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福耀玻璃工业集团股份有限公司
FUYAO GLASS INDUSTRY GROUP CO., LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3606)

2019 FIRST QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2019 first quarterly report of Fuyao Glass Industry Group Co., Ltd. (the “**Company**”) and its subsidiaries for the three months ended March 31, 2019 (the “**Reporting Period**”). The financial report contained herein is prepared pursuant to the PRC Accounting Standards for Business Enterprises and has not been audited.

This announcement is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions, the Chinese version shall prevail.

By order of the Board
Fuyao Glass Industry Group Co., Ltd.
Cho Tak Wong
Chairman

Fuzhou, Fujian, the PRC, April 27, 2019

As at the date of this announcement, the board of directors of the Company comprises Mr. Cho Tak Wong, Mr. Chen Xiangming and Ms. Sun Yiqun, as executive directors; Mr. Tso Fai, Mr. Wu Shinong and Ms. Zhu Dezhen, as non-executive directors; Ms. Cheung Kit Man Alison, Ms. Liu Xiaozhi and Mr. Wu Yuhui, as independent non-executive directors.

I. IMPORTANT NOTICE

- 1.1** The board of directors, board of supervisors, directors, supervisors and senior management members of the Company warrant the truthfulness, accuracy and completeness of the contents stated in the quarterly report and that there are no false presentations, misleading statements or material omissions thereof and shall assume joint and several legal liabilities.
- 1.2** All directors of the Company attended the meeting of the board of directors held for the purpose of considering this quarterly report.
- 1.3** Cho Tak Wong, person-in-charge of the Company, Chen Xiangming, the principal-in-charge of accounting, and Qiu Yongnian, head of the Accounting Department (person-in-charge of accounting), warrant the truthfulness, accuracy and completeness of the financial statements set out in this quarterly report.
- 1.4** The 2019 first quarterly report of the Company has not been audited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major financial data

Unit: Yuan Currency: RMB

	As at the end of this Reporting Period	As at the end of previous year	Increase/decrease at the end of this Reporting Period as compared with the end of previous year (%)
Total assets	39,461,303,458	34,822,501,944	13.32
Net assets attributable to shareholders of the listed company	20,721,550,622	20,190,906,192	2.63

	From the beginning of 2019 to the end of the Reporting Period	From the beginning of previous year to the end of the reporting period of previous year	Increase/ decrease as compared with the corresponding period of previous year (%)
Net cash flows from operating activities	742,548,725	1,184,788,008	-37.33
Operating revenue	4,933,498,402	4,747,842,101	3.91
Net profit attributable to shareholders of the listed company	606,046,927	562,617,916	7.72
Net profit attributable to shareholders of the listed company, net of non-recurring gains or losses	516,237,613	594,857,072	-13.22
Return rate on weighted average net assets (%)	2.96	2.92	Increased by 0.04 percentage point
Basic earnings per share (RMB/share)	0.24	0.22	9.09
Diluted earnings per share (RMB/share)	0.24	0.22	9.09

During the Reporting Period, the Company realized operating revenue of RMB4,933,498,400, representing an increase of 3.91% as compared with the corresponding period last year; realized total profit of RMB723,778,700 (taking into account exchange loss of RMB129,903,800 for the Reporting Period, as compared with exchange loss of RMB218,579,900 for the corresponding period last year), representing an increase of 3.75% as compared with the corresponding period last year.

Non-recurring profit and loss items and amounts

Unit: Yuan Currency: RMB

Items	Amount for the current period	Explanation
Profit and loss from disposal of non-current assets	600,474	
Government subsidies recorded under current profit and loss (except for those closely related to the normal business operation of the Company, in compliance with requirements of the national policies and entitled continuously to a fixed amount or fixed quantity under the requirements of the State policies)	28,642,347	
Apart from hedging instruments relating to the normal operations of the Company, profit or loss from change in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments	10,831,687	
Other non-operating income and expenses other than the above items	56,232,244	
Effect of minority interests (after tax)	524,810	
Effect of income tax	-7,022,248	
Total	89,809,314	

2.2 Total number of shareholders, the shareholdings of the top ten shareholders and top ten shareholders with tradable shares (or shareholders not subject to selling restrictions) as at the end of the Reporting Period

As at March 31, 2019, the total number of shareholders of the Company was 100,936, of which, 100,880 were holders of A shares and 56 were registered holders of H shares.

