in b e ent e iod , the G o calc late and dete mine it inte e t income ba ed on amo ti ed co t of the financial a et and the effecti e inte e t ate in b e ent e iod . If the c edit i k of the financial in t ment im o e in b e ent e iod and the financial in t ment i no longe c edit im ai ed and the im o ement can be linked to an e ent occ ing afte the a lication of the abo e e i ement , the G o ill dete mine the inte e t income ba ed on the effecti e inte e t ate m lti lied b the ca ing amo nt of the financial a et .

9.1.2 Financial a e cla ified a a FVTOCI

E ce fo im ai men lo e o gain ela ed o financial a e a FVTOCI, in e e income calc la ed ing he effec i e in e e me hod and e change gain and lo e a e ecogni ed in ofi o lo , change in fai al e of he financial a e a e ecogni ed in o he com ehen i e income. The amo n of he financial a e incl ded in ofi o lo fo each e iod hall be e al o he amo n deemed a mea ed a amo i ed co and incl ded in ofi o lo fo each e iod. U on de ecogni ion of he financial a e , c m la i e gain o lo e e io l ecogni ed in o he com ehen i e income a e an fe ed and ecla ified in o ofi o lo fo he e iod.

Af e he non- adable e i in men in e men i de igna ed a a financial a e a FVTOCI, he change in fai al e of he financial a e a e ecogni ed in o he com ehen i e income. When he financial a e i de ecogni ed, he c m la i e gain o lo e e io l ecogni ed in o he com ehen i e income a e an fe ed f om o he com ehen i e income and ecogni ed in e ained ea ning . D ing he e iod ha he G o hold he e non- adable e i in men, he di idend income i ecogni ed and incl ded in ofi o lo hen he G o ' igh o ece e di idend ha been e abli hed and he economic benefi a ocia ed i h he di idend a e likel o flo in o he G o and he amo n of he di idend can be eliabl mea ed.

9.1.3 Financial a e a FVTPL

Financial a e a FVTPL hall be b e en l mea ed a fai al e. Gain o lo e f om change in fai al e and di idend and in e e income ela ed o ch financial a e hall be ecogni ed in ofi o lo .

9.2 Impairment of financial instruments

The G o e fo m im ai men acco n ing fo financial a e mea ed a amo i ed co and financial a e a FVTOCI ba ed on e ec ed c edi lo e (ECL) and ecogni e lo allo ance.

The g o mea e he lo e e e of all comme cial acce ance, bill ecei able and ade ecei able fo med d e o he income anda d in acco dance i h he amo n e i alen o life ime ECL.

Fo o he financial in men , e ce fo cha ed o o igina ed c edi im ai ed financial a e , a each balance hee da e, he G o a e e change in c edi i k of ele an financial in men ince initial ecogni ion. If he c edi i k on he financial in men ha inc ea ed ignifican l ince initial ecogni ion, he G o mea e i lo allo ance a an amo n e al o life ime ECL of he financial in men. If he c edi i k on he financial in men ha no inc ea ed ignifican l ince initial ecogni ion, he G o mea e he lo allo ance a an amo n e al o ne 12-mon h ECL of he financial in men. E ce fo financial a e mea ed a FVTOCI, he inc ea ed o e e ed amo n of c edi lo o i ion hall be incl ded in ofi and lo fo he e iod a im ai men lo o gain.

The G o mea ed lo allo ance a an amo n e al o he life ime ECL of he financial in men in he e io acco n ing e iod. Ho e e , a a he balance hee da e fo he c en e iod, fo he abo e financial in men , d e o fail e o alif a ignifican inc ea e in c edi i k ince initial ecogni ion, he G o mea e lo allo ance fo he financial in men a an amo n e al o ne 12-mon h ECL a he balance hee da e fo he c en e iod, and he ele an e e al amo n of lo allo ance i incl ded in ofi o lo fo he c en e iod a an im ai men gain.

9.2.1 Significant increase in credit risk

The Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the risk of a default occurring on the financial instrument as at the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition. For loan commitment and financial guarantee contracts, the Group considers the date on which it becomes the date of making the irrevocable undertaking as the initial recognition date when assessing whether financial instruments impaired.

The Group will take the following factors into consideration when assessing whether the credit risk has significantly increased:

(1) Whether the external market indicators of credit risk for the same financial instrument or similar financial instrument with the same expected life have changed significantly. The indicators include: credit spread, credit default swap prices for bonds.

(2) Whether the debtor's internal credit rating actually or expected to be lowered.

(3) Adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its debt obligations.

(4) Whether the actual or expected operating results of the debtor have changed significantly.

(5) Whether the regulatory, economic or technological environment in which the debtor is located has undergone significant adverse changes.

I e ec.i e of a ignifican. inc ea e in c edi. i k ince abo e a e men., .he c edi. i k of .he financial in . men. i con ide ed .o ha e inc ea ed ignifican.l ₩ hen .he con. ac. al a men. a e a .d e mo e .han 30 da (incl i e).

A a. .he balance hee. da.e, if .he G o j dge .ha. .he financial in . men. olel ha lo₩ e c edi. i k, .he G o ₩ ill a me .ha. .he c edi. i k of .he financial in . men. ha no. ignifican.l inc ea ed ince ini.ial ecogni.ion. If .he defa l. i k of a financial in . men. i lo₩ , and .he bo ₩ e i highl ca able of mee.ing i. con. ac. ca h flo₩ obliga.ion in ho. .e m, .he financial in . men. i con ide ed .o ha e a lo₩ e c edi. i k e en if .he e i a nega.i e change in .he economic i. a.ion and o e a.ing en i onmen. o e a longe e iod of .ime, b . i. ma no. nece a il ed ce .he bo ₩ e ' e fo mance of i. con. ac. ca h obliga.ion .

9.2.2 C edi. im ai ed financial a e.

A financial a e. i c edi. im ai ed ₩ hen one o mo e e en. .ha. ha e an ad e e im ac. on .he e .imа.ed f . e ca h flo₩ of .he financial a e. occ ed. E idence .ha. a financial a e. i c edi. im ai ed incl de .he follo₩ ing ob e able info ma.ion:

(1) Significan. financial diffic l. of .he i e o .he debo. ;

(2) The debo. b eache .he con. ac., ch a defa l. o o e d e on in.e e. o inci al a men.;

(3) The c edi.o , fo economic o con. ac. al ea on ela.ing .o .he financial diffic l.ie of .he debo. , g an.ed .o .he debo. a conce ion .ha. .he c edi.o ₩ o ld no. o.he₩ i e con ide ;

(4) The debo. i likel .o en.e bank .c o o.he financial eo gani.a.ion;

(5) The ac.i e ma ke. fo .he financial a e. di a ea ed d e .o .he financial diffic l.ie of .he i e o .he debo. .

Ba ed on the G o ' inte nal c edit i k management, the G o con ide an e ent of defa lt occ hen info mation o o ed inte nall o obtained e te nall indicate that the debto of the financial in t ment i nable to a it c edito (incl ding the G o) in f ll ho t aking into acco nt an g a antee obtained b the G o).

I e ecti e of the abo e a e ment, the G o e me that defa lt ha occ ed hen the cont act al a ment fo a financial in t ment a e a t d e fo mo e than 90 da (incl i e).

9.2.3 Dete mination of ECL

The G o e im ai ment mat i to dete mine the c edit lo of elated financial in t ment on the ba i of combination of bill ecei able, financing ecei able , t ade ecei able and othe ecei able . The G o di ide financial in t ment into diffe ent g o ba ed on common i k feat e . The common c edit i k feat e ado ted b the G o incl de: t e of financial in t ment , c edit i k ating, initial ecognition date, etc.

The G o dete mine ECL of ele ant financial in t ment acco ding to the follo ing me hod :

Fo financial a et , the c edit lo hall be the e ent al e of the diffe ence bet een the cont act al ca h flo to be ecei ed b the G o and the e ected ca h flo to be ecei ed.

A fo the financial a et ith c edit im ai ment occ ed on the balance hee date b t not cha ed o gene ated, the c edit lo i the diffe ence bet een the book balance of the financial a et and the e ent al e of the e timated f t e ca h flo di co nted at the o iginal effecti e inte e t ate.

Fo a financial g a antee cont act, the c edit lo i the e timated a ment made b the G o fo the c edit lo inc ed b the cont act holde , le the e ent al e of the diffe ence bet een the amo nt e ected to be collected b the G o f om the cont act holde , debto o an othe a t .

The factors reflected in the Group's method of measuring ECL of financial instruments include: the unbiased probability-weighted average amount determined by evaluating a range of possible results; the time value of money; the reasonable and supportable information about past events, current conditions and forecasts of future economic conditions available without undue cost or effort on the balance sheet date.

9.2.4 Write-down of financial assets

When the Group no longer reasonably expects that the contractual cash flows of the financial asset can be recovered in whole or in part, the book balance of the financial asset shall be written down directly. Such write down constitutes derecognition of related financial assets.

9.3 Transfer of financial assets

A financial asset is derecognized when one of the following conditions is met: (1) the contractual right to receive the cash flows from the financial asset expires; (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset has been transferred to the transferee; or (3) the financial asset has been transferred, although the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it does not retain control over the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards

9.4 Classification and measurement of financial liabilities and equity instruments

Ba ed on the con act al te m of the financial in t ment i ed and the economic b tance a the than onl the fo m of legal con act eflec ed, along ith the definition of financial liabili ie and e it in t ment , the G o cla ifie the financial in t ment o it com onen a financial liabili o e it in t ment at initial ecogni ion.

9.4.1 Cla ifica ion, ecogni ion and mea emen of financial liabili ie

U on initial ecogni ion, financial liabili ie a e cla ified into financial liabili ie at FVTPL and o he financial liabili ie .

9.4.1.1 Financial liabili ie at FVTPL

Financial liabili ie at fai al e th o gh ofi and lo incl de held-fo -a ading financial liabili ie (incl ding de i ati e that a e financial liabili ie) and financial liabili ie de ignated a at FVTPL. In addition to the de i ati e financial liabili ie li ted e a atel , financial liabili ie at FVTPL a e li ted a t an actional financial liabili ie .

The G o ' o e of nde taking the financial liabili ie i fo t ading if one of the follo ing condition i ati fied:

The o e of nde taking ele ant financial liabili ie i mainl fo the ecen e cha e.

The ele ant financial liabili ie a e a t of a o tfolio of iden ified financial in t ment that a e cen all managed on initial ecogni ion, and the e i objecti e e idence of ac all a ecen ho t-e m ofi -taking model.

The ele ant financial liabili ie a e de i ati e , e ce t fo de i ati e defined nde financial g a an ee con act and

The G o ma de ignate, on initial ecognition, a financial liabilit a at FVTPL if one of the follo ing condition i ati fied: (1) ch de ignation eliminate o ignificant l ed ce an acco nting mi match; (2) manage and e al ate the financial liabilit o tfolio o the o tfolio of financial a et and financial liabilitie at fai al e ba ed on the i k management o in e tment t ateg a tated in the official itten doc ment of the G o , and e o t to ke management of the G o inte nall ; o (3) a alified h b id cont act containing embedded de i ati e .

Held-fo -t ading financial liabilitie a e b e ent l mea ed at fai al e, and an gain o lo e a i ing f om change in fai al e and di idend o inte e t e en e aid on the financial liabilitie a e ecogni ed in ofit o lo fo the e iod.

Fo financial liabilitie de ignated at fai al e th o gh ofit o lo , change in the fai al e of ch financial liabilitie a i ing f om change in the G o ' o n c edit i k a e ecognized in o the com ehen i e income and change in o the fai al e a e ecognized in ofit o lo in the c ent e iod. On de- ecognition of the financial liabilit , the c m lati e change in fai al e att ib table to change in o n c edit i k e io l ecognized in o the com ehen i e income i t an fe ed to etained ea ning . Di idend o inte e t e en e elated to the e financial liabilitie a e ecognized in ofit o lo fo the e iod. If the t eatment of the effect of change in the o n c edit i k of ch financial liabilitie a de c ibed abo e o ld ca e o enla ge an acco nting mi match in ofit o lo , the G o ecognize the enti e gain o lo on ch financial liabilitie (incl ding the amo nt of the effect of change in o n c edit i k) in ofit o lo fo the e iod.

9.4.1.2 O:he financial liabili:ie

O:he financial liabili:ie o:he :han financial liabili:ie a i ing f om

9.4.2 De ecogni ion of financial liabili ie

The G o de ecogni e a financial liabili (o a of i) onl hen he nde l ing e en obliga ion (o a of i) i di cha ged. Whe e an ag eemen be een he G o a bo o e and lende i igned o e lace he o iginal financial liabili and he con ac al e m of he ne financial liabili and he o iginal financial liabili a e b an ial diffe en, he G o de ecogni ed he o iginal financial liabili and ecogni ed he ne financial liabili .

On de ecogni ion of a financial liabili in i en i e o a ial , he diffe ence be een he ca ing amo n of he a de ecogni ed and he con ide a ion aid (incl ding an non-ca h a e an fe ed o ne financial liabili a med) i ecogni ed in ofi o lo fo he e iod.

9.4.3 E i in men

E i in men a e an con ac ha e idence a e id al inde e in he a e of he G o afe ded c ing all of i liabili ie . E i in men i ed (incl ding efinancing), e cha ed, old o cancelled b he G o a e ea ed a change in e i . Change in fai al e of e i in men i no ecogni ed b he G o . T an ac ion co elaed o e i an ac ion a e ded c ed f om e i .

The G o ecogni e he di ib ion o holde of he e i in men a ofi di ib ion, di idend aid do no affec o al amo n of ha eholde ' e i .

9.5 Derivative instruments and embedding derivatives

De i a i e in men incl ding fo a d fo eign e change con ac , c enc a con ac and in e e a e a con ac , e c. De i a i e a e initiall mea ed a fai al e on he igning da e of he ele an con ac and b e en l mea ed a fai al e. The change in fai al e of he de i a i e a e ecogni ed in ofi o lo fo he e iod.

9.6 Offsetting financial assets and financial liabilities

Financial a e and financial liabiliie a e off e and the ne amo n i e en ed in balance hee hen the G o ha a legall enfo ceable igh o e off the ecogni ed financial a e and financial liabiliie , and the G o in end o e le ih ne amo n , o eali e the financial a e and e le the financial liabili im l aneo l . O he i e, the financial a e and financial liabiliie ill be e en ed e a a el in balance hee and ill no be m all e off.

9.7 Convertible bonds

The con e ible bond i ed b the G o hich con ain liabiliie and con e ion o ion , hall be li on initial ecogni ion and ecogni ed e a a el . Of hich, con e ion o ion fo e lemen of fi ed amo n of ca h o o he financial a e in e change fo fi ed amo n of elf-e i in men i acco n ed fo a e i in men .

On initial ecogni ion, the fai al e of the liabili o ion i de e mined a c en ma ke ice imila o ho e of bond i ho con e ion o ion . The diffe ence be een the o e all i e ice of con e ible bond and the fai al e of the liabili o ion hall be aken a the al e of the con e ion o ion of the bondholde o con e the bond in o e i in men and eco ded in o he e i in men .

In the b e en mea emen , the liabili o ion of con e ible bond a e mea ed a amo i ed co ing the effec i e in e a e me hod. The al e

10. Receivables

The method for determining expected credit loss of bills receivable and accounting treatment method:

See 9.2 for relevant accounting policies.

11. Account receivables

The method for determining expected credit loss of account receivable and accounting treatment method:

See 9.2 for relevant accounting policies.

12. Financing receivables

For notes receivable classified at FVTOCI, the portion within one year (including one year) from the date of acquisition is presented as financing receivable. For details of the relevant accounting policies, please refer to 9.1, 9.2 and 9.3.

13. Other receivables

The method for determining expected credit loss of other receivable and accounting treatment method:

See 9.2 for relevant accounting policies.

14. Inventories

14.1 Classification of inventories

The Group's inventories mainly include raw material, low-value consumable, work in progress and finished goods, etc. Inventories are initially measured at cost, which comprise purchase cost, processing cost and other expenditure incurred in bringing the inventories to their present location and condition.

14.2 Pricing of inventories delivered

The ac t al co t of in en o ie on deli e i calc la ed ing the eigh ed a e age me hod.

14.3 Determination of net realisable value of inventories

A the balance hee da e, in en o ie a e mea ed a the lo e of co t and ne eali able al e. If the ne eali able al e i belo the co t of in en o ie , a o i ion fo im ai men of in en o ie i made.

Ne eali able al e i the e ima ed elling ice of in en o ie in the o dina co e of b ine le the e ima ed co t o com le ion, e ima ed elling e en e and ela ed a e . Ne eali able al e of in en o ie i de e mined on the ba i of clea e idence ob ained, aking in o acco n the o e of holding in en o ie and the effec of e en af e the balance hee da e.

P o i ion fo im ai men of in en o ie i made ba ed on the e ce of co t o e ne eali able al e of indi id al in en o ie em.