Unit: Shares

Total number of shareholders 100,936

Name of shareholders (Full name)	Shareholding of top ten shareholders		Number of shares held with selling restrictions	Pledge or moratorium		Nature of shareholder
	Shareholding at the end of period	Percentage (%)		Status of shares	Number	
HKSCC NOMINEES LIMITED <i>(Note)</i>	491,739,600	19.60		Unknown		Unknown
Sanyi Development Limited	390,578,816	15.57		Nil		Overseas legal entity
Heren Charitable Foundation	290,000,000	11.56		Nil		Domestic non-state-owned legal entity
Hong Kong Securities Clearing Company Limited	235,619,854	9.39		Unknown		Unknown
Bai Yongli	34,653,315	1.38		Unknown		Unknown
Fujian Yaohua Industrial Village Development Co., Ltd.	34,277,742	1.37		Pledged	12,000,000	Domestic non-state-owned legal entity
China Securities Finance Corporation Limited	28,095,495	1.12		Unknown		Unknown
China Universal Asset Management Company Limited– Social Security Fund Portfolio 1103	26,499,925	1.06		Unknown		Unknown
Central Huijin Asset Management Co., Ltd.	24,598,300	0.98		Unknown		Unknown
Li Haiqing	21,942,159	0.87		Unknown		Unknown

Shareholdings of the top ten shareholders not subject to selling restrictions

Name of shareholders	Number of tradable shares not subject to selling restrictions	Types and number of shares	
		Types	Number
HKSCC NOMINEES LIMITED <i>(Note)</i>	491,739,600	Overseas listed foreign shares	491,739,600
Sanyi Development Limited	390,578,816	Ordinary shares denominated in RMB	390,578,816
Heren Charitable Foundation	290,000,000	Ordinary shares denominated in RMB	290,000,000
Hong Kong Securities Clearing Company Limited	235,619,854	Ordinary shares denominated in RMB	235,619,854
Bai Yongli	34,653,315	Ordinary shares denominated in RMB	34,653,315
Fujian Yaohua Industrial Village Development Co., Ltd.	34,277,742	Ordinary shares denominated in RMB	34,277,742
China Securities Finance Corporation Limited	28,095,495	Ordinary shares denominated in RMB	28,095,495
China Universal Asset Management Company Limited – Social Security Fund Portfolio 1103	26,499,925	Ordinary shares denominated in RMB	26,499,925
Central Huijin Asset Management Co., Ltd.	24,598,300	Ordinary shares denominated in RMB	24,598,300
Li Haiqing	21,942,159	Ordinary shares denominated in RMB	21,942,159

Explanations on the connected relationship or parties acting in concert among the above shareholders

The de facto controllers of Sanyi Development Limited and Fujian Yaohua Industrial Village Development Co., Ltd. are members of a same family. Among the remaining eight shareholders not subject to selling restrictions, it is uncertain whether there is any connected relationship among them and whether such shareholders are parties acting in concert which fall within the meaning under the “Measures for the Administration of Information Disclosure of Change of Shareholdings Held by Shareholders of Listed Companies”.

Note: HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司) holds shares on behalf of several customers.

III. SIGNIFICANT EVENTS

3.1 Particulars and reasons of material changes in major accounting items and financial indicators of the Company

3.1.1 Particulars and reasons of material changes in major balance sheet items of the Company as at the end of the Reporting Period

Unit: Yuan Currency: RMB

Items	Balance as at the end of the period	Balance as at the beginning of the year	Increase/decrease	Percentage of increase/decrease
Held-for-trading financial assets	1,300,440,374	387,261,777	913,178,597	235.80%
Other current assets	1,605,581,139	313,634,314	1,291,946,825	411.93%
Right-of-use assets	628,020,065	392,072,039	235,948,026	60.18%
Short-term borrowings	8,357,278,244	5,548,826,223	2,808,452,021	50.61%
Derivative financial liabilities	7,562,999	3,077,741	4,485,258	145.73%
Employee remuneration payable	251,571,751	483,015,711	-231,443,960	-47.92%
Taxes payable	281,087,930	449,716,675	-168,628,745	-37.50%
Other current liabilities	1,205,972,938	300,984,971	904,987,967	300.68%
Long-term borrowings	1,877,000,000	1,246,875,075	630,124,925	50.54%
Lease liabilities	576,163,721	332,063,274	244,100,447	73.51%
Other comprehensive income	-116,876,433	-41,473,936	-75,402,497	181.81%

- a. Increases in held-for-trading financial assets and other current assets were mainly due to an increase in structured deposits during the Reporting Period.
- b. Increase in right-of-use assets was mainly due to the entering into of the plant lease agreement by FYSAM Auto Decorative GmbH, a subsidiary of the Company, during the Reporting Period.
- c. Increase in short-term borrowings was mainly due to an increase in amounts borrowed for replenishment of working capital during the Reporting Period.
- d. Increase in derivative financial liabilities was mainly due to the estimated unrealized loss incurred by the certain unsettled currency swap contracts as a result of movements in foreign exchange rates.

- e. Decrease in employee remuneration payable was mainly due to the payment of the annual bonus provided for in the previous year during the Reporting Period.
- f. Decrease in taxes payable was mainly due to the payment of taxes payable provided for in the previous year during the Reporting Period.
- g. Increase in other current liabilities was mainly due to the issuance of two tranches of ultra-short-term financing bills in an aggregated amount of RMB900 million during the Reporting Period.
- h. Change in long-term borrowings was mainly due to the Company's optimization of long-term and short-term financing structure.
- i. Increase in lease liabilities was mainly due to the entering into of the plant lease agreement by FYSAM Auto Decorative GmbH, a subsidiary of the Company, during the Reporting Period.
- j. Decrease in other comprehensive income was mainly due to a decrease in currency translation differences arising from RMB appreciation during the Reporting Period.

3.1.2 Analysis on the reasons for significant changes in major items of the income statement of the Company during the Reporting Period

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the corresponding period of last year	Increase/decrease	Percentage of increase/decrease
Financial expenses	185,375,915	265,408,254	-80,032,339	-30.15%
Credit impairment loss	17,814,620	0	17,814,620	100.00%
Other income	28,642,347	16,847,628	11,794,719	70.01%
Gain or loss arising from changes in fair value	500,450	-33,513,676	34,014,126	-101.49%
Non-operating income	58,490,859	1,069,253	57,421,606	5370.25%
Non-operating expenses	4,602,813	658,854	3,943,959	598.61%

- a. Year-on-year decrease in financial expenses was mainly due to the foreign exchange losses of RMB130 million during the Reporting Period as compared with the foreign exchange losses of RMB219 million for the corresponding period of last year.
- b. Credit impairment loss incurred was mainly due to the provision for bad debts during the Reporting Period.
- c. Increase in other income was mainly due to an increase in government subsidies received during the Reporting Period.
- d. Change in gain or loss arising from changes in fair value was mainly due to the estimated unrealized change in gain or loss from the unsettled CCS currency swap contracts as a result of movements in exchange rates of RMB against foreign currencies.
- e. Increase in non-operating income was mainly due to a year-on-year increase in indemnities received during the Reporting Period.
- f. Increase in non-operating expenses was mainly due to a year-on-year increase in loss from disposal of fixed assets during the Reporting Period.

3.1.3 Analysis on the reasons for substantial changes in major cash flow items of the Company

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the corresponding period of last year	Increase/decrease	Percentage of increase/decrease
Cash received relating to other operating activities	189,466,546	112,757,274	76,709,272	68.03%
Net cash paid to acquire subsidiaries and other business units	20,314,292	0	20,314,292	100.00%
Cash paid relating to other investing activities	2,250,000,000	0	2,250,000,000	100.00%
Cash received from borrowings	6,515,695,594	3,079,765,358	3,435,930,236	111.56%
Cash repayments of borrowings	3,077,118,647	1,492,714,950	1,584,403,697	106.14%
Cash received relating to other financing activities	900,000,000	0	900,000,000	100.00%