Af e the o i ion fo im ai men of in en o ie i made, if the ci c m ance ha e io l ca ed in en o ie o be i en-off no longe e i o ha the ne eali able al e of in en o ie i highe han hei ca ing amo n, the o iginal o i ion fo im ai men of in en o ie i e e ed and the e e ed amo n i ecogni ed in ofi o lo fo the e iod.

14.4 Inventory system

The in en o em i a e e al in en o em.

14.5 Amortization of low-value consumables

Lo - al e con mable a e amo i ed ing one-off i e-off me hod.

15. Assets Held for Sale

A non-c ent a et o di o al g o i cla ified a a et held fo ale hen the ca ing amo nt of the a et i eco e ed inci all th o gh a ale t an action (incl ding an e change of non-mone a a et ith comme cial b tance) athe than th o gh con in ing e.

Non-c ent a et o di o al g o held fo ale a e e i ed to a i f the follo ing condition : (1) an immedia e ale can be made nde the c ent condition acco ding to the actice of elling ch a et o di o al g o in imila t an action ; and (2) it i highl obable that a ale ill occ , that i , the G o ha made a e ol tion on a ale lan and obtained a definite cha e commitment, and the ale i e ected to be com leted ithin one ea .

The G o mea e non-c ent a et o di o al g o held fo ale at the lo e of ca ing amo nt and fai al e le co t to ell. If the ca ing amo nt i highe than the net amo nt of the fai al e le co t to ell, the ca ing amo nt hall be itten-off to the fai al e le co t to ell, the amo nt itten-off i ecogni ed a an im ai ment lo of a et and incl ded in ofit o lo fo the e iod, and the o i ion fo im ai ment of a et held fo ale i made im lianeo l . Whe e the e i an inc ea e in the net amo nt of fai al e le co t to ell of non-c ent a et held fo ale at the b e ent balance hee date, the amo nt e io l itten-off ho ld be eco e ed and e e ed in the amo nt of im ai ment lo ecogni ed fo the a et afte being cla ified a held fo ale, and the e e ed amo nt i incl ded in ofit o lo fo the e iod.

De eciation o amo tization hall not be made fo non-c ent a et in the non-c ent a et o di o al g o held fo ale. The inte e t of liabilitie and othe e en e in the di o al g o held fo ale hall be con in o l ecogni ed.

The e it in e tment in a ociate a e cla ified in hole o in a t a a et held fo ale. The a t of ch e it in e tment in a ociate cla ified a held fo ale ill cea e to calc late ing e it method f om the date of being cla ified a held fo ale.

16. Long-term Equity Investments

16.1 Basis of determination of joint control and significant influence

Con ol efe to the ó e of in e to o e the in e tee, ho enjo a iable e n b a ici ating in the ele ant acti itie of the in e tee, and ha the abilit to e the ó e o e the in e tee to infl ence the amo nt of e n . Joint con ol efe to the joint con ol o e an a angement acco ding to ele ant ag eement , and the elated acti itie of the a angement can onl be decided afe the con en of the a tie ha ing the cont ol. Significant infl ence efe to the ó e to a ici ate in the deci ion-making of the financial and o e ational olicie of the in e tee, b t cannot cont ol o joint l cont ol the fo m la ion of the e olicie ó ith o the a tie . In dete mining ó hethe it i o ible to e e ci e cont ol o e o e e t ignificant infl ence o e the in e ted enti ie , it ha taken into acco nt the otential oting ight facto ch a the c ent con e tible bond and the c ent e ec table ó a ant of the in e ted enti ie held b the in e to and othe a tie .

16.2 Determination of initial investment cost

Fo a long-te m e it in e tment ac i ed th o gh a b ine combination in ol ing ente i e nde common cont ol, the initial in e tment co t i the a t ib table ha e of the ca ing amo nt of the ó ne ' e it of the ac i ee in the con olidated financial tatement of the ltimate cont olling a t at the date of combination. The diffe ence be ó een the initial in e tment co t of a long-te m e it in e tment and the ca ing amo nt of ca h aid, non-ca h a et t an fe ed and liabiliie a med i adj ted to ca ital e e e. If the ca ital e e e i in fficient to off et the diffe ence, the etained ea ning hall be adj ted. Whe e the con ide ation of the combination i at i fied b the i e of e it ec itie , the initial in e tment co t i the a t ib table ha e of the ca ing amo nt of the ó ne ' e it of the ac i ee in the con olidated financial tatement of the ltimate cont olling a t at the date of combination, and the total nominal al e of the ha e i ed i ecogni ed a ha e ca ital. The diffe ence be ó een the initial in e tment co t of a long-te m e it in e tment and the total nominal al e of the ha e i ed i adj ted to ca ital e e e. If the ca ital e e e i in fficient to off et the diffe ence, the etained ea ning hall be adj ted. Othe com ehen i e income ecogni ed fo the e io l held e it in e tment b acco nting t eatment of e it method o in e tment in non-t ading e it in t ment de ignated a at FVTOCI i not bject to acco nting t eatment em o a il .

Fo a long-te m e it in e tment ac i ed th o gh a b ine combination not in ol ing ente i e nde common cont ol, the initial in e tment co t i the combination co t at the date of ac i ition. If the e it in e tment e io l held a cla ified a in e tment in non-t ading e it in t ment de igna ed a at FVTOCI, the diffe ence be een the fai al e and ca ing amo nt, toge he ith the acc m la ed fai al e e io l incl ded in o he com ehen i e income a e t an fe ed to e ained ea ning .

The inte media e en e inc ed b the ac i e o cha e in e ect of a di ing, legal e ice , al ation and con ltanc e ice , etc. and o he ela ed admini t ati e e en e att ib table to the b ine combination a e ecogni ed in ofit o lo in the e iod in hich the a e inc ed.

The long-te m e it in e tment ac i ed o he than th o gh a b ine combination i initiall mea ed at it co t.

16.3 Subsequent measurement and recognition of profit or loss

16.3.1 Long-te m e it in e tment acco nted fo ing the co t method

Long-te m e it in e tment in b idia ie a e acco nted fo ing the co t method in the financial tatement of the Com an . A b idia i an in e tee that i cont olled b the G o .

Long-te m e it in e tment acco nted fo ing the co t method a e mea ed at initial in e tment co t. When additional in e tment i made o the in e tment i eco ed, the co t of the long-te m e it in e tment i adj ted acco dingl . The c ent in e tment income i ecogni ed in acco dance ith the ca h di idend o ofit di t ib tion decla ed b the in e tee.

16.3.2. Long-te m e it in e tment acco nted fo b e it method

The G o ' in e tment in a ociate i acco nted fo b e it method. A ociate efe to in e ted entitie to hich the G o can e e t a ignifican infl ence.

When ado ting e it met.hod acco nting, if the initial in e tment co t of long-te m e it in e tment e ceed the ha e of the fai al e of identifiable net a et of the in e ted entit at the in e tment date, no adj tment hall be made to the initial in e tment co t of long-te m e it in e tment. If the initial in e tment co t i le than the ha e of the fai al e of identifiable net a et of the in e ted entit at the in e tment date, the diffe ence hall be cha ged to c ent ofit o lo , and the long-te m e it in e tment co t hall be adj ted at the ame time.

When ado ting e it met.hod acco nting, the in e tment income and othe com ehen i e income hall be ecogni ed e a atel acco ding to the ha e of net ofit o lo and othe com ehen i e income eali ed b the in e ted entit , and the ca ing amo nt of long-te m e it in e tment hall be adj ted at the ame time; the ca ing amo nt of long-te m e it in e tment hall be ed ced acco dingl b calc lating the o tion to be enjo ed acco ding to the ofit o ca h di idend decla ed b the in e ted entit ; the ca ing amo nt of long-te m e it in e tment hall be adj ted and incl ded in the ca ital e e e fo othe change in the o ne ' ight and inte e t of the in e ted entit e ce t net ofit o lo , othe com ehen i e income and ofit di t ib tion. When ecogni ing the ha e of the net ofit o lo of the in e ted entit , the net ofit of the in e ted entit hall be adj ted and ecogni ed on the ba i of the fai al e of the identifiable a et of the in e ted entit at the ac i ition date. If the acco nting olicie and e iod ado ted b the in e ted entit a e incon i tent ith tho e of the Com an , the financial tatement of the in e ted entit hall be adj ted in acco dance ith the acco nting olicie and e iod of the Com an . The in e tment income and othe com ehen i e income hall be ecogni ed acco dingl . Fo t an action bet een the G o and a ociate , the a et in e ted o old do not con tit te b ine , and the n eali ed gain and lo e of inte nal t an action a e off et b the ha eholding att ib table to the G o . On thi ba i , the in e tment gain and lo e a e ecogni ed. Ho e e , the n eali ed inte nal t an action lo e bet een the G o and the in e ted entit hall not be off et if the belong to the im ai ment lo e of the t an fe ed a et .

The G o di con.in e ecogni ing i. ha e of ne. lo e of the in e.ted en.i. af.e the ca ing amo n. of the long-.e m e i. in e.tmen. toge.he . i.h an long-.e m in.e e. that in b.tance fo m a. of i. ne. in e.tmen. in the in e.ted en.i. i ed ced to .e o. In addi.ion, if the G o ha. inc ed obliga.ion to a me additional lo e of the in e.ted en.i. , e.ima.ed liabili. i ecogni ed acco ding to the e ected obliga.ion, and eco ded a in e.tmen. lo fo the e iod. Whe ne. ofi. a e b e en.l made b the in e.ted en.i. , the G o e me ecogni ing i. ha e of tho e ofi. onl af.e i. ha e of the ofi. e ceed the ha e of lo e e io l not ecogni ed.

16.4 Disposal of long-term equity investments

On di o al of a long-.e m e i. in e.tmen., the diffe ence be. een the ca ing amo n. and the ac. al cha e ice i ecogni ed in ofi. o lo fo the e iod.

17. Investment Properties

In e.tmen. o e.tie a e o e.tie held fo the o e of ea ning en.al o ca i.al a eciation, o both. In e.tmen. o e.tie incl de lea ed land e ight , land e ight held and e a ed fo . an fe af.e a eciation, b ilding lea ed o ., e.c.

In e.tmen. o e.tie a e initiall mea ed a. co .. S b e en.e endi. e ela.ed to an in e.tmen. o e. hall be incl ded in co. of in e.tmen. o e. onl . hen the economic benefi. a ociated . i.h the a e. ill likel flo . to the G o and i. co. can be mea ed eliabl . All o.he b e en.e endi. e on an in e.tmen. o e. hall be incl ded in ofi. o lo fo the c en. ea . hen inc ed.

The G o ado. the co. model fo b e en. mea emen. of in e.tmen. o e.tie , and in e.tmen. o e.tie a e de eciated o amo.i ed ba ed on the ame olic con i.en. i.h ho e and b ilding o land e ight .

An in e.tmen. o e. i de ecogni ed on di o al o . hen the in e.tmen. o e. i e manen.l . ithd a. n f om e and no f. e economic benefi. a e e ec.ed f om i. di o al .

When an in e.tmen. o e. i old, . an fe ed, e.i ed o damaged, the amo n. of an oceed on di o al of the o e. ne. of the ca ing amo n. and ela.ed .a e i ecogni ed in ofi. o lo fo the e iod

18. Fixed Assets

(1) Conditions of recognition

Fi ed a e a e tangible a e that a e held fo e in the od c ion of good o l of e ice , fo en al to o he , o fo admini a i e o e and ha e a ef l life of mo e than one acco ning ea . A fi ed a e i ecogni ed onl hen the economic benefi a ocia ed ih the a e a e obable to flo to the G o and the co of the a e can be mea ed eliabl . Fi ed a e a e ini ial mea ed a co .

S b e en e endi e inc ed fo a fi ed a e a e incl ded in the co of the fi ed a e if i obable that the economic benefi a ocia ed ih the a e ill flo to the G o and the co of the a e can be mea ed eliabl , and the ca ing amo n of the e laced a i de ecogni ed. O he b e en e endi e o he than the abo e a e cha ged to ofi o lo fo the c en e iod hen inc ed.

(2) Depreciation methods

Class	Depreciation Method	Depreciation Period (Years)	Residual Value Rate	Annual Depreciation Rate (%)
Ho e and b ilding	ai gh -line de ecia ion	20	5%	4.75%
Machine and e i men	ai gh -line de ecia ion	4 10	5%	9.50%-23.75%
T an o a ion e i men	ai gh -line de ecia ion	4 5	5%	19.00%-23.75%
O he e i men	ai gh -line de ecia ion	3 5	5%	19.00%-31.67%

19. Construction in Progress

Con t c.ion in og e i mea ed a. act al co t, ₹ hich incl de a io con t c.ion e endi. e inc ed d ing the con t c.ion e iod, ca i.ali-ed bo ₹ ing co t befo e the con t c.ion i ead fo i. in.ended e and o.he ele an. co t . Con t c.ion in og e i no. de eci.ed. Con t c.ion in og e i t an fe ed to fi ed a e. ₹ hile it i ead fo it in.ended e.

20. Borrowing Costs

The bo ₹ ing co t that a e di ec.l a.. ib.able to the ac i i.ion, con t c.ion o od c.ion of a alif ing a e. a e ca i.ali ed ₹ hen e endi. e fo the a e. a e being inc ed, bo ₹ ing co t a e being inc ed and ac.i i.ie ela.ing to the ac i i.ion, con t c.ion o od c.ion of the a e. that a e nece a. to e a e the a e. fo it in.ended e o ale ha e commenced. The ca i.ali a.ion of alif ing a e. nde con t c.ion o od c.ion cea e ₹ hen the a e. a e ead fo thei in.ended e o ale. The emaining bo ₹ ing co t a e ecogni ed a e en e in the e iod in₹ hich the a e inc ed.

Whe e f nd a e bo ₹ ed nde a ecial bo ₹ ing, the amo n. to be ca i.ali ed i the ac. al in.e e. e en e inc ed on that bo ₹ ing fo the e iod le an in.e e. income ea ned f om de o i.ing the n ed bo ₹ ing f nd in.o bank o an in e.men. income on the .em o a in e.men. of tho e f nd . Whe e f nd a e bo ₹ ed nde a gene al bo ₹ ing, the amo n. ca i.ali ed i de.e mined b a l ing the₹ eigh.ed a e age of the e ce amo n. of c m la.i e e endi. e on the a e. o e the ecial bo ₹ ing m l.i lied b the ca i.aliza.ion a.e of the gene al bo ₹ ing ed. The ca i.aliza.ion a.e i de.e mined ba ed on the₹ eigh.ed a e age in.e e. a.e of the gene al bo ₹ ing . D ing the ca i.ali a.ion e iod, the e change diffe ence on ecial fo eign c enc bo ₹ ing a e all ca i.ali ed; the e change diffe ence on gene al- o e fo eign c enc bo ₹ ing a e ecogni ed in ofi. o lo fo the e iod.

21. Intangible assets

(1) Methods, Useful life, Impairment Test

Intangible assets include software, pollutant discharge rights, mining rights and land use rights, etc.

The intangible assets shall be initially measured at cost. When an intangible asset with a finite useful life is available for use, its original cost less net residual value and accumulated impairment loss is amortized over its estimated useful life using the straight-line method. Intangible assets are not amortized while their useful lives are assessed to be indefinite. The amortization method, useful life and estimated net residual value rate of each class of intangible assets are as follows:

Class	Amortization method	Useful life (Years)	Residual Value Rate (%)
Land use rights	Straight line method	42 50	
Pollutant discharge rights	Straight line method	5 20	
Mining rights	Output method		
Software	Straight line method	5 10	

At the end of the year, the useful life and amortization method of intangible assets with finite useful lives are reviewed and adjusted if necessary.

(2) Internal research and development expenditures

E endi e inc ed in the e ea ch tage a e ecogni ed in ofi o lo fo the e iod.

E endi e inc ed in the de elo men tage a e ecogni ed a intangible a e onl hen all of the follo ing condi ion a e ati fied, and the e endi e in the de elo men tage that doe no mee all of the follo ing condi ion a e ecogni ed in ofi o lo fo the e iod:

(1) The echnical fea ibili of com le ing the intangible a e o that it ill be a ailable fo e o ale;

(2) The inten ion o com le e the intangible a e and e o ell it;

(3) The a in hich the intangible a e gene a e economic benefi , incl ding the abili o o e that the e i a ma ke fo the od ce od ced ing the intangible a e o the intangible a e i elf ha a ma ke, and o e i ef lne if the intangible a e ill be ed in e nall ;

(4) Ade a e echnical, financial and o he e o ce o com le e the de elo men of the intangible a e and o e o ell the intangible a e;

(5) The abili o mea e eliabl the e endi e a ib table o the intangible a e d ing i de elo men.