- a. Increase in cash received relating to other operating activities was mainly due to an increase in government subsidies received during the Reporting Period.
- b. Net cash paid to acquire subsidiaries and other business units represented net outflow used for acquisition of 100% equity interests in Jiangsu Triplex Automotive Decoration Co., Ltd. (江蘇三鋒汽車飾件有限公司)(now renamed as Jiangsu Fuyao Automotive Decoration Co., Ltd. (江蘇福耀汽車飾件有限公司)) (i.e. acquisition consideration less the carrying balance of the acquiree's cash at bank and on hand) during the Reporting Period.
- c. Cash paid relating to other investing activities represented structured deposits placed during the Reporting Period.
- d. Increase in cash received from borrowings was mainly due to an increase in amounts borrowed for replenishment of working capital.
- e. Increase in cash repayments of borrowings was mainly due to repayment of borrowings from financial institutions during the Reporting Period.
- f. Cash received relating to other financing activities represented proceeds raised from issuance of two tranches of ultra-short-term financing bills in an aggregated amount of RMB900 million during the Reporting Period that aimed to reduce financing cost.

3.2 Note and analysis on the progress of significant events and their impact and solution

Not Applicable

3.3 Undertakings that have fallen due but not yet completed during the Reporting Period

Background of undertakings	Type of undertakings	Undertaking party	Content of undertakings	Time and term of undertakings	Has performance period or not	Fulfill in a timely and strict manner or not
Other undertakings	Dividend distribution	Fuyao Glass Industry Group Co., Ltd.	<p>The dividend distribution plan for the equity holders of the Company for the next three years (2018–2020) is as follows:</p> <p>1. Method of profit distribution: Subject to relevant laws, regulations, normative documents, Articles of Association and relevant provisions and conditions under this plan, and on the premise that the consistency and stability of the profit distribution policy are guaranteed, the Company may distribute dividends in cash, in shares, in a combination of both cash and shares or otherwise as permitted by laws and regulations. The profit distribution shall not exceed the accumulative distributable profit without prejudice to the Company's ability of continuing operation. Among these distribution methods, preference will be given to cash dividend as compared to share dividend. Whenever the Company qualifies to distribute cash dividend, the cash dividend shall be adopted for profit distribution. If the Company decides to distribute profit by way of share dividend, such real and reasonable factors as the Company's growth and dilution of net asset value per share shall be taken into consideration.</p> <p>2. Frequency of profit distribution: On the premise that the Company records profit for the year with positive accumulative profit undistributed, it shall make profit distribution at least once a year. The Company can also declare interim cash dividend. In the next three years, the board of the Company can propose to declare interim dividend according to the current profit rate, condition of cash flow, development stage and capital needs.</p> <p>3. The specific conditions of cash dividend and the minimum ratio of cash dividend: Under the precondition that the Company can maintain continuing operation and long-term development, if the Company has no such matters as major investment plans or major cash expenditures (other than investment projects funded with proceeds from fund raising), the Company shall, on the premise that the Company records profit for the year with positive accumulative profit undistributed, distribute dividend in cash and the profit of the Company distributed</p>	<p>Publishing date of undertakings: May 12, 2018</p> <p>Performance period of undertakings: between January 1, 2018 and December 31, 2020</p>	Yes	Yes

Background of undertakings	Type of undertakings	Undertaking party	Content of undertakings	Time and term of undertakings	Has performance period or not	Fulfill in a timely and strict manner or not
			<p>in cash shall be no less than 20% of the distributable profit achieved during that year. The specific dividend ratio for each year shall be proposed by the board of the Company according to the annual profit performance and the future capital use plan of the Company. 4. Specific conditions under which shares will be issued in lieu of dividends: Where the Company's business is in a sound condition and the board of the Company considers that the earning per share, stock price and net asset value per share of the Company do not reflect its share capital size, the Company may propose dividend distribution in shares, provided that the above conditions of dividend distribution in cash are fully satisfied. When determining the specific amount of profit distribution in shares, full consideration shall be given to whether the total share capital upon distribution of dividend in share matches with the current operation size, profit growth and dilution of net asset value per share of the Company while the influence on cost of future debt financing shall be taken into consideration to ensure the profit distribution plan in compliance with the overall interest and long-term benefit of the shareholders as a whole. 5. Differential cash dividend policy: the board of the Company shall take into comprehensive consideration on such factors as the characteristics and development stage of the industry where the Company operates its business, its operational model, earnings level and the existence of major capital expenditure arrangements, to classify the followings and propose differential cash dividend policy according to the procedures stipulated in the Articles of Association: (1) where the Company is at developed stage without any major capital expenditure arrangement, the minimum ratio taken by cash dividend in the profit distribution shall be 80% when distributing profit; (2) where the Company is at developed stage with major capital expenditure arrangement, the minimum ratio taken by cash dividend in the profit distribution shall be 40% when distributing profit; (3)</p>			

Background of undertakings	Type of undertakings	Undertaking party	Content of undertakings	Time and term of undertakings	Has performance period or not	Fulfill in a timely and strict manner or not
			<p>where the Company is at developing stage with major capital expenditure arrangement, the minimum ratio taken by cash dividend in the profit distribution shall be 20% when distributing profit; where it is hard to classify the development stage of the Company and there is any major capital expenditure arrangement, the Company may deal with the profit distribution according to the item (3) above.</p> <p>6. If the Company recorded profit in the previous financial year but the board of the Company did not propose any cash dividend plan at the end of the previous financial year, the Company shall consult with its independent directors and disclose in the periodic report the reasons for not to propose cash dividend plan and the purpose of reserving the capital that has not been used for dividend distribution. Independent directors shall express independent opinions and disclose the same publicly.</p> <p>7. Formulation and implementation of profit distribution plan: at the end of each financial year, the board of the Company shall propose a profit distribution plan and submit to the general meeting for consideration. The Company welcomes any suggestion from all shareholders, independent directors and the supervisory committee in respect of its profit distribution plan and their supervision thereof. After the profit distribution plan is resolved at the general meeting of the Company, the board of the Company shall complete the distribution of dividend (or share) within two months after convening the general meeting.</p>			

3.4 Warning and explanation on reasons for the accumulated net loss expected to be recorded from the beginning of the year to the end of the next reporting period or the material change as compared to the corresponding period of last year

Not Applicable

Name of the Company	Fuyao Glass Industry Group Co., Ltd.
Legal representative	Cho Tak Wong
Date	April 26, 2019

IV. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet March 31, 2019

Prepared by: Fuyao Glass Industry Group Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	March 31, 2019	December 31, 2018
Current assets:		
Cash at bank and on hand	8,178,801,444	6,365,973,126
Settlement provisions		
Placements with financial institutions		
Held-for-trading financial assets	1,300,440,374	387,261,777
Financial assets at fair value through profit or loss		
Derivative financial assets	39,348,481	47,542,362
Notes and accounts receivable	4,120,488,325	4,304,107,516
Including: Notes receivable	933,397,375	710,399,926
Accounts receivable	3,187,090,950	3,593,707,590
Advances to suppliers	237,686,599	220,126,772
Premiums receivable		
Reinsurance receivable		
Deposits receivable from reinsurance treaty		
Other receivables	459,021,438	450,745,060
Including: Interest receivable		
Dividends receivable		
Financial assets purchased for resale		
Inventories	3,596,048,462	3,241,739,977
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	186,530,554	190,000,000
Other current assets	1,605,581,139	313,634,314
Total current assets	<u>19,723,946,816</u>	<u>15,521,130,904</u>

Items	March 31, 2019	December 31, 2018
Non-current assets:		
Loans and advances granted		
Debt investments		
Available-for sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	205,473,375	205,738,050
Other investments in equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	13,909,898,724	13,629,887,296
Construction in progress	2,858,587,172	2,936,812,592
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	628,020,065	392,072,039
Intangible assets	1,220,160,302	1,219,578,721
Development costs		
Goodwill	154,940,513	153,707,174
Long-term prepaid expenses	503,883,663	510,271,130
Deferred tax assets	256,316,918	252,461,078
Other non-current assets	75,910	842,960
	<hr/>	<hr/>
Total non-current assets	<u>19,737,356,642</u>	<u>19,301,371,040</u>
	<hr/>	<hr/>
Total assets	<u>39,461,303,458</u>	<u>34,822,501,944</u>