If the e endi e cannot be di ing i hed be een the e ea ch tage and de elo men tage, the G o ecogni e all of them in ofi o lo fo the e iod. The co of the intangible a e fo med b in e nal de elo men ac i i ie onl incl de the o al e endi e inc ed f om the ime hen the ca i ali a ion condi ion a e me o the ime hen the intangible a e eache the inten ded o e. The e endi e that ha e been e en ed in o ofi and lo befo e the ca i ali a ion condi ion a e me fo the ame intangible a e in the de elo men oce ill no be adj ed.

22. Impairment of Long-term Assets

The G o a e e at each balance hee dat e hethe the e i an indicaion that long-e m e it in e tment , in e tment o e tie , fi ed a e , con t c ion in og e mea ed ing the co t me hod and int angible a e with finite ef l li e ma be im ai ed. If an im ai men indicaion e i t , the eco e able amo n i e timated. Int angible a e with indefinite ef l life and int angible a e not e a ailable fo e a e te ted fo im ai men ann all , i e ec i e of hethe the e i an indica ion that the a e ma be im ai ed.

If the e timated eco e able amo n of an a e i ba ed on a ingle a e and it i diffic lt to e timate the eco e able amo n of a ingle a e, the eco e able amo n of the a e g o hall be dee mined on the ba i of the a e g o to hich the a e belong . The eco e able amo n i the highe of an a e' o a e G o ' fai al e le co t of di o al and the e en al e of the e timated f t e ca h flo .

If the eco e able amo n of an a e i le than it ca ing amo n, a o i ion fo im ai men of the a e i made ba ed on the diffe ence and ecogni ed in ofit o lo fo the e iod.

An im ai men lo once ecogni ed hall no be e e ed in a b e en acco n ing e iod.

23. Long-term Deferred Expenses

Long-e m defe ed e en e a e e en e hich ha e inc ed b t hall be amo i ed o e the c en e iod and b e en e iod of mo e than one ea . Long-e m defe ed e en e a e amo i ed e enl o e the e timated benefi e iod.

24. Contract Liabilities

A con act liabili e e ent the G o ' obliga ion to t an fe good o e ice to a c tome fo hich the G o ha ecei ed con ide a ion (o an amo n of con ide a ion i d e) f om the c tome . Con act a e and con act liabili ie nde common con act a e e en ed on a net ba i .

25. Employee Compensation

(1) Accounting for short-term employee compensation

In the accounting period in which an employee has rendered service, the Group recognizes the short-term employee compensation actually incurred as liabilities, and includes in profit or loss for the period or related asset cost. The employee benefits given or incurred by the Group are recognized in profit or loss for the period or related asset cost based on the actual amount when actually incurred. The non-monetary employee benefits given are measured at fair value.

In determining the corresponding amount of employee compensation, social security contributions such as medical insurance, work injury insurance and maternity insurance and housing fund, as well as labor union funding, employee education given or provided by the Group are calculated according to the prescribed provision basis and percentage during the accounting period in which the employee provides service to the Group, and the corresponding liabilities are recognized, and included in profit or loss for the period or related asset cost.

(2) Accounting for post-employment benefits

Post-employment benefits are all defined contribution plans.

In the accounting period in which an employee has rendered service, the Group recognizes the amount payable under the defined contribution plan as liability, and includes in profit or loss for the period or related asset cost.

(3) Accounting for termination benefits

When the Group provides termination benefits to employees, employee compensation liabilities arising from termination benefits are recognized in profit or loss at the earlier of the following dates: when the Group cannot unilaterally withdraw the termination benefits provided because of an employee termination plan or a layoff proposal, or when the Group confirms the costs or expenses related to the restructuring involving the payment of dismissal benefits.

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

When the G o modifie the ha e-ba ed a men lan, and if ch modifica ion inc ea e the fai al e of the e i in t men g an ed, the inc ea e in e ice ecei ed ill be ecogni ed acco dingl follo ing the inc ea e in fai al e of the e i in t men . If the modifica ion inc ea e the n mbe of the e i in t men g an ed, the inc ea e in fai al e of the e i in t men ill be ecogni ed acco dingl a the inc ea e in e ice ecei ed. The inc ea e in fai al e of the e i in t men efe to the diffe ence in fai al e on the da e of modifica ion befo e and af e the modifica ion in e ec of the e i in t men . If the modifica ion ed ce the to al fai al e of the ha e-ba ed a men o ado t an fo m that i nfa o able to em lo ee to modif the te m and condi ion of the ha e-ba ed a men lan, acco n ing t ea men ill be con in ed to be cond c ed in e ec of the e ice ecei ed and the modifica ion ill be deemed to ha e ne e occ ed, nle the G o had cancelled a t o all of the e i in t men g an ed.

D ing the ending e iod, if the e i in t men g an ed a e cancelled, the G o ill nde take an accele a ed e ting in e ec of the cancelled e i in t men that had been g an ed, incl de the emaining amo n that hall be ecogni ed d ing the ending e iod in the ofi and lo fo the e iod immedia el and ecogni e ca i al e e e acco dingl . Whe e em lo ee o o he a tie a e e mi ted to choo e to f lfill non- e ting condi ion b t ha e no f lfilled d ing the ending e iod, the G o ill t ea the g an ed e i in t men a cancelled.

28. Revenue

The G o ' e en e i mainl de i ed f om the ale of gla od c , hich mainl incl de ho o olaic gla , ho ehold gla , a chi ect al gla , floa gla and mining od c , e c. Re en e f om o he b ine mainl e e en en al income f om o e tie and ale income of ma e ial .

The G o ecogni e e en e ba ed on the an action ice allocated o ch e fo mance obligation hen a e fo mance obligation i a i fied, i.e. hen con ol of the good o e ice nde l ing the a tic la e fo mance obligation i an fe ed to the c tome . A e fo mance obligation e e en the commitment that a good and e ice that i di tinc hall be an fe ed b the G o to the c tome . The an action ice i the amo n of con ide ation to hich the G o e ect to be entitled in e change fo an fe ing omi ed good o e ice to a c tome , e cl ding amo n collected on behalf of thi d a tie and amo n e ected to be ef nded to a c tome .

Fo the e fo mance obligation to be e fo med d ing a ce tain e iod of time, the G o ecogni e e en e o e time b efe ence to the og e of a e fo mance obligation if one of the follo ing c ite ia i met: (1) the c tome ecei e and con me the economic benefi b o ght b the G o hile e fo ming obligation ; (2) the c tome can con ol the good nde con t ction d ing the e fo mance of the G o ; (3) the good od ced d ing the e fo mance of the G o ha e i e laceable e , and the G o ha the igh to ecei e a men fo the a t of the com leted e fo mance o fa th o gho t the cont act e iod. Othe i e, the G o ill ecogni e e en e at the time oint hen the c tome obtain con ol o e ele ant good o e ice .

29. Government Grants

Go e nmen g an a e an fe of mone a a e and non-mone a a e f om he go e nmen o he G o a no con ide a ion. A go e nmen g an i ecogni ed onl hen he G o can com l h i h he condi ion a aching o he g an and he G o ill ece i e he g an .

If a go e nmen g an i in he fo m of mone a a e , i hall be mea ed a he amo n ece i ed o ece i able.

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

S ch g an a e go e nmen g an a he ela ed o fi ed a e ha e e b il o ac i ed.

A go e nmen g an ela ed o a e i ecogni ed a defe ed income and incl ded in c en ofi o lo o e he ef l life of he ela ed a e ing he ai gh -line me hod.

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

A he a e di ec l ela ed o he e en e inc ed d ing he e iod, ch go e nmen g an a e go e nmen g an ela ed o e en e.

A go e nmen g an ela ed o e en e ed o com en a e fo ele an co , e en e and lo e in b e en e iod i ecogni ed a defe ed income, and i incl ded in ofi o lo fo he e iod di ec l o e he e iod in hich he ele an co , e en e o lo e a e ecogni ed. The go e nmen g an ela ed o e en e ed o com en a e fo ele an co , e en e and lo e al ead inc ed i incl ded in ofi o lo fo he e iod di ec l .

The go e nmen g an ela ed o he G o ' dail ac i i ie a e incl ded in o he income/off e he ele an co and e en e acco ding o he na e of economic b ine . O he i e, go e nmen g an a e incl ded in non-o e a ing income o e en e.

30. Deferred Income Tax Assets/Deferred Income Tax Liabilities

Income ta e en e com i e c ent income ta e en e and defe ed income ta e en e.

30.1 Current income tax

At the balance heet date, c ent income ta liabilitie (o a et) fo the c ent and io e iod a e mea ed at the amo nt e ected to be aid (o eco e ed) acco ding to the e i ement of ta la .

30.2 Deferred income tax assets and deferred income tax liabilities

Fo tem o a diffe ence bet een the ca ing amo nt of ce tain a et o liabilitie and thei ta ba e, o bet een the ca ing amo nt of tho e item that a e not ecogni ed a a et o liabilitie b t the ta ba e can be dete mined acco ding to ta la and thei ta ba e, defe ed income ta a et and defe ed income ta liabilitie a e ecogni ed ing the balance heet liabilit met.hod.

Defe ed income ta i gene all ecogni ed fo all tem o a diffe ence . Ho e e , a fo ded c.ible tem o a diffe ence , defe ed ta a et a e ecogni ed to the e tent that it i obable that ta able ofit ill be a ailable again t hich the ded c.ible tem o a diffe ence can be tili ed. In addition, fo tem o a diffe ence a ociated ith the initial ecognition of good ill and the initial ecognition of an a et o liabilit a i ing f om a t an action (not a b ine combination) that affect neithe the acco nting ofit no ta able ofit (o ded c.ible lo) at the time of t an action, no defe ed ta a et o liabilit i ecogni ed.

Fo ded c.ible lo e and .a c edi. in b e en. ea .ha. can be ca ied fo. a d, defe ed .a a e. a e ecogni ed to .he e .en. .ha. i. i obable .ha. f .. e .a able ofi. . ill be a ailable again .. hich .he ded c.ible lo e and .a c edi. can be .ili ed.

Defe ed income .a liabili.ie a e ecogni ed fo .a able .em o a diffe ence a ocia.ed. i.h in e .men. in b idia ie , e ce .. he e .he G o i able .o con. ol .he .iming of .he e e al of .he .em o a diffe ence and i. i obable .ha. .he .em o a diffe ence. ill no. e e e in .he fo e eeable f .. e. Defe ed income .a a e. a i ing f om ded c.ible .em o a diffe ence a ocia.ed . i.h .he in e .men. in b idia ie a e onl ecogni ed to .he e .en. .ha. i. i obable .ha. .he e. ill be fficien. .a able ofi. again .. hich .o .ili e .he benefi. of .he .em o a diffe ence and .he a e e ec.ed .o e e e in .he fo e eeable f .. e.

A. .he balance hee. da.e, defe ed income .a a e. and defe ed income .a liabili.ie a e mea ed a. .he .a a.e .ha. a e e ec.ed to a l to .he e iod . hen .he a e. i eali ed o .he liabili. i e..led acco ding to .he e i emen. of .a la. .

C en. and defe ed income .a e en e o income a e ecogni ed in ofi. o lo fo .he e iod, e ce .. hen .he a i e f om . an ac.ion o e en. .ha. a e di ec.l ecogni ed in o.he com ehen i e income o in ha eholde ' e i. , in . hich ca e .he a e ecogni ed in o.he com ehen i e income o in ha eholde ' e i. ; and . hen .he a i e f om b ine combina.ion , in . hich ca e .he a e adj .ed to .he ca ing amo n. of good. ill.

The ca ing amo n. of a defe ed .a a e. i e ie. ed a. each balance hee. da.e and i ed ced to .he e .en. .ha. i. i obable .ha. fficien. .a able ofi. . ill no. be a ailable to off e. .he benefi. of defe ed income .a a e. . An ch ed c.ion i e e ed to .he e .en. .ha. i. become obable .ha. fficien. .a able ofi. . ill be a ailable.

30.3 Offsetting of income tax

When the G o ha a legal igh to e le on a ne ba i and intend ei he to e le on a ne ba i o to eali e the a e and e le the liabili ie im l aneo l , c en ta a e and c en ta liabili ie a e off e and e en ed on a ne ba i .

When the G o ha a legal igh to e le c en ta a e and liabili ie on a ne ba i , and defe ed ta a e and defe ed ta liabili ie ela e to income ta e le ied b the ame ta a ion a tho it on ei he the ame ta able en it o diffe en ta able en itie hich intend ei he to e le c en ta a e and liabili ie on a ne ba i o to eali e the a e and e le the liabili ie im l aneo l , in each f t e e iod in hich ignifican amo n of defe ed ta a e o liabili ie a e e ected to be e e ed, defe ed ta a e and defe ed ta liabili ie a e off e and e en ed on a ne ba i .

31. Lease

Lea e i defined a a con ac that the le o t an fe the igh -of- e of a e to the le ee ithin a ce tain e iod of ime in e change fo con ide a ion.

Fo a con ac en e ed into o changed af e the da e of initial ado tion, the G o a e e hether the con ac i o contain lea e on the commencemen o changing da e of the con ac . The G o doe no ea e nle the e m and condi ion of the con ac a e changed.

31.1 The Group as lessee

31.1.1 Se a a ion of lea e

Fo a con ac that contain one o mo e lea e o non-lea e com onen , the G o e a a e each indi id al lea e com onen f om non-lea e com onen and alloca e the con ide a ion in the con ac to each lea e com onen on the ba i of the and-alone ice of the lea e com onen and the agg ega e and-alone ice of the non-lea e com onen .

31.1.2 Right-of- e a e:

E ce t fo ho t-te m lea e and lea e of lo v al e a e , the G o ecogni e igh -of- e a e a the commencemen da e of the lea e. The lea e commencemen da e efe to the ta ting da e fo the le o to o ide lea ed a e fo e b the G o . Righ -of- e a e a e initiall mea ed a co t. S ch co t incl de :

the amo n of the initial mea emen of the lea e liabili ;

an lea e a men made a o befo e the commencemen da e, le the ela i e amo n of an lea e incen i e enjo ed if the e a e lea e incen i e ;

an initial di ec co t inc ed b the G o ;

an e timate of co t to be inc ed b the G o in di man ling and emo ing the nde l ing a e , e to ing the ite on v hich it i loca ed o e to ing the nde l ing a e to the condition e i ed b the te m of the lea e.

The G o acc e de eciation fo the igh -of- e a e acco ding to the ele an de eciation eg la ion of Acco n ing S anda d fo B ine Ente i e No. 4 Fi ed A e . Righ -of- e a e a e de eciated v ithin the emaining ef l li e v hen the G o i ea onabl ce tain to obtain the o ne hi of lea ed a e a the end of the lea e te m. The de eciation i o ided d ing the e iod be v een the lea e te m and the emaining ef l li e of the lea ed a e if it i no .

The G o de e mine v he he the igh -of- e a e a e im ai ed and e fo m acco n ing t ea men fo ecogni ed im ai men lo acco ding to the ele an eg la ion of Acco n ing S anda d fo B ine Ente i e No. 8 Im ai men of A e .

31.1.3 Lea e liabili ie

E ce t fo ho t-te m lea e , the G o initiall mea e the lea e liabili at the e ent al e of lea e a ment that a e n aid at the lea e commencement date. In calc lating the e ent al e of lea e a ment , the G o e the inte e t ate im licit in the lea e a di co nt ate, and ado t the inc emental bo ow ing ate if the inte e t ate im licit in the lea e i not ea dil dete minable.

The lea e a ment efe to the amo nt aid b the G o to the le o in elation to the ight to e the lea ed a et d ing the lea e te m, incl ding fi ed a ment and in- b tance fi ed a ment .

The G o calc late the inte e t e en e of lea e liabili ie fo each e iod of the lea e te m at a fi ed e iodic inte e t ate and incl de it in ofit and lo fo the e iod o elated a et co t afte the lea e commencement date.

31.1.4 Sho t-te m lea e and lo - al e lea e

Fo ho t-te m lea e of machine and e i ment, the G o choo e the ight-of- e a et and lea e liabili ie that a e not ce tain to e. Sho t-te m lea e i defined a a lea e ha a lea e te m of no mo e than 12 monh and e cl de a cha e o tion f om the lea e commencement date. The G o ill incl de the lea e a ment fo ho t-te m lea e in ofit o lo fo the e iod o elated a et co t ing the t aight-line method.

31.2 The Group as lessor

31.2.1 Cla ifica ion of lea e

Lea e a e cla ified a finance lea e hene e the te m of the lea e t an fe b tantiall almo t all the i k and ow a d of ow ne hi to the le ee. All o the lea e a e cla ified a o e ating lea e .

In addition to the above change, if the fair value of the financial assets or financial liabilities, for which interest income or expense is determined by the effective interest rate method, the Group shall account for the change caused by the interest rate benchmark reform in accordance with the above regulation, and then in accordance with the Accounting Standard for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments to ascertain whether the other change will result in derecognition of the financial asset or financial liability.

According to Interpretation No. 14, the Group handled the new benchmark interest rate reform related business from 1 January 2021 to the implementation date of Interpretation No. 14 in accordance with the provision of Interpretation No. 14.

Q&A on the Implementation of the Fifth Batch of Accounting Standards for Business Enterprises in 2021

According to the Q&A on the Implementation of the Fifth Batch of Accounting Standards for Business Enterprises in 2021 issued by the Accounting Department of the Ministry of Finance on 1 November 2021, the Group's management of good operation before the transfer of control of the good operation to the customer does not constitute a single item for the performance of the customer contract. The transportation cost arising from the transportation service of the performance obligation is regarded as the contract performance cost, and is amortized and included in the current profit and loss on the same basis as the recognition of revenue from good operation, and is listed in the operating cost of the income statement. In 2021, the above change in accounting policies led to an increase in operating cost and a decrease in selling expenses of the Group of RMB329,959,493.47, and an increase in operating cost and a decrease in selling expenses of the Company of RMB40,049,782.23; In 2020, the Group's operating cost increased and selling expenses decreased by RMB254,222,773.59, and the Company's operating cost increased and selling expenses decreased by RMB61,307,718.11.

(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 n (he ta a able i calc la ed on he ta able ale amo n m li ied b he a licable ta a e le ded c ible in -VAT fo he c en e iod)	13%
U ban con c ion and main enance Ta	T no e ta a men	7%
Ed ca ion cha ge	T no e ta a men	3%
Local ed ca ional cha ge	T no e ta a men	2%
P o e ta	Co of o e ie / en al income	No e 1
Re o ce ta	Q an i of mining od c old	7%
En e i e income ta (EIT)	Ta able income	No e 2
En i onmen al o ec ion ta	Poll an emi ion	RMB1.2 o RMB1.4 e oll an e i alen

Note 1: The o e ta of elf- e o e i calc la ed a 70% of he o iginal al e of he eal e a e and a a a e of 1.2%; he o e ta of lea ed b ilding i calc la ed a 12% of en al income.

Note 2: EIT a e fo he Com an and b idia ie :

Name	Tax rate (%)
The Com an	15%
浙江福萊特玻璃有限公司 Zhejiang Flat Gla Co., Ltd.	25%
浙江嘉福玻璃有限公司 Zhejiang Jiaf Gla Co., Ltd.	15%
上海福萊特玻璃有限公司 Shanghai Flat Gla Co., Ltd	25%
安徽福萊特光伏玻璃有限公司 Anh i Flat Sola Gla Co., Ltd	15%
安徽福萊特光伏材料有限公司 Anh i Flat Sola Mate ial 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 New Ene g Technolog Co., Ltd	25%
福萊特(越南)有限公司 Flat (Viet nam) Com an Limited	0%

Note 1: P ofit befo e ta no e ceeding HK$2,000,000 (incl i e) i bject to a ta ate of 8.25%, hile the o tion of ofit befo e ta e ceeding HK$2,000,000 i bject to a ta ate of 16.5%.

2. Tax Preferences

The Company

On 4 Decembe 2019, the Com an obtained the High Technolog Ente i e Ce tificate (No. GR201933003682) joint a o ed b the Science and Technolog De a tment of Zhejiang P o ince, Zhejiang P o incial De a tment of Finance, Zhejiang P o incial Ta Se ice, State Ta ation Admini tation fo a alid e iod of th ee ea , ant to hich, the EIT ate of 15% i a lied f om 2019 to 2021.

Zhejiang Jiafu Glass Co., Ltd.

On 4 Decembe 2019, Zhejiang Jiaf Gla Co., Ltd. obtained the High Technolog Ente i e Ce tificate (No. GR201933001492) joint l a o ed b the Science and Technolog De a tment of Zhejiang P o ince, Zhejiang P o incial De a tment of Finance, Zhejiang P o incial Ta Se ice, State Ta ation Admini t ation fo a alid e iod of th ee ea , ant to hich, the EIT ate of 15% i a lied f om 2019 to 2021.

Anhui Flat Solar Glass Co., Ltd.

On 17 A g t 2020, Anh i Flat Sola Gla Co., Ltd. obtained the High Technolog Ente i e Ce tificate (No. GR202034000476) joint l a o ed b the Science and Technolog De a tment of Anh i P o ince, Anh i P o incial De a tment of Finance, the State Ta ation B ea of Anh i P o ince and the Local Ta ation B ea of Anh i P o ince, fo a alid e iod of th ee ea , ant to hich, the EIT ate of 15% i a lied f om 2020 to 2022.

Jiaxing Flat New Energy Technology Co., Ltd.

P ant to the Notice of the Mini t of Finance and the State Admini t ation of Ta ation on I e Conce ning P efe ential Ente i e Income Ta Policie fo P blic Inf a t ct e and En i onmental P otection, Ene g and Wate Sa ing P oject (Cai h i [2012] No. 10), Jia ing Flat New Ene g Technolog Co., Ltd. i e em ted f om EIT fo the fi t ea to the thi d ea f om the ta ea in hich the fi t o e ation income i obtained, and the EIT i ed ced b 50% in the fo th to i th ea .

Flat (Vietnam) Company Limited

P ant to the P oject In e tment Licen e a o ed b the Viet.nam Hai hong Economic Zone A tho it on 30 J ne 2016, Flat (Viet.nam) Com an Limited i e em ted f om EIT fo fo ea commencing f om the fi t ofit-making ea , follo ed b a 50% ed ction in EIT fo the ne t nine ea . Flat (Viet.nam) Com an Limited ha made ofit f om 2022.

(V) NOTES TO THE CONSOLIDATED STATEMENTS

1. CASH AT BANK AND ON HAND

RMB

Items	Closing balance	Opening balance
Cash on hand	**23,680.28**	37,595.74
Cash at bank	**3,244,801,691.06**	2,101,693,083.72
Other cash at bank and on hand	**778,425,138.48**	740,946,588.02
Total	**4,023,250,509.82**	2,842,677,267.48
Including: total amount deposited abroad	**174,785,147.22**	238,902,274.63

2. TRADING FINANCIAL ASSETS

RMB

Items	Closing balance	Opening balance
Financial assets at fair value through profit or loss	**700,000,000.00**	200,000,000.00
Including: Bank wealth management products	**700,000,000.00**	200,000,000.00
Total	**700,000,000.00**	200,000,000.00

3. DERIVATIVE FINANCIAL ASSETS

RMB

Items	Closing balance	Opening balance
Derivative financial assets with not specified hedging relation		
Including: Forward foreign exchange contract (Note)	–	62,739.00
Total	–	62,739.00

Note: The designated forward foreign exchange contract is not designated as hedging instrument, and the gain or loss arising from change in fair value is directly included in profit and loss for the period.

4. BILLS RECEIVABLES

(1) Bills receivables by category

RMB

Items	Closing balance	Opening balance
Bank acceptance bill	**1,506,620,147.82**	834,875,954.38
Commercial acceptance bill	**519,224,504.02**	107,583,256.08
Less: credit impairment provision	**9,138,351.27**	2,711,098.05
Total	**2,016,706,300.57**	939,748,112.41

(2) Bills receivables that have been endorsed or discounted by the Group but not yet due at the balance sheet date

RMB

Items	Amount not derecognized at the end of the half year
Endo ed bank acce tance bill	1,209,023,929.58
Di co n ed bank acce tance bill	15,547,866.84
To al	1,224,571,796.42

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

(4) Disclosed by classification of credit loss provision method

RMB

	Closing balance				
	Book balance		Bad debt provision		Book value
Classification	Amount	Percentage (%)	Amount	Accrual Percentage (%)	
Bad deb o i ion b o folio					
Incl ding:					
Bank acce tance bill	1,506,620,147.82	74.37	–	–	1,506,620,147.82
Comme cial acce tance bill	519,224,504.02	25.63	9,138,351.27	1.76	510,086,152.75
To al	2,025,844,651.84	/	9,138,351.27	/	2,016,706,300.57

	O ening balance				
	Book balance		Bad deb o i ion		Book al e
Cla ifica ion	Amo n	Pe cen age (%)	Amo n	Acc al Pe cen age (%)	
Bad deb o i ion b o folio					
Incl ding:					
Bank acce tance bill	834,875,954.38	88.58			834,875,954.38
Comme cial acce tance bill	107,583,256.08	11.42	2,711,098.05	2.52	104,872,158.03
To al	942,459,210.46	/	2,711,098.05	/	939,748,112.41

Bill ecei able ith c edit lo o i ion b o tfolio

RMB

Name	Closing balance Bills receivables	Bad debt provision	Accrual Percentage
Lo ik	**1,506,620,147.82**	**–**	**–**
No mal	**519,224,504.02**	**9,138,351.27**	**1.76**
To al	**2,025,844,651.84**	**9,138,351.27**	**0.45**

The G o belie e ha the acce ing bank ith highe c edit a ing hold he bank acce tance bill and the e i no ignifican c edit i k, o no im ai men allo ance fo c edit lo i made.

(5) Credit loss provision

RMB

Classification	Opening balance	Changes in amount for the half year Provision	Transferred	Closing balance
No mal	2,711,098.05	9,138,351.27	2,711,098.05	**9,138,351.27**
To al	2,711,098.05	9,138,351.27	2,711,098.05	**9,138,351.27**

(6) Bad debt condition

Category	Opening balance	Changed amounts in the current period Provision	Transferred	Closing balance
No mal	2,711,098.05	9,138,351.27	2,711,098.05	**9,138,351.27**
To al	2,711,098.05	9,138,351.27	2,711,098.05	**9,138,351.27**

(2) Listing of short-term remuneration

RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I. Wages or salaries, bonuses, allowances and subsidies	61,966,998.51	257,482,459.00	271,237,994.76	48,211,462.75
II. Staff welfare	(45,540.00)	12,794,977.98	12,749,437.98	–
III. Social insurance	764,463.84	13,474,140.26	12,648,161.01	1,590,443.11
Including: Medical insurance	852,653.87	11,565,483.93	11,045,090.58	1,373,047.24
Work-related injury insurance	(124,829.85)	1,632,192.71	1,339,514.49	167,848.37
Maternity insurance	36,639.82	276,463.62	263,555.94	49,547.50
IV. Housing funds	674,036.00	6,199,563.00	6,182,954.00	690,645.00
V. Education funds & labor union	2,930,694.68	4,922,421.75	7,718,744.80	134,371.63
Total	66,290,653.03	294,873,561.99	310,537,292.55	50,626,922.49

(3) Listing of defined contribution plan

RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Basic pension insurance	1,194,514.09	23,326,898.79	22,916,199.62	**1,605,213.26**
2. Unemployment insurance	34,535.47	842,363.55	832,313.80	**44,585.22**
Total	1,229,049.56	24,169,262.34	23,748,513.42	**1,649,798.48**

Defined contribution plan:

The Group participates in pension insurance and unemployment insurance scheme established by government agencies as required. According to the scheme, the Group pays a monthly fee to the plan at 14% and 0.5% of the employee's basic wage. Except for the above monthly paid fee, the Group does not undertake further payment obligation. The corresponding expense are recognized in profit or loss in the period in which the are incurred.

During the period from 1 January to 30 June 2022, the Group hold a total of RMB22,916,199.62 and RMB832,313.80 to the pension insurance and unemployment insurance scheme respectively. As of 30 June 2022, the overdue RMB1,605,213.26 and RMB44,585.22 that had been accrued but not paid for the pension insurance and unemployment insurance scheme. The payable have been paid after the reporting period.

25. TAXES PAYABLE

RMB

Items	Closing balance	O ening balance
Ente i e income ta	**137,540,553.53**	11,387,361.66
VAT	**60,173,597.79**	11,359,752.88
Land e ta	**10,598,995.91**	9,461,877.50
Ci maintenance and con t c ion ta	**3,594,770.01**	2,130,901.26
Ed ca ion ta and local ed ca ion ta	**2,176,228.58**	1,746,134.73
Indi id al income ta	**444,435.38**	643,392.80
O he	**21,898,869.02**	11,900,066.02
To al	**236,427,450.22**	48,629,486.85

26. OTHER PAYABLES

Items

RMB

Items	Closing balance	O ening balance
Inte e t a able	**7,398,469.04**	4,225,184.38
Di idend a able	**791,200.00**	791,200.00
O he a able	**672,485,580.43**	131,648,032.65
To al	**680,675,249.47**	136,664,417.03

(1) Interest payables

RMB

Items	Closing balance	Opening balance
Interest for long-term borrowing with interest paid in instalment and principal paid due to maturity	**4,707,174.52**	2,297,774.10
Interest payable for short-term borrowing	**1,310,472.60**	1,927,410.28
Interest payable for Convertible Bond	**1,380,821.92**	
Total	**7,398,469.04**	4,225,184.38

(2) Dividends payables

RMB

Items	Closing balance	Opening balance
Dividend on ordinary share	**791,200.00**	791,200.00
Total	**791,200.00**	791,200.00

(3) Other payables

RMB

Items	Closing balance	Opening balance
Equity investment acquisition payment	**520,947,600.00**	
Warranty	**74,245,605.06**	77,755,114.87
Transportation premium	**23,755,790.41**	15,828,272.51
Restricted share incentive scheme	**30,104,000.00**	32,096,200.00
Others	**23,432,584.96**	5,968,445.27
Total	**672,485,580.43**	131,648,032.65

At the end of the reporting period, the Group had no other payable with an ageing of more than one year and a significant amount.

27. NON-CURRENT LIABILITIES DUE WITHIN ONE YEAR

RMB

Items	Closing balance	Opening balance
Long-term borrowing due within 1 year	**1,006,528,929.80**	310,100,070.52
Long-term payable due within 1 year	**52,220,000.00**	
Lease liabilities due within 1 year	**635,514.93**	
Total	**1,059,384,444.73**	310,100,070.52

28. LONG-TERM BORROWINGS

(1) Categories of long-term borrowings

RMB

Items	Closing balance	Opening balance
Pledged borrowing	**902,428,929.80**	998,412,983.63
Secured borrowing	**3,196,000,000.00**	1,278,800,000.00
Less: pledged borrowing due within 1 year	**902,428,929.80**	303,864,555.59
Less: secured borrowing due within 1 year	**104,100,000.00**	5,600,000.00
Total	**3,091,900,000.00**	1,967,748,428.04

29. BONDS PAYABLES

(1) Bonds payables

RMB

Item	Closing balance	Opening balance
Bond a able	**3,660,546,167.06**	

(2) Changes in bonds payable

RMB

Name of bond	Par value	Issuing date	Term of the bond	Issue amount	Opening balance	Issuance for the current period	Accrued interests at par value	Amortization of premium/ discount	Conversion for the current period	Repayment for the current period	Closing balance
Fla: con e :ible bond	100	2022 5 20	6 ea	4,000,000,000.00		3,643,685,913.42	1,380,821.92	18,241,075.56			3,660,546,167.06
To:al				4,000,000,000.00		3,643,685,913.42	1,380,821.92	18,241,075.56			3,660,546,167.06

(3) Description of conditions and timing of conversion for convertible bonds

A o ed b CSRC A o al [2022] No. 664, the G o i ed 40 million con e ible bond ¥ ih a nominal al e of RMB100 on 20 Ma 2022. The ann al co on a e hall be 0.3% in the fi ea , 0.5% in the econd ea , 1.0% in the hi d ea , 1.5% in the fo h ea , 1.8% in the fifh ea and 2% in the i h ea . The a men me hod ha in e e hall be aid on an anna al ba i hall be ado ed and the inci al hall be e aid and the in e e fo the la ea hall be aid. The e m of the A Sha e Con e ible Co o a e Bond nde the i ance hall be i ea f om the da e of the i ance, namel 20 Ma 2022 o 19 Ma 2028.

The con e ion e iod of the A Sha e Con e ible Bond nde the i ance hall commence on the fi ading da immedia el follo ing the e i of the i -mon h e iod af e the da e of the i ance of the con e ible bond (26 Ma 2022), and end on the ma i da e of the con e ible bond (28 No embe 2022 o 19 Ma 2028).

The ini ial con e ion ice of con e ible co o a e bond nde the i ance i RMB43.94 e ha e. Af e the i ance, in ca e of ce ain e en ch a di ib tion of ha e di idend , con e ion o inc ea e of ha e ca i al, i ance of ne ha e (e cl ding an inc ea e in the ha e ca i al a a e l of con e ion of the con e ible co o a e bond nde the i ance), igh i e and di ib tion of ca h di idend , the ice of the con e ible ha e hall be adj ted acco dingl . D ing the e m of the A Sha e Con e ible Co o a e Bond nde the i ance, the clo ing ice of ha e of the Com an on a lea 15 ading da o of an 30 con ec i e ading da a e lo e than 90% of the e ailing con e ion ice, the Boa d i en i led to o o e a do n a d adj men to the con e ion ice and bmi i to the Sha eholde a the Sha eholde ' gene al mee ing fo hei con ide a ion and o ing.

D ing the con e ion e iod, the Com an ha the igh to edeem all o a t of the A Sha e Con e tible Bond hich ha e no been con e ted into ha e ba ed on the a al e l the acc ed inte e t then in ca e of he e the clo ing ice of A Sha e of the Com an fo a lea t 15 ading da o t of an 30 con ec ti e t ading da a e no le than 130% (incl ding 130%) of the e ailing con e ion ice o he e the balance of the o t tanding A Sha e Con e tible Bond nde the i ance i lo e than RMB30 million.

Wi hin 2 ea io to the ma i it of the A Sha e Con e tible Bond , he e the clo ing ice of the Com an ' A Sha e i lo e than 70% of the then Con e ion P ice fo 30 con ec ti e t ading da , the Bondholde a e entitled to ell all o a t of the A Sha e Con e tible Bond held b them back to the Com an a the face al e l the inte e t acc ed then.

If the Com an ' act al age of the net oceed f om the P o o ed I ance i ma e iall diffe en f om the nde taking of the e of oceed e o t in the Offe ing Doc men , and ch diffe ence i con ide ed b the CSRC a a change in the e of the oceed , the Bondholde will ha e a one-off igh to ell all o a t of the A Sha e Con e tible Bond held b them back to the Com an a the face al e l the inte e t acc ed. Unde the aid cena io, the Bondholde ma ell thei A Sha e Con e tible Bond back to the Com an d ing the ell back decla a ion e iod. If the Bondholde do no e e ci e thei ell back igh d ing the ell back decla a ion e iod, ch igh will a oma icall la e.

The fai al e of the liabilit com onent a e timated at the i e date ing an e i alent ma ket inte e t ate fo a imila bond ithout the attached cha e a ant . The e id al amo nt a a igned a the e it com onent and incl ded in ha eholde ' e it .

The abo e con e tible co o ate bond i ed ha e been lit into the liabilit and e it com onent a follo :

RMB

Items	Debt composition	Equity composition	Total
Amo nt of con e tible co o ate bond i ed	3,664,830,887.89	335,169,112.11	4,000,000,000.00
Di ect an action fee	(21,144,974.47)	(1,933,825.20)	(23,078,799.67)
Balance on the date of i ance	3,643,685,913.42	333,235,286.91	3,976,921,200.33
Inte e t at a al e	(1,380,821.92)		(1,380,821.92)
P emi m and di co nt amo tization	18,241,075.56		18,241,075.56
Con e ion ha e fo the half ea			
Balance at 30 J ne 2022	3,660,546,167.06	333,235,286.91	3,993,781,453.97

30. LEASE LIABILITIES

RMB

Classification	Closing balance	Opening balance
Lease liabilities	**11,320,751.04**	11,515,218.22
Less: Lease liabilities included in non-current liabilities due within one year	**635,514.93**	635,514.93
Net amount	**10,685,236.11**	10,879,703.29

31. DEFERRED REVENUE

RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Government grants	25,441,145.12	45,804,800.00	6,742,063.25	**64,503,881.87**
Total	25,441,145.12	45,804,800.00	6,742,063.25	**64,503,881.87**

I.em in ol ing go e nmen. g an. :

RMB

Items	Opening balance	Increase amount for the period	Decrease in the current period	Closing balance	Asset-related/ revenue-gelated
Jia ing Ci. 2012 fi . ba.ch of ind . ial de elo men. f nd g an. ann al o . . of 170,000 .on of LOW E gla and dee oce ing oject. 2#Floa. Kiln	133,333.06		100,000.02	**33,333.04**	A e.- ela.ed
Jia ing Ci. 2012 o incial ene g - a ing financial g an. 2 od c.ion line of f nace fl e ga ¥ a .e hea. .ili-a.ion Pha e II oject.¥ i.h o .ing con . c.ion of¥ a .e hea. boile and .eam . bine gene a.o e.	190,291.55		49,999.98	**140,291.57**	A e.- ela.ed
Ann al od c.ion of 15 million a e me.e of ola ho.o ol.aic l. a¥ hi.e gla e an ion oject.	424,778.42		250,000.02	**174,778.40**	A e.- ela.ed
Jia ing Ci. 2012 fi . ba.ch of ind . ial de elo men. f nd g an. 2*600./d gla mel.ing f nace fl e ga ¥ a .e hea. o¥ e gene a.ion fi . ha e con . c.ion' echnical . an fo ma.ion oject.	83,495.42		49,999.98	**33,495.44**	A e.- ela.ed
TCO l. a¥ hi.e cond c.i e film oject. g an.	603,783.23		603,783.23	**0.00**	A e.- ela.ed
Jia ing Ci. 2012 fi . ba.ch of ind . ial de elo men. f nd b id ann al o . . of 15 million a e me.e of ola ho.o ol.aic l. a¥ hi.e gla oject. 1#Pho.o ol.aic Kiln	950,494.77		250,000.02	**700,494.75**	A e.- ela.ed

Items	Opening balance	Increase amount for the period	Decrease in the current period	Closing balance	Asset-related/ revenue-related
2014 ind t ial t an fo ma.ion and g ading i.em (cen. al inf a t c. e in e t.men.) Fla. Gla ann al od c.ion of 5.8 million a e me.e LOW-E gla dee oce ing oject.	2,790,000.00		465,000.00	**2,325,000.00**	A e.- ela.ed
Gla mel.ing f nace fl e ga deni. ification .echnolog oject. g an.	4,679,443.73		586,666.74	**4,092,776.99**	A e.- ela.ed
Jia ing Finance B ea 2011 gla mel.ing f nace fl e ga a .e hea. o e gene a.ion oject. g an.	739,999.84		184,999.98	**554,999.86**	A e.- ela.ed
The fi t ha e of di t ib .ed PV oject con t c.ion g an.	4,014,720.00		167,280.00	**3,847,440.00**	A e.- ela.ed
The econd ha e of di t ib .ed PV oject con t c.ion g an.	1,134,115.59		46,607.52	**1,087,508.07**	A e.- ela.ed
Ann al od c.ion of 5.8 million a e me.e LOW-E gla dee oce ing oject.	4,234,724.00		409,812.00	**3,824,912.00**	A e.- ela.ed
Ann al od c.ion of 12 million a e me.e of high t an a en. ho.o ol.aic gla oject.	1,684,065.48		174,213.72	**1,509,851.76**	A e.- ela.ed
G an. fo back lane oce ing o k ho i.h ann al o t t of 28 million a e	2,877,900.00		172,674.00	**2,705,226.00**	A e.- ela.ed
S b idie fo o .ing .he de elo men. of obo. ind t	900,000.03	1,000,000.00	99,999.96	**1,800,000.07**	A e.- ela.ed
S b idie fo Ind t ial In.e ne. and making e i men. in .i. .ionalized, .anda dized and oced e-ba ed		3,600,000.00	187,826.08	**3,412,173.92**	A e.- ela.ed
Feng ang Co n. ' go e nmen. de elo ed and f nded n kine.ic ene g .o omo.e .he .an fo ma.ion and g ading of en.e i e , making economic de elo men. o nd. Mo eo e , .he go e nmen. b idized en.e i e ' in e .men.		41,204,800.00	2,943,200.00	**38,261,600.00**	A e.- ela.ed
To.al	25,441,145.12	45,804,800.00	6,742,063.25	**64,503,881.87**	

32. LONG-TERM PAYMENTS

RMB

Items	Opening balance	Closing balance
Payments for acquisition of mining rights		**230,230,897.90**
Less: Long-term payments due within one year		**52,220,000.00**
Long-term payments due after one year		**178,010,897.90**

33. SHARE CAPITAL

RMB

	Opening balance	Increase or decrease for the period (+,-) New shares issued	Other	Closing balance
Total share capital	536,723,313.50			**536,723,313.50**

34. OTHER EQUITY INSTRUMENTS

RMB

Outstanding financial instruments	Opening balance		Increase in the current period		Decrease in the current period		Closing balance	
	Number	Carrying value	Number	Carrying value	Number	Carrying value	Number	Carrying value
Convertible corporate bond			40,000,000.00	333,235,286.91			**40,000,000.00**	**333,235,286.91**

35. CAPITAL RESERVE

RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Share premium	4,780,117,627.53			**4,780,117,627.53**
Other capital reserve	52,650,634.30	15,842,999.03		**68,493,633.33**
Total	4,832,768,261.83	15,842,999.03		**4,848,611,260.86**

36. TREASURY STOCK

RMB

Items	Opening balance	Increase for the period	Decrease for the period (Note 1)	Closing balance
Share-based payment	32,096,200.00		1,992,200.00	**30,104,000.00**
Total	32,096,200.00		1,992,200.00	**30,104,000.00**

Note 1: On 25 May 2022, the Company achieved the conditions to remove the sale restriction for the first grant of the 2020 Restricted A Share Incentive Scheme for the second period of the first unlocking period, and the treasury shares have decreased by RMB1,992,200.00 accordingly.

37. OTHER COMPREHENSIVE INCOME

RMB

Items	Opening balance	Amount incurred in the current period: Amount before income tax incurred in the current period	Less: income tax	Amount attributable to the Company after income tax	Amount attributable to minority shareholders after income tax	Closing balance
I. Other comprehensive income that will not be reclassified into profit or loss after tax						-
II. Other comprehensive income that will be reclassified into profit or loss after tax	(7,613,180.72)	29,889,259.45		29,889,259.45		**22,276,078.73**
Exchange difference on foreign currency financial statements translation	(4,685,441.82)	29,586,440.51		29,586,440.51		**24,900,998.69**
Change in fair value of financing receivable	(2,927,738.90)	302,818.94		302,818.94		**(2,624,919.96)**
Total other comprehensive income	(7,613,180.72)	29,889,259.45		29,889,259.45		**22,276,078.73**

38. SPECIAL RESERVE

RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Safety production cost	17,266,053.61	6,557,571.38	207,368.35	23,616,256.64
Total	17,266,053.61	6,557,571.38	207,368.35	23,616,256.64

39. SURPLUS RESERVE

RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserve	268,361,656.75			268,361,656.75
Total	268,361,656.75			268,361,656.75

40. UNDISTRIBUTED PROFIT

RMB

Items	Current period	Last period
Opening balance of the undistributed profit	**6,194,759,167.82**	4,449,556,361.77
Add: Net profit attributable to shareholders of the parent company in the current period	**1,002,747,876.79**	1,261,029,989.03
Less: Accrual of statutory surplus reserve		
Dividend payable	–	321,928,988.10
Closing balance of the undistributed profit	**7,197,507,044.61**	5,388,657,362.70

41. OPERATING REVENUE AND OPERATING COST

(1) *Operating revenue and operating cost*

RMB

Items	Amount for the period		Amount for last period	
	Revenue	Cost	Revenue	Cost
Main business	**7,285,660,785.13**	**5,647,016,606.15**	4,006,038,420.77	2,239,800,101.33
Other business	**18,830,553.83**	**3,492,062.29**	21,984,067.79	5,411,353.97
Total	**7,304,491,338.96**	**5,650,508,668.44**	4,028,022,488.56	2,245,211,455.30

(2) *Revenue from contract*

RMB

Contract classification	Total
By type of product	
PV glass	6,468,102,101.23
Float glass	154,622,632.87
Household glass	180,626,503.87
Architectural glass	319,281,955.84
Other	161,935,169.23
Income from other business	19,922,975.92
By operating region	
The mainland of China	5,896,527,530.36
Asia and other countries and region (excluding the mainland of China)	1,165,341,157.52
Europe	101,446,157.93
North America	128,647,285.93
Other	12,529,207.22

(3) Performance obligations

The G o ' main b ine ac i i ie a e he od c ion and ale of gla od c . Gene all , he e i onl one e fo mance obliga ion o deli e good in he ele an ale con ac , and he con ide a ion fo he ale of he od c i de e mined acco ding o he fi ed ice ag eed in he ale con ac o o de . The G o ecogni e he e en e a he ime hen he con ol of he ele an od c i an fe ed o he c ome . The G o e i e deale c ome

43. SELLING EXPENSES

RMB

Items	Amount for the period	Amount for last period
Assembling fame charge	**37,008,523.79**	44,217,828.05
Employee compensation and welfare	**6,421,048.50**	5,780,602.46
Advertising expense	**5,149,776.66**	4,731,980.16
Depreciation and amortization	**12,678.08**	4,459.85
Other	**1,058,146.31**	1,707,952.14
Total	**49,650,173.34**	56,442,822.66

44. ADMINISTRATIVE EXPENSES

RMB

Items	Amount for the period	Amount for last period
Employee remuneration and benefit	**67,324,035.28**	68,897,778.55
Depreciation and amortization	**14,925,107.74**	10,538,835.21
Green and environmental protection expense	**5,829,406.63**	3,592,433.81
Labor cost	**8,149,166.34**	4,361,248.05
Office expense	**4,722,203.38**	4,143,592.54
Travelling expense	**1,148,929.54**	1,023,170.67
Intermediary agency service fee	**9,125,268.49**	1,998,236.41
Transportation expense	**1,122,452.13**	1,105,866.39
Repair and maintenance fee	**362,943.45**	188,692.64
Other	**13,690,082.76**	11,269,219.21
Total	**126,399,595.74**	107,119,073.48

45. RESEARCH AND DEVELOPMENT EXPENSES

RMB

Items	Amount for the period	Amount for last period
Employee remuneration and benefits	**55,813,432.48**	39,118,507.52
Direct material costs	**165,135,312.47**	134,017,800.27
Depreciation and amortization	**12,128,571.42**	11,096,518.97
Others	**21,977,320.23**	15,805,687.54
Total	**255,054,636.60**	200,038,514.30

47. OTHER REVENUE

RMB

Items	Amount for the period	Amo n fo la e iod
Di ib ed PV e gene a ion oject g an	**2,503,473.27**	3,052,823.35
Defe ed income amo iza ion	**6,742,063.25**	6,234,579.97
Go e nmen g an	**31,622,824.40**	3,049,188.99
To al	**40,868,360.92**	12,336,592.31

48. INVESTMENT INCOME (LOSS)

RMB

Items	Amount for the period	Amo n fo la e iod
Income f om long-e m e i in e men nde the e i me hod	**3,582,923.60**	2,834,046.74
In e men income f om c ed ealh management	**450,000.00**	7,842,906.41
De i a i e ool i ho the ecified hedging ela ion hi	**166,920.00**	9,504,060.00
Incl ding: Fo a d fo eign e change con ac in e men income	**166,920.00**	9,504,060.00
In e men income f om e i in men in e men		1,406,250.00
To al	**4,199,843.60**	21,587,263.15

49. GAINS AND LOSSES ARISING FROM CHANGES IN FAIR VALUE

RMB

	Amount for the period	Amo n fo la e iod
De i a i e ool ho he ecified hedging ela ion hi		
Incl ding: Fo a d fo eign e change con ac	**(139,297.35)**	769,335.76
Fo eign e change o ion con ac	**(3,521,571.71)**	(929,377.38)
To al	**(3,660,869.06)**	(160,041.62)

50. CREDIT IMPAIRMENT LOSSES

RMB

Items	Amount for the period	Amo n fo la e iod
C edi im ai men gain (lo e) on bill ece i able	**(6,427,253.22)**	(751,658.54)
C edi im ai men gain (lo e) on ade ece i able	**(22,204,626.25)**	31,247,735.89
To al	**(28,631,879.47)**	30,496,077.35

51. ASSETS IMPAIRMENT LOSSES

RMB

Items	Amount for the period	Amount for last period
Inventory impairment loss	**(6,723,522.16)**	(4,329,681.98)
Total	**(6,723,522.16)**	(4,329,681.98)

52. GAINS (LOSS) ON DISPOSAL OF ASSET

RMB

Items	Amount for the period	Amount for last period
Gain on disposal of fixed assets	**1,375,064.85**	1,017,352.08
Loss on disposal of fixed assets	**(10,526,063.59)**	(1,967,369.20)
Total	**(9,150,998.74)**	(950,017.12)

53. NON-OPERATING INCOME

RMB

Items	Amount for the period	Amount for last period	Non-recurring profit and loss in the current period
Government grants (Note1)	**813,591.12**	3,031,418.86	813,591.12
Others	**1,278,512.69**	323,710.32	1,278,512.69
Total	**2,092,103.81**	3,355,129.18	2,092,103.81

Note 1: For details of government grants included into current period profit or loss, please refer to Note Government grants.

54. NON-OPERATING EXPENSES

RMB

Items	Amount for the period	Amount for the last period	Non-recurring profit and loss in the current period
External donation	**2,153,838.80**	96,215.63	2,153,838.80
Other	**100,532.01**	613,545.07	100,532.01
Total	**2,254,370.81**	709,760.70	2,254,370.81

55. INCOME TAX EXPENSES

RMB

Items	Amount for the period	Amount for the last period
Current period income tax expense	**148,981,006.01**	174,526,224.63
Income tax made over (refunded) for the last year	**(34,612,628.52)**	(3,163,584.23)
Deferred income tax expense	**(19,717,419.82)**	13,522,107.48
Total	**94,650,957.67**	184,884,747.88

Reconciliation between income tax expense and accounting profit is as follows:

RMB

Items	Amount for the period
Total profit	**1,097,398,834.46**
Income tax expense calculated at tax rate of 15%	**164,609,825.15**
Effect of subsidiaries' tax rate difference	**12,564,367.57**
Effect of non-deductible costs, expenses and losses	**2,629,649.13**
Effect of non-taxable income	**(367,398.64)**
Effect on makeover (refund) of the income tax for last period	**(34,612,628.53)**
Tax effect on tax incentives	**(20,921,010.36)**
Effect of use of deductible losses on previous unrecognised deferred income tax assets	**(1,335,061.98)**
Effect of deductible temporary differences or deductible losses of unrecognised deferred tax assets in the period	**3,950,073.84**
Changes in opening balances of deferred tax assets/liabilities due to the change in tax rate	**–**
Effect on research and development cost deduction	**31,866,858.51**
Income tax expense	**94,650,957.67**

56. ITEMS IN CASH FLOW STATEMENT

(1) Other cash received and related to operating activities

RMB

Items	Amount in the current period	Amount in the last period
Government grant	**80,744,688.79**	10,133,431.20
Interest income	**25,931,363.85**	21,301,664.66
Margin	**15,827,360.46**	220,000.00
Other	**1,278,512.69**	2,502,872.22
Total	**123,781,925.79**	34,157,968.08

(2) Other cash paid and related to operating activities

RMB

Items	Amount in the current period	Amount in the last period
Paid fee	**189,877,482.10**	386,948,191.87
Margin	**72,653.66**	21,481,763.42
Charitable donation expense	**2,153,838.80**	96,215.63
Handling charge	**5,090,053.54**	1,157,900.91
Other	**4,974,227.81**	5,331,515.31
Total	**202,168,255.91**	415,015,587.14

(3) Other cash received and related to investment activities

RMB

Items	Amount in the current period	Amount in the last period
Recovery of restricted monetary fund	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

(5) Other cash received and related to fundraising activities

RMB

Items	Amount in the current period	Amount in the last period
Recovery of restricted monetary fund	**466,542,322.25**	459,117,039.95
Total	**466,542,322.25**	459,117,039.95

(6) Other cash paid and related to fundraising activities

RMB

Items	Amount in the current period	Amount in the last period
Payment of restricted monetary fund	**495,034,111.04**	730,523,947.73
Charge for non-public issuance	**–**	17,908,619.14
Expenditure on issuance of convertible corporate bond	**1,078,799.67**	94,339.63
Total	**496,112,910.71**	748,526,906.50

57. SUPPLEMENTARY INFORMATION FOR CASH FLOW STATEMENT

(1) Supplementary information for cash flow statement

RMB

	Amount in the current period	Amount in the last period
(1) Adjust net profit to cash flow from operating activities		
Net profit	**1,002,747,876.79**	1,261,029,989.03
Add: Asset impairment provision	**6,723,522.16**	4,329,681.98
Credit impairment loss (gain)	**28,631,879.47**	(30,496,077.35)
Investment property amortization	**715,735.20**	715,735.20
Depreciation of fixed assets	**355,898,987.44**	219,267,472.76
Depreciation of right-of-use assets	**2,407,419.35**	2,367,974.74
Amortization of intangible assets	**242,066,854.07**	11,906,352.80
Amortization of long-term prepaid expenses	**1,261,756.85**	1,145,392.36
Loss for disposal of fixed assets, intangible assets and other long-term assets (gain)	**9,150,998.74**	950,017.12
Fair value change loss (gain)	**3,660,869.06**	160,041.62
Financial expenses	**150,868,000.63**	34,644,318.71
Investment gain	**(4,199,843.60)**	(21,587,263.15)
Decrease in deferred income tax assets (increase)	**(288,708.48)**	2,228,072.31
Increase in deferred income tax liabilities (decrease)	**(19,428,711.33)**	11,294,035.17
Decrease in inventories (increase)	**772,843,489.17**	(648,200,026.51)
Increase of operating receivable (decrease)	**(2,370,476,466.47)**	(855,995,548.19)
Increase in operating payable	**708,230,611.01**	391,916,423.87
Other	**15,451,138.81**	11,475,363.71
Net cash flow from operating activities	**906,265,408.87**	397,151,956.18
(2) Net changes in cash and cash equivalents		
Balance of cash at the end of the period	**3,244,825,371.34**	2,190,106,192.69
Less: Balance of cash at the beginning of the period	**2,101,730,679.46**	1,146,171,930.13
Net increase in cash and cash equivalents	**1,143,094,691.88**	1,043,934,262.56

(2) Component of cash and cash equivalents

RMB

Items	Closing balance	Opening balance
I. Cash	**3,244,825,371.34**	2,101,730,679.46
Including: Cash on hand	**23,680.28**	37,595.74
Bank deposits available for payment	**3,244,801,691.06**	2,101,693,083.72
II. Cash equivalents	**–**	
III. Cash and cash equivalents at the end of the year	**3,244,825,371.34**	2,101,730,679.46

58. ASSETS WITH RESTRICTED OWNERSHIP OR USE RIGHTS

RMB

Items	Book value at the end of the half year	Reasons for restriction
Monetary fund	**778,425,138.48**	Bill deposits, etc.
Financing receivable	**39,882,313.71**	Pledged to bank to obtain credit facilities
Investment properties	**18,086,495.83**	Pledged to bank to obtain credit facilities
Fixed assets	**2,446,307,991.66**	Pledged to bank to obtain credit facilities
Intangible assets	**320,919,034.69**	Pledged to bank to obtain credit facilities
Total	**3,603,620,974.37**	

59. FOREIGN CURRENCY MONETARY ITEM

Items	Closing balance		
	Foreign currency balance	Translation exchange rate	RMB amounts
Cash at bank and on hand			
Including: USD	74,948,522.81	6.7114	503,009,516.00
EUR	4,767,740.42	7.0084	33,414,231.96
JPY	94,814,238.00	0.0491	4,658,792.41
HKD	266,033.35	0.8552	227,509.06
GBP	3,933.46	8.1365	32,004.59
AUD	282,767.77	4.6145	1,304,831.87
Total			542,646,885.89
Trade receivable			
Including: USD	86,599,759.89	6.7114	581,205,628.52
EUR	325,997.51	7.0084	2,284,720.95
AUD	79,053.30	4.6145	364,791.45
Total			583,855,140.92
Other receivable			
Including: HKD	3,970.00	0.8552	3,395.10
Total			3,395.10
Trade payable			
Including: USD	3,146,630.69	6.7114	21,118,297.21
EUR	87,854.51	7.0084	615,719.56
Total			21,734,016.77
Borrowing			
Including: USD	187,462,098.79	6.7114	1,258,133,129.80
Total			1,258,133,129.80

60. GOVERNMENT GRANTS

RMB

Items	Asset-related/ revenue-related	Listed items	Amount for the year
S b ide fo enco aging en.e i e .o inc ea e in e .men., g an.ed b Feng ang Co n. fo c l.i a.ing ne. d i e .o omo.e en.e i e.. an fo ma.ion and g ading and high- ali. economic de elo men.	A e.	Defe ed e en e	41,204,800.00
Re. a d fo di idend en.e i e .o com e.e fo con. ib .ion, g an.ed b Feng ang Co n. fo c l.i a.ing ne. d i e .o omo.e en.e i e.. an fo ma.ion and g ading and high- ali. economic de elo men.	Re en e	O.he e en e	21,302,900.00
E i men. b idie fo Ind .ial In.e ne. Th ee T an fo ma.ion	A e.	Defe ed e en e	3,600,000.00
F nd f om Jia ing Economic and Info ma.ion B ea fo local cience and .echnolog de elo men. g ided b .he cen. al go e nmen. in 2022	Re en e	O.he e en e	3,000,000.00

Items	Asset-related/ revenue-related	Listed items	Amount for the year
Di t ib ted PV o e gene a ion oject g an	Re en e	Oh e e en e	2,503,473.27
S ecial incen i e fo accele a ing he de elo men of fo eign ade en e i e	Re en e	Oh e e en e	2,099,000.00
S b idie fo o ing he de elo men of he obo ind	A e	Defe ed e en e	1,000,000.00
Re a d fo iden ifica ion of m nici al ind and info ma ion f nd ingle cham ion b Jia ing Econom and Info ma ion B ea in 2022	Re en e	Oh e e en e	750,000.00
Ref nd income f om handling fee fo indi id al income a	Re en e	Oh e e en e	613,400.32
S bjec c li a ion b idie of he m nici al e ice ind de elo men and g ide f nd	Re en e	Oh e e en e	519,000.00
Ann al g een man fac ing ecial f nd oject b Jia ing Econom and Info ma ion B ea in 2021	Re en e	Oh e e en e	500,000.00
S b idie in ca h nde he ann al efe en ial ea men olic fo en e i e	Re en e	Oh e e en e	400,000.00

Items	Asset-related/ revenue-related	Listed items	Amount for the year
Incen i e and b idie of he ann al high-ech -zone cience and echnolog ne olicie a Jia ing Xi -zho High-ech Ind ial De elo men Zone	Re en e	O he e en e	300,000.00
S b idie fo leading alen nde Ten Tho and Talen P og am fo Tech S a - of Jia ing Econom and Info ma ion B ea	Re en e	O he e en e	200,000.00
O he	Re en e	O he e en e / non-o e a ing e en e	2,752,135.20
To al			80,744,688.79
Incl ding: Go e nmen b idie incl ded in he c en ofi and lo			34,939,888.79

6. CHANGE IN COMBINATION SCOPE

1. Business combinations involving enterprises not under common control

(1) Business combinations involving enterprises not under common control in the current period

RMB

Name of acquirer	Date of acquiring the equity interest	Acquisition cost	Equity interest acquired (%)	Acquisition method	Acquisition date

On 9 No embe 2021, the Com an ecei ed the In i Lette on the Info ma.on Di clo e of the Reo gani-a.on Plan of Fla. Gla G o Co., L.d. (Shanghai S.ock E change Official Lette [2021] No. 2868, he einafe efe ed to a the In i Lette) f om the Shanghai S.ock E change, de.ail of hich a e e. o t in the Anno ncemen. of Fla. Gla G o Co., L.d. on Recei ing the In i Lette on Info ma.on Di clo e of Reo gani-a.on Plan of the Shanghai S.ock E change (Anno ncemen. No.: 2021 111) di clo ed b the Com an on 10 No embe 2021. The Re l Anno ncemen. of Fla. Gla G o Co., L.d. to the In i Lette of the Shanghai S.ock E change on the Info ma.on Di clo e of the Reo gani-a.on Plan of Fla. Gla G o Co., L.d. (Anno ncemen. No.: 2021 127) and the Anno ncemen. on the Re i ion of the Majo A e. P cha e Plan of Fla. Gla G o Co., L.d. (Anno ncemen. No.: 2021 128) e e di clo ed on 15 Decembe 2021.

The Com an di clo ed the Anno ncemen. on the P og e of Majo A e. Reo gani-a.on of Fla. Gla G o Co., L.d. on 27 No embe 2021, 28 Decembe 2021 and 27 Jan a 2022 (ee the Com an ' anno ncemen., No. 2021 123, 2021 131 and 2022 003 fo de.ail , e ec.i el).

Af.e e al a.ion and a di., the final ice of the. an ac.ion a de.e mined to be RMB3,343,947,600 th o gh nego.ia.on of bo.h a.ie ba ed on the a di. and e al a.ion al e. P an. to the 2020 a di. e o. of the Com an , the 2020 financial e o. of the .a ge. com an a a di.ed b Delo.e To che Tohma. Ce .ified P blic Acco n.ant LLP, Nanjing B anch and ith a efe ence to the final .o.al ice of .hi. an ac.ion, all indica.o do no. e ceed 50% of the .o.al a di.ed a e. , ne. a e. and o e a.ing e en e of the Com an fo 2020 af.e com a ing the ele ant financial indica.o of the .a ge. a e. of .hi. an ac.ion ith financial indica.o of the Com an , failing to mee. the .anda d fo majo a e. eo gani-a.on ecified

The Com an held the 15:h mee:ing of :he i :h e ion of :he boa d of di ec:o on 13 Feb a 2022, d ing¥ hich e ie¥ ed and a o ed :he Re ol :ion on :he Ac i i:ion no: Con :i: :ing a Majo A e: Reo gani:a:ion and :he Te mina:ion P oced e of :he Majo a e: Reo gani:a:ion and :he Re ol :ion on :he Com an ' Ac i i:ion of 100% E i: of Anh i Dah a O ien:al Mining Co., L:d.* held b Anh i Feng ha Mining G o Co., L:d.* and 100% E i: In:e e: of Anh i Sanli Mining Co., L:d.*, acco ding to¥ hich, :he Com an ¥ a a o ed to cha e 100% e i: of Anh i Dah a O ien:al Mining Co., L:d.* (Dah a Mining) held b Anh i Feng ha Mining G o Co., L:d. and 100% e i: in:e e: of Anh i Sanli Mining Co., L:d.* b a ing ca h and nde :aking liabili:ie ,¥ i h a :o:al :an ac:ion ice of RMB3,343,947,600. Fo de:ail , lea e efe :o :he Anno ncemen: on :he Ac i i:ion of 100% E i: of Anh i Dah a O ien:al Mining Co., L:d. and 100% E i: of Anh i Sanli Mining Co., L:d. b Fla: Gla G o Co., L:d. (Annnn 8 ii 1 he:io:00 09li clo o en on The Com an ¥ ac Cole ed

E lana.ion on de.e mina.ion of fai al e of co. of combina.ion, con.ingen. con ide a.ion and i. change :

Acco ding .o .he A e. A ai al Re o. on .he A ai al of .he All E i. Val e of Sha eholde of Anh i Dah a O ien.al Mining Co., L.d. In ol ed in .he P o o ed E i. Ac i i.ion of Flа. Gla G o Co., L.d. (K nY an A ai al Re o. [2022] No. 24) and .he A e. A ai al Re o. on .he A ai al of .he All E i. Val e of Sha eholde of Anh i Sanli Mining Co., L.d. In ol ed in .he P o o ed E i. Ac i i.ion of Flа. Gla G o Co., L.d. (K nY an A ai al Re o. [2022] No. 25) i ed b Cam in A ai al Co. L.d, a of 31 Decembe 2021, .he ne. a e. of Dah a Mining and Sanli Mining e e de.e mined .o be RMB742,738,400 and RMB2,073,300,500, e ec.i el , acco ding .o .he a e.-ba ed me.hod. Th o gh nego.ia.ion be een all a .ie , .he . an fe ice of 100% e i. of Dah a Mining amo n.ed .o RMB740 million, and .he . an fe ice of 100% e i. of Sanli Mining amo n.ed .o RMB2,065 million.

(3) Identifiable assets and liabilities of acquiree at the acquisition date

	Anhui Dahua Oriental Mining Co., Ltd.	
	Fair value on the acquisition date	**Carrying amount on the acquisition date**
A e. :	1,249,471,790.26	572,065,553.36
Ca h a. bank and on hand	1,127,564.56	1,127,564.56
Bill ece i able	13,740,000.00	13,740,000.00
Ad ance a men.	145,038.88	145,038.88
O.he ece i able	537,080.71	537,080.71
O.he c en. a e.	17,752.39	17,752.39
Fi ed a e.	14,842,270.00	12,104,397.46
In.angible a e.	1,219,062,083.72	544,393,719.36
Liabili.ie :	506,733,371.3	510,989,682.1
Sho .-.e m bo in ing	13,740,000.00	13,740,000.00
Con. ac. liabili.ie	9,000,000.00	9,000,000.00
Pa oll a able	256.45	256.45
Ta a able	6,099,925.37	6,099,925.37
O.he a able	477,893,189.50	477,893,189.50
P o i ion		4,256,310.74
Le : mino i. in.e e.		
Ne. a e. ac i ed	742,738,418.94	61,075,871.30

	Anhui Sanli Mining Co., Ltd.	
	Fair value on the acquisition date	Carrying amount on the acquisition date
A et :	2,504,277,807.58	557,471,639.81
Ca h at bank and on hand	17,906,764.60	17,906,764.60
Bill ecei able	247,187,416.40	247,187,416.40
Ad ance a men	31,666.46	31,666.66
Othe ecei able	4,802,780.12	4,802,780.12
Fi ed a et	476,780.00	273,762.59
Intangible a et	2,233,872,400.00	286,380,097.05
Long-te m defe ed e en e		889,152.39
Liabilitie :	430,977,301.9	433,178,932.65
T ade a able	16,495,150.06	16,495,150.06
Cont act liabilitie	188,819.35	188,819.35
Ta a able	118,729,740.92	118,729,740.92
Othe a able	70,519,112.54	70,519,112.54
C ent liabilitie d e ithin one ea	52,220,000.00	52,220,000.00
Long-te m a able	172,824,479.03	172,824,479.03
P o i ion		2,201,630.75
Le : mino it inte e t		
Net a et ac i ed	2,073,300,505.68	124,292,707.16

Dete mination method of fai al e of identifiable a et and liabilitie

With a efe ence to the object, o e and info mation collected b the a ai e , it i dete mined to ado t the a et-ba ed method and the income method to e al ate the al e of all ha eholde ' e it of Dah a Mining and Sanli Mining, e ecti el . On the ba i of the abo e a ai al, the concl ion of the a et-ba ed method i dete mined a the a ai al concl ion of the a ai al object afte f ll and com ehen i e anal i of the a io elimina al e concl ion acco ding to the act al condition and com ehen i e con ide ation of the ationalit of diffe ent a ai al method and elimina al e concl ion .

7. INTERESTS IN OTHER ENTITIES

1. INTERESTS IN SUBSIDIARIES

Items	Name of subsidiary	Principal place of business	Place of registration	Nature of business	Shareholding and voting rights percentage as at 30 June 2022 (%) Direct	Indirect	Acquisition method
1	Zhejiang Fla. Gla Co., L.d.	Zhejiang	Zhejiang	Engaged in .he man fac. e and ale of a chi.ec. al o ho ehold gla od c.	100		E .abli hmen.
2	Zhejiang Jiaf Gla Co., L.d.	Zhejiang	Zhejiang	Man fac. e and ale of ho.o ol.aic gla	100		E .abli hmen.
2.1	Fla. (Hong Kong) In e .men. Limi.ed	Hong Kong	Hong Kong	In e .men.		100	E .abli hmen.
2.1.1	FLAT (AUSTRALIA) PTY LTD	A .alia	A .alia	Mine o e a.ion and ale of a.o e		100	E .abli hmen.
3	Shanghai Fla. Gla Co., L.d.	Shanghai	Shanghai	A chi.ec. al gla oce ing	100		E .abli hmen.
4	Anh i Fla. Sola Gla Co., L.d.	Anh i	Anh i	Man fac. e, oce ing and ale of ecial gla	100		E .abli hmen.
4.1	Feng ang Fla. Na. al Ga Pi eline Co., L.d.	Anh i	Anh i	Na. al ga .echnolog de elo men. and na. al ga i eline in .alla.ion and ale		100	E .abli hmen.
4.2	Feng ang Fla. N Ene g Technolog Co., L.d.	Anh i	Anh i	In e .men., con .c.ion, o e a.ion and main.enance of n ene g e lan.		100	E .abli hmen.
4.3	Anh i Fla. S l Chain Managemen. Co., LTD.	Anh i	Anh i	S l chain managemen. e ice		100	E .abli hmen.
5	Anh i Fla. Sola Ma.e ial Co., L.d.	Anh i	Anh i	Mine o e a.ion and ale of a.o e	100		E .abli hmen.
6	Fla. (Hong Kong) Limi.ed	Hong Kong	Hong Kong	Gla E o.	100		E .abli hmen.

Items	Name of subsidiary	Principal place of business	Place of registration	Nature of business	Shareholding and voting rights percentage as at 30 June 2022 (%) Direct	Indirect	Acquisition method
6.1	Fla: (Vie:nam) Com an Limi:ed	Vie:nam	Vie:nam	Man fac: e and ale of ho:o ol:aic gla		100	E :abli?men:
6.1.1	Fla: (Vie:nam) Im o :: and E o :: T ade Limi:ed	Vie:nam	Vie:nam	Im o :: and e o :: ade	100		E :abli hmen:
7	Jia ing Fla: N? Ene g Technolog Co., L:d.	Zhejiang	Zhejiang	In e :men:, con :: c:ion, o e a:ion and main:enance of n? ene g ? e lan:	100		E :abli hmen:
8	Fla: (Jia ing) Im o :: and E o :: T ade Limi:ed	Zhejiang	Zhejiang	Im o :: and e o :: ade	100		E :abli hmen:
9	Fla: (Nan:ong) Sola Gla Co., LTD	Jiang	Jiang	Man fac: e and ale of ho:o ol:aic gla	100		E :abli hmen:
10	Fla: (S ian) Sola Gla Co., LTD	Jiang	Jiang	Man fac: e and ale of ho:o ol:aic gla	100		E :abli hmen:
11	Shanghai Fla: Technolog De elo men: Co., LTD	Shanghai	Shanghai	Re ea ch and de elo men: and omo:ion e ice fo n? ma:e ial and n? :echnologie	100		E :abli hmen:
12	Anh i Dah a O ien:al Mining Co., L:d.	Anh i	Anh i	Q a :z:e mining and ale	100		Combina:ion no: nde common con: ol
13	Anh i Sanli Mining Co., L:d.	Anh i	Anh i	Q a :z:e mining and ale	100		Combina:ion no: nde common con: ol

2. INTEREST IN JOINT VENTURE OR ASSOCIATE

(1) Financial information summary of insignificant joint venture and associate

RMB

	Closing balance/ Amount incurred in the current period	Opening balance/ Amount incurred in the last period
Associate:		
Total investment book value	**74,269,507.82**	19,948,888.40
Total amount calculated by shareholding percentage		
Net profit	**3,582,923.60**	2,834,046.74
Other comprehensive income	**–**	
Total comprehensive income	**3,582,923.60**	2,834,046.74

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

There were no material restrictions on the ability of associates to transfer capital to the Group.

(3) Contingent liabilities relating to investment of associates

The Group had no contingent liabilities relating to investment of associate.

8. RISKS RELATED TO FINANCIAL INSTRUMENTS

At the end of the half ea , majo financial in t ment of the G o incl de: ca h at bank and on hand, de i at i e financial a et, bill ecei able , t ade ecei able , othe ecei able , de i at i e financial liabilitie , bill a able and t ade a able , and othe ecei able , lea e liabilitie and bo ow ing . Detail of each financial in t ment a e et o t belo w :

RMB

Item	Closing balance	O ening balance
Financial a et		
Ca h at bank and on hand	**4,023,250,509.82**	2,842,677,267.48
T ading financial a et	**700,000,000.00**	200,000,000.00
De i at i e financial a et	**–**	62,739.00
Bill ecei able	**2,016,706,300.57**	939,748,112.41
T ade ecei able	**2,713,330,450.16**	1,105,759,571.75
Financing ecei able	**596,244,502.28**	531,196,547.78
Othe ecei able	**53,523,216.63**	54,999,617.97
Total	**10,103,054,979.46**	5,674,443,856.39
Financial liabilitie		
De i at i e financial liabilitie	**3,598,130.06**	
Bill a able	**967,943,844.79**	1,036,982,577.72
T ade a able	**3,369,204,291.79**	2,306,910,116.65
Othe a able	**673,276,780.43**	132,439,232.65
Bond a able	**3,660,546,167.06**	
Lea e liabilitie (incl ding d e w ithin one ea)	**11,320,751.04**	11,516,621.85
Long-te m a able (incl ding d e w ithin one ea)	**230,230,897.90**	
Bo ow ing	**6,072,079,465.68**	4,142,134,668.01
Total	**14,988,200,328.75**	7,629,983,216.88

The i k ela ed to financial in t ment and the i k management olicie fo i k mitigation of the G o a e ta ed a follo w ing. The management of the Com an w ill management and e i e the e i k e o e in o de to en e that o e mea e a e taken e editio l .

1. RISK MANAGEMENT OBJECTIVES AND POLICIES

The i k management objecti e of the G o a e to obtain an a o iate balance be een i k and e n, to ed ce negati e effect ca ed b o e ating e t to a lo e t le el, and to ma imi e inte e t of ha eholde and othe e it in e to . Ba ed on the e objecti e , the ba ic t ategie a e to confi m and anal e all otential i k elated to the G o , to et a o iate i k limitation , to manage and monito all i k timel and effecti el , and to cont ol the i k ithin a limited co e.

1.1 Market risk

The G o ' b ine ha ca ed it financial i k d e to the change in inte e t ate and fo eign e change ate . The G o belie e that the abo e i k d ing the ea o the manne in hich the a e managed and mea ed ha e not been changed com a ed to the e io ea .

1.1.1. Fo eign e change i k

Fo eign e change i k efe to the i k of lo a i ing f om the lo e in e change ate. The o e ating economic en i onment of the Com an and it majo b idia ie i China and Vietnam ho e f nctional c encie a e RMB and VND. Some of the G o ' t an action a e ettled in c encie othe than f nctional c encie ch a USD, EUR, JPY, HKD, GBP and AUD, and a e bject to the e ting fo eign e change i k.

A at 30 J ne 2022, the G o ' fo eign c enc a et and liabilitie a e et o t belo . The fo eign e change i k a i ing f om the a et and liabilitie of the e fo eign c enc balance (ee Note Fo eign C enc Item) ma im act the G o ' o e ating e t .

RMB

Item	Closing balance	Opening balance
Cash and cash equivalent	**542,646,885.89**	646,162,060.99
Trade receivable	**583,855,140.92**	264,346,799.86
Other receivable	**3,395.10**	3,245.87
Trade payable	**21,734,016.77**	44,332,571.48
Other	**–**	602,570.50
Borrowing	**1,258,133,129.80**	1,285,319,483.63

The Group closely monitors exchange rate movement and formulates relevant hedging policies to reduce foreign exchange risk. Foreign exchange forward contracts can be used to eliminate foreign exchange risk. For the year ended 30 June 2022, the Company entered into contracts in relation to foreign currency amount of RMB24,726,840.00 (equivalent to USD3,684,304.32).

1.1.2. Interest rate risk

The Group's risk to the change in cash flows of financial instruments arising from change in interest rate is mainly related to floating rate bank borrowing and floating rate bank deposits. As at 30 June 2022, the Group's floating borrowing amounted to RMB4,991,348,129.80 (31 December 2021: RMB3,442,726,983.63). The management of the Group closely monitors interest rate risk. The Group's policies to maintain the floating rate of these borrowings without any arrangement such as interest rate swaps.

1.2 Credit risk

A at 30 J ne 2022, the ma im m c edit i k e o e that ma ca e the G o ' c edit lo e i mainl d e to the lo of the G o ' financial a et ca ed b the fail e of the othe a t to e fo m it obligation and the financial g a antee nde taken b the G o (Ÿ ithot con ide ing a ailable collate al o othe c edit enhancement), ecificall : ca h at bank and on hand, bill ecei able, t ade ecei able , t ade ecei able financing, othe ecei able , etc., and de i ati e financial a et that a e not incl ded in the co e of im ai ment a e ment, etc. At the balance heet date, the ca ing amo nt of the G o ' financial a et ha e e ented it ma im m c edit i k e o e.

In o de to ed ce c edit i k, the G o ha e tabli hed a team e on ible fo dete mining the c edit limit and cond cting c edit a o al. At the ame time, the G o e fo m o the moni o ing oced e to en e that nece a mea e a e taken to eco e o e d e claim . In addition, the G o e ie Ÿ the eco e of financial a et on each balance heet date to en e that ade ate c edit lo o i ion a e made fo the ele ant financial a et . A a e lt, the management of the G o belie e that the c edit i k a med b the G o ha been ignificant1 ed ced.

The G o ' ca h at bank and on hand a e de o ited in bank Ÿ ith highe c edit ating , o ca h at bank and on hand i bject to lŸ e c edit i k.

A at 30 J ne 2022, the G o ' acco nt ecei able balance Ÿ ith the to fi e c tome Ÿ a RMB1,550,421,839.55 (31 Decembe 2021: RMB581,839,100.82), acco nting fo 55.58% of the G o ' acco nt ecei able balance (31 Decembe 2021: 50.18%). In addition, the G o ha no othe ignificant c edit i k e o e concent ated on a ingle financial a et o financial a et g o Ÿ ith imila cha acte i tic .

1.3 Liquidity risk

In managing the li idi i k, the G o maintain and moni o the ca h and ca h e i alen that the management con ide ade ae o meet the G o ' o e ational need and mi igae the im ac of fl c a ion in ca h flo . The management of the G o clo el moni o the li idi i a ion and e ec o ha e fficien o ce of financing o finance the G o ' o e a ion . The management of the G o belie e that the G o doe no ha e an ignifican li idi i k.

2. TRANSFER OF FINANCIAL ASSETS

Financial assets transferred but not derecognised as a whole

A the end of the e iod, the G o endo ed bill ecei able cla ified a financing ecei able of RMB1,308,273,481.00 (A the end of la ea : RMB1,493.899,701.86) o i lie o a the acco n a able; di co n ed bill ecei able of RMB157,656,990.53 (A the end of la ea : RMB154,836,626.87) o bank o obain c enc f nd . The G o belie e that the i k and a d of the ne hi of ch endo ed o di co n ed bill ecei able ha e been b an ial an fe ed o the lie o di co n ing bank, the efo e de ecogni ed ch endo ed o di co n ed bill ecei able. If the acce o can' ca h ch no e , acco ding o ele an la and eg la ion of China, the G o i held join l liable fo ch bill ecei able. The G o belie e that a the acce o i of good e a ion, the e i mino i k of the acce o ' fail e o ca h the no e on ma i . A the end of the e iod, if the acce o fail o ca h ch no e on ma i , i.e. the G o ' ma im m e o e o lo i e i alen o the amo n that the G o ho ld a the lie o di co n ing bank in e ec of ch endo ed o di co n ed no e . Fo all the bill ecei able endo ed o lie o di co n ed o bank, the ma i i i hin 1 ea afe the end of e o ing ea .

At the end of the reporting period, the Group endorsed the amounts derecognised under bills receivable of RMB1,209,023,929.58 (At the end of last year: RMB662,916,166.12) to its suppliers to settle the accounts payable, and discounted bills receivable of RMB15,547,866.84 (At the end of last year: RMB6,790,000.00) to banks to obtain cash funds. The Group believes that it retains substantially all risks and rewards of the ownership of such endorsed or discounted bills receivable (including relevant risk of default), therefore continues to recognize such endorsed or discounted bills receivable as well as the corresponding amount of relevant accounts payable that have been settled. After the endorsement or discounting of bills receivable, the Group does not retain any right to use such endorsed or discounted notes, including selling, transferring or pledging such endorsed or discounted notes to any third parties.

3. CAPITAL MANAGEMENT

The Group manages capital by optimizing the structure of liabilities and shareholders' returns to ensure that entities within the Group maintain operations while maximizing shareholders' return.

The capital structure of the Group consists of the Group's net debt and shareholders' equity.

The Group is not subject to external mandatory capital management requirements.

The Group manages and adjusts the capital structure based on changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust dividends to shareholders or obtain additional capital from shareholders. The Group has not made any adjustments to the objectives, policies and processes of capital management.

9. 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
I. Continuous fair value				
(I) T ading financial a e.		62,739.00	200,000,000.00	200,062,739.00
(1) Bank¥ eal.h management od c.			200,000,000.00	200,000,000.00
(2) De i a.i e financial a e.		62,739.00		62,739.00
(II) Financing ecei able			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 i.em con.in ing .o be mea ed a. .he le el 1 fai al e efe .o o.he e i. in . men. ,₹ i.h fai al e o.ed in .he ac.i e ma ke.. .

(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

Items	Fair value as at 30 June 2022	Val a.ion echni e	Main in . al e
De i a.i e financial a e. fo₹ a d fo eign e change con. ac.	**76,558.35**	Di co n.ed ca h flo₹ me.hod	Fo₹ a d e change a.e, di co n. a.e
T ading financial a e. Fo eign e change o .ion con. ac.	**3,521,571.71**	Di co n.ed ca h flo₹ me.hod	Fo₹ a d e change a.e, di co n. a.e

(4) Valuation Techniques and Qualitative and Quantitative Information on Important Parameters Adopted for the Third Level of Continuous and Noncontinuous Fair Value Measurement

RMB

Items	Fair value as at 30 June 2022	Valuation techniques	Significant unobservable inputs	Scope period
T ading financial a e. bank₹ eal.h management od c.	**700,000,000.00**	Di co n.ed ca h flo₹ me.hod	Fo₹ a d e change a.e, di co n. a.e	3.70%
Financing ece ie able	**596,2 i1549 1.1 -4 ables**	Di co n.ed ca h flo₹ me.hod	Fo₹ a d e change	

10. RELATED PARTIES AND RELATED PARTY TRANSACTION

1. THE GROUP'S SUBSIDIARIES

Plea e efe to Inte e t in o he enti ie .

2. THE GROUP'S JOINT VENTURE AND ASSOCIATE

The G o ' joint en e and a ocia e:

Name	Relationship with the Group
Jia ing Kaihong Fla S l Chain Managemen Co., Ld. (嘉興凱鴻福萊特供應鏈管理有限公司)	A ocia e
Jia ing Ga G o Co., Ld. (嘉興市燃氣集團股份有限公司)	A ocia e

3. OTHER RELATED PARTIES OF THE GROUP

Enterprise name	Relationship with the connected party
Jia ing Yihe In e tmen Co., Ld. (嘉興義和投資有限公司)	Con olled b one of he ac al con olle of he Com an
Feng ang Hongding Po Co., Ld. (鳳陽鴻鼎港務有限公司)	Con olled b one of he ac al con olle of he Com an

4. RELATED PARTY TRANSACTIONS

(1) Accepting labor service and purchasing products

RMB

Related party	Related party transaction	Amount in the current period	Amount in the last period
Jiaxing Kaihong Flat Sheet Glass Chain Management Co., Ltd. (嘉興凱鴻福萊特供應鏈管理有限公司)	Acceptance of service	**123,486,566.66**	111,135,494.36
Jiaxing Gas Group Co., Ltd. (嘉興市燃氣集團股份有限公司) (Note)	Purchase of raw material	**113,681,503.02**	30,494,318.68

Note: Jiaxing Gas became an associate of the Group in June 2021. Therefore, the increased amount of related transaction during the last statistical period represents the amount of year-on-year change of transaction that occurred after Jiaxing Gas became an associate of the Group until the end of last period.

(2) Related lease

RMB

Related party	Content of the related party transaction	Amount in the current period	Amount in the last period
Jiaxing Yihe Investment Co., Ltd. (嘉興義和投資有限公司)	House lease	**4,249,814.64**	3,880,265.34
Fengyang Hongding Port Co., Ltd. (鳳陽鴻鼎港務有限公司)	Pier lease	**825,688.08**	825,688.08

(3) Remuneration of key management personnel

RMB0'000

Items	Amount in the current period	Amount in the last period
Remuneration of key management personnel	**369.54**	364.63

5. AMOUNTS DUE TO/FROM RELATED PARTIES

(1) Receivables

RMB

Items	Related parties	Closing balance	Opening balance
Advance payment	Jiaxing Gas Group Co., Ltd. (嘉興市燃氣集團股份有限公司)	**859,709.94**	2,343,468.83
Other current assets	Fengyang Hongding Port Co., Ltd. (鳳陽鴻鼎港務有限公司)	**–**	412,844.04
Other current assets	Jiaxing Yihe Investment Co., Ltd. (嘉興義和投資有限公司)	**4,427,279.35**	

(2) Payables

RMB

Items	Related parties	Closing balance	Opening balance
Trade payable	Jiaxing Kaihong Flat Supply Chain Management Co., Ltd. (嘉興凱鴻福萊特供應鏈管理有限公司)	**44,831,804.59**	28,449,581.64
Trade payable	Jiaxing Yihe Investment Co., Ltd. (嘉興義和投資有限公司)	**–**	173,342.70
Trade payable	Fengyang Hongding Port Co., Ltd. (鳳陽鴻鼎港務有限公司)	**414,844.04**	

A tho ized b the Com an ' 2019 ann al gene al mee ing, the fi t A ha e cla mee ing in 2020, and the fi t H ha e cla mee ing in 2020, the Com an held the econd mee ing of the i th e ion of the boa d of di ecto on 25 Ma 2021, in hich the Re ol tion on the Re e ed G an of the Re t ic ed A Sha e To Pa tici an a e ie ed and a o ed. Acco ding to the e ol tion, the Com an e the g an da e on 25 Ma 2021 and g an ed 700,000 e t ic ed A ha e to 3 eligible a tici an , at the g an ice of RMB14.23 e ha e. A of 25 J l 2021, the Com an ha ecei ed a to al of RMB9,961,000.00 of f nd aid b 3 a tici an to b c ibe fo 700,000 RMB o dina ha e (A ha e). The lock- e iod fo the e t ic ed ha e a e 12 mon h , 24 mon h , 36 mon h , 48 mon h , and 60 mon h f om the da e of com le ion of the fi t g an egi t a ion. Fo the e t ic ed ha e that ha e not been a lied fo nlocking o cannot be a lied fo nlocking d e to fail e to mee the nlocking condi ion d ing the afo e aid nlocking e iod , the Com an ill e cha e and cancel ch e t ic ed ha e f om ele an a tici an in acco dance ith the inci le of the incenti e cheme.

The Com an held the i th mee ing of the i th e ion of the boa d of di ecto and the fo th mee ing of the i th e ion of the boa d of e i o on 9 A g t 2021 to e ie and a o e the Re ol tion Abo t the Fi t G an of the 2020 Re t ic ed A Sha e Incen i e Scheme fo the Fi t Pa t of the Fi t Unlocking Pe iod fo the Achie emen of Remo ing the Sale Re t ic ion Condi ion . Acco ding to the e ol tion, e lifted the ale e t ic ion of the 920,000 e t ic ed ha e that me the condi ion fo lifting the e t ic ion d ing the fi t lock- e iod. The lifting of e t ic ion on ale ha been a tho i ed b the Com an ' 2019 ann al gene al mee ing, the fi t A ha e cla mee ing in 2020 and the fi t H ha e cla mee ing in 2020.

The Com an held the 23 d mee.ing of the i th e ion of the boa d of di ec.o and the 20.h mee.ing of the i th e ion of the boa d of e i o on 1 J ne 2022 .o e ie and a o e the Re ol .ion Abo . the Fi . G an. of the 2020 Re . ic.ed A Sha e Incen.i e Scheme fo the Re e ed Pa . of the Fi . Unlocking Pe iod fo the Achie emen. of Remo ing the Sale Re . ic.ion Condi.ion . Acco ding .o the e ol .ion, e lif.ed the ale e . ic.ion of the 140,000 e . ic.ed ha e .hat me. the condi.ion fo lif.ing the e . ic.ion d ing the fi . lock- e iod. The lif.ing of e . ic.ion on ale ha been a .ho i ed b the Com an ' 2019 ann al gene al mee.ing, the fi . A ha e cla mee.ing in 2020 and the fi . H ha e cla mee.ing in 2020.

Uni.: Sha e

	2020 A-Share Restricted Share Incentive Scheme	2021 Share Option Incentive Scheme
To.al e it in .ment o .anding a. the beginning of the e iod		
To.al e it in .men. g an.ed fo Tdio e . ing 0 (a. the beginning of the e io		

nning of the e iod

2. Equity settled share-based payments

RMB

	Restricted A Share Incentive Scheme for 2020	Share option incentive scheme 2021
Method for determining the fair value at the grant date	Open market quotation of the grant date	Black-Scholes Model
Whether the granted equity instruments are exercisable		

With exercisable right

12. COMMITMENTS AND CONTINGENCIES

1. Significant Matters of Commitments

As of the balance sheet date, the issued but not yet recognized contracted for capital commitments of the Group are as follows:

RMB

Items	Closing balance	Opening balance
Contracted but not confirmed in the financial statements		
Purchase and construction of long-term assets commitments	**4,695,672,830.89**	4,966,230,139.24
Investment commitments	**–**	3,343,947,640.64

2. Contingencies

The Group does not have any significant contingencies that need to be disclosed.

13. OTHER SIGNIFICANT MATTERS

1. SEGMENT REPORT

(1) Basis and account policy of segment report

According to the internal organizational structure, management requirement and internal reporting system of the Group, the Group's operating activities are divided into five operating segments. Based on the operating segments, the Group has identified five reporting segments, namely the PV glass segment, the household glass segment, architectural glass segment, float glass segment and mining product segment. The reporting segments are based on product categories. The main products covered by each of the Group's reporting segments are PV glass, household glass, architectural glass, float glass and mining product. The management of the Group regularly evaluates the operating results of the segments to determine the resources to be allocated to them and to evaluate their performance. The evaluation does not include the equity of the assets and liabilities of the operating segments.

Segment report information is disclosed in accordance with the accounting policies and measurement standard adopted by each segment when reporting to management. It has confirmed and measured segment report information in accordance with China accounting standard.

(2) Segment report information

RMB

	Amount in the current period							
	PV glass	Household glass	Architecture glass	Float glass	Mining products	Other business	Mutual offset among segments	Total
Segment operating revenue	6,468,102,101.23	180,626,503.87	319,281,955.84	154,622,632.87	161,935,169.23	19,922,975.92		7,304,491,338.96
Segment operating cost	4,979,453,429.31	140,807,844.37	259,332,168.10	149,299,046.80	118,124,117.56	3,492,062.30		5,650,508,668.44
Segment profit	1,488,648,671.92	39,818,659.50	59,949,787.74	5,323,586.07	43,811,051.67	16,430,913.62		1,653,982,670.52
Adjusted item:								
Less: Taxes and charges								45,449,665.35
Selling expenses								49,650,173.34
Administrative expenses								126,399,595.74
Research and development expenses								255,054,636.60
Financial expenses								76,768,433.12
Including: Interest expenses								120,102,101.64
Interest income								25,481,363.85
Add: Other income								40,868,360.92
Investment income								4,199,843.60
Profit (loss)								

14. NOTES TO THE STATEMENTS OF THE PARENT COMPANY

1. TRADE RECEIVABLE

(1) Disclosed by the aging

RMB

Aging	Closing balance
Within 1 year	**946,141,641.60**
1 2 year	**21,768,719.73**
2 3 year	**1,100,733.39**
Over 3 year	**1,868,381.21**
Total	**970,879,475.93**

	Opening balance				
	Book balance		Bad debt provision		
Classification	Amount	Percentage (%)	Amount	Accrual Percentage (%)	Book value
Bad debt provision by portfolio					
Including:					
Low risk	163,791,056.47	44.02			163,791,056.47
Normal	151,140,825.52	40.62	3,808,748.80	2.52	147,332,076.72
Concerned	48,127,930.42	12.93	11,657,475.13	24.22	36,470,455.29
Loss	9,035,293.16	2.43	9,035,293.16	100.00	
Total	372,095,105.57	/	24,501,517.09	/	347,593,588.48

Bad debt provision by portfolio

RMB

Name	Closing balance Trade receivables	Bad debt provision	Provision percentage (%)
Low risk	**260,082,532.32**	**–**	**–**
Normal	**654,902,993.87**	**11,526,292.69**	**1.76**
Concerned	**53,921,147.75**	**20,307,227.08**	**37.66**
Loss	**1,972,801.99**	**1,972,801.99**	**100.00**
Total	**970,879,475.93**	**33,806,321.76**	**3.48**

(3) Changes in credit loss provisions of trade receivables

RMB

Classification	Opening balance	Change of amount in the current period Provision	Reversal	Closing balance
Bad debt provision	24,501,517.09	9,304,804.67		**33,806,321.76**
Total	24,501,517.09	9,304,804.67		**33,806,321.76**

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

At the end of the period, the total trade receivables of the Group with the closing balance classified by the borrowers amounted to RMB589,618,034.52 (at the end of the previous year: RMB209,629,403.13), accounting for 60.73% (at the end of the previous year: 56.34%) of the total balance of trade receivables and the provision for credit loss of total trade receivables amounted to RMB7,589,373.89 (at the end of the previous year: RMB1,644,474.68).

2. OTHER RECEIVABLES

RMB

Items	Closing balance	Opening balance
Dividends receivable	**148,731,538.16**	800,000,000.00
Other receivables	**1,594,052,533.27**	1,037,334,934.64
Total	**1,742,784,071.43**	1,837,334,934.64

Dividend receivables

Items (Invested unit)	Closing balance	Opening balance
Zhejiang Jiafa Glass Co., Ltd.	**148,731,538.16**	800,000,000.00
Total	**148,731,538.16**	800,000,000.00

Other receivables

(1) Disclosed by aging

RMB

Aging	Closing book balance
Within 1 year	**1,262,838,619.62**
1 2 years	**315,731,700.00**
2 3 years	**21,000.00**
Over 3 years	**15,461,213.65**
Total	**1,594,052,533.27**

(2) Other receivables classified by nature

RMB

Nature	Closing book balance	Opening book balance
Amounts due from subsidiaries	**1,593,362,013.65**	1,031,644,847.53
Margin	**306,000.00**	5,306,000.00
Refundable fund	**40,000.00**	40,000.00
Deposits	**81,000.00**	81,000.00
Others	**263,519.62**	263,087.11
Total	**1,594,052,533.27**	1,037,334,934.64

(3) Detail of top five other receivables with the closing balance classified by the borrower

RMB

Name	Amount nature	Closing balance	Percentage in the total Closing balance of other receivable (%)
First	Current account of related parties	1,102,544,013.65	69.17
Second	Current account of related parties	489,318,000.00	30.70
Third	Current account of related parties	1,500,000.00	0.09
Fourth	Margin	195,000.00	0.01
Fifth	Margin	100,000.00	0.01
Total		1,593,657,013.65	99.98

3. LONG-TERM EQUITY INVESTMENT

RMB

Items	Closing balance	Opening balance
Investment in subsidiaries	**4,148,137,343.00**	1,343,137,343.00
Investment in joint ventures and associates	**9,215,647.72**	6,921,828.12
Total	**4,157,352,990.72**	1,350,059,171.12

(1) Investment in subsidiary

RMB

Invested unit	Opening balance	Increased amount in the current period	Decreased amount in the current period	Closing balance
Zhejiang Flat Glass Co., Ltd.	10,000,000.00			**10,000,000.00**
Zhejiang Jiafu Glass Co., Ltd.	150,000,000.00			**150,000,000.00**
Shanghai Flat Glass Co., Ltd.	70,000,000.00			**70,000,000.00**
Anhui Flat Solar Glass Co., Ltd.	1,000,000,000.00			**1,000,000,000.00**
Anhui Flat Solar Material Co., Ltd.	30,000,000.00			**30,000,000.00**
Flat (Hong Kong) Limited	66,137,343.00			**66,137,343.00**
Jiaxing Flat New Energy Technology Co., Ltd.	10,000,000.00			**10,000,000.00**
Flat (Jiaxing) Import and Export Trade Limited	7,000,000.00			**7,000,000.00**
Flat (Sichuan) Solar Glass Co., Ltd.				**–**
Flat (Nantong) Solar Glass Co., Ltd.				**–**
Shanghai Flat Technology Development Co., Ltd.				**–**
Anhui Dahua Optical Mining Co., Ltd.		2,065,000,000.00		**2,065,000,000.00**
Anhui Sanli Mining Co., Ltd.		740,000,000.00		**740,000,000.00**
Total	1,343,137,343.00	2,805,000,000.00		**4,148,137,343.00**

(2) Investment in joint venture and associate

RMB

Investees	Opening balance	Investment gain and loss recognized under the equity method	Closing balance
Associate			
Kaihong Flat	6,921,828.12	2,293,819.60	**9,215,647.72**
Total	6,921,828.12	2,293,819.60	**9,215,647.72**

4. OPERATING REVENUE AND COST

(1) Operating revenue and operating cost

RMB

Items	Amount for the period		Amount for last period	
	Revenue	Cost	Revenue	Cost
Main business	**2,108,235,900.68**	**1,720,656,556.48**	1,844,919,841.98	1,404,141,466.45
Other business	**255,958,513.04**	**230,936,762.36**	172,047,060.48	133,865,447.59
Total	**2,364,194,413.72**	**1,951,593,318.84**	2,016,966,902.46	1,538,006,914.04

(2) Revenue from contract

RMB

Contract classification	Amount for the Period
Categories of goods	
PV gla	**1,521,103,033.03**
Floa gla	**171,041,246.98**
Ho ehold gla	**96,298,432.07**
A chi ec al gla	**319,793,188.60**
O e	**–**
Income f om o he b ine	**255,958,513.04**

5. INVESTMENT INCOME

RMB

Items	Amount for the Period	Amo n fo la e iod
Income f om long-e m e i in e tmen nde he e i me hod	**2,293,819.60**	2,834,046.74
To al	**2,293,819.60**	2,834,046.74

Supplementary Information

1. DETAILS OF CURRENT PERIOD EXTRA-ORDINARY PROFIT OR LOSS

RMB

Items	Amount for the Period
Lo e on di o al of non-c en a e	(9,150,998.74)
Go e nmen g an eco ded in c en ofi o lo (e ce fo go e nmen g an clo el a ociaedi h he b ine of he Com an in fi ed amo n o fi ed an i acco ding o na ional olicie)	38,565,098.45
A a f om hedging in men ela ing o he no mal o e a ion of he Com an , gain f om change in fai al e of held-fo ading financial a e , de i a i e financial a e and de i a i e financial liabili ie , and in e men income f om di o al of he abo e financial a e /liabili ie and financing ecei able	4,277,789.06
O he non-o e a ing income and e en e o he han abo e	(975,858.12)
S b o al	32,716,030.65
Effec of income a	(5,049,501.89)
Effec on mino i in e e	
To al	27,666,528.76

2. RETURN ON EQUITY AND EARNING PER SHARE

The calculation form of the net return on equity and earning per share prepared in accordance with the relevant provision of Public Issuance of Securities Companies Information Disclosure and Compilation Rule No. 09 Calculation and Disclosure of Return on Net Asset and Earning Per Share (Revised in 2010) (CSRC Announcement [2010] No. 2) issued by the China Securities Regulatory Commission.

RMB

Profit in the reporting period	Weighted average return on equity (%)	Earnings per share Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	8.09	0.47	0.44
Net profit attributable to ordinary shareholders of the Company excluding non-recurring items	7.87	0.46	0.42