Items	March 31, 2019	December 31, 2018
Current liabilities:		
Short-term borrowings	8,357,278,244	5,548,826,223
Borrowings from the central bank		
Borrowings from interbank		
Held-for-trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities	7,562,999	3,077,741
Notes payable and accounts payable	2,402,163,400	2,465,349,981
Advances from customers		
Amount from sales of repurchased financial assets		
Customer and interbank deposits		
Customer deposits for trading in securities		
Amounts due to issuer for securities underwriting		
Employee remuneration payable	251,571,751	483,015,711
Taxes payable	281,087,930	449,716,675
Other payables	1,139,323,890	1,208,118,598
Including: Interest payable	38,255,736	30,918,976
Dividends payable		
Bank charges and commissions due		
Reinsurance accounts payable		
Contract liabilities	590,174,849	594,503,112
Held-for-sale liabilities		
Non-current liabilities due within one year	1,303,757,461	1,303,514,922
Other current liabilities	1,205,972,938	300,984,971
	<hr/>	<hr/>
Total current liabilities	15,538,893,462	12,357,107,934
	<hr/> <hr/>	<hr/> <hr/>

Items	March 31, 2019	December 31, 2018
Non-current liabilities:		
Provisions for insurance contracts		
Long-term borrowings	1,877,000,000	1,246,875,075
Debtures payables		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	576,163,721	332,063,274
Long-term payables		
Accrued liabilities		
Deferred income	586,243,409	536,834,206
Deferred tax liabilities	162,681,821	159,748,849
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	<u>3,202,088,951</u>	<u>2,275,521,404</u>
	<hr/>	<hr/>
Total liabilities	<u>18,740,982,413</u>	<u>14,632,629,338</u>
Total owners' equity		
(or shareholders' equity):		
Paid-in capital (or share capital)	2,508,617,532	2,508,617,532
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	6,223,078,157	6,223,078,157
Less: treasury shares		
Other comprehensive income	-116,876,433	-41,473,936
Surplus reserve	2,350,361,581	2,350,361,581
General risk reserve		
Undistributed profits	9,756,369,785	9,150,322,858
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Total equity attributable to equity holders (or shareholders) of the Company	<u>20,721,550,622</u>	<u>20,190,906,192</u>
	<hr/>	<hr/>
Minority interests	-1,229,577	-1,033,586
	<hr/>	<hr/>
Total owners' equity (or shareholders' equity)	<u>20,720,321,045</u>	<u>20,189,872,606</u>
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Total liabilities and owners' equity (or shareholders' equity)	<u>39,461,303,458</u>	<u>34,822,501,944</u>

Legal representative:
Cho Tak Wong

Principal in charge of
accounting:
Chen Xiangming

Head of the Accounting
Department:
Qiu Yongnian

Balance Sheet of the Company

March 31, 2019

Prepared by: Fuyao Glass Industry Group Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	March 31, 2019	December 31, 2018
Current assets:		
Cash at bank and on hand	6,047,956,400	6,017,450,898
Held-for-trading financial assets	1,300,440,374	387,261,777
Financial assets at fair value through profit or loss		
Derivative financial assets	39,245,452	47,542,362
Notes and accounts receivable	1,557,843,159	1,112,284,329
Including: Notes receivable	581,885,820	297,470,121
Accounts receivable	975,957,339	814,814,208
Advances to suppliers	107,477,877	66,954,047
Other receivables	16,520,973,963	12,858,289,129
Including: Interest receivable		
Dividends receivable	2,377,062,863	134,235,731
Inventories	384,088,447	425,475,331
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	186,530,554	190,000,000
Other current assets	1,368,147,423	41,438,065
Total current assets	<u>27,512,703,649</u>	<u>21,146,695,938</u>

Items	March 31, 2019	December 31, 2018
Non-current assets:		
Debt investments		
Available-for sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables	2,195,996,355	2,238,295,416
Long-term equity investments	6,666,153,740	6,664,912,906
Other investments in equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	763,402,817	775,918,602
Construction in progress	28,730,065	25,512,336
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	75,486,129	82,420,987
Intangible assets	76,874,773	74,934,967
Development costs		
Goodwill	48,490,007	48,490,007
Long-term prepaid expenses	26,310,762	20,917,147
Deferred tax assets	9,163,127	9,332,492
Other non-current assets		
	<hr/>	<hr/>
Total non-current assets	<u>9,890,607,775</u>	<u>9,940,734,860</u>
	<hr/>	<hr/>
Total assets	<u>37,403,311,424</u>	<u>31,087,430,798</u>

Items	March 31, 2019	December 31, 2018
Current liabilities:		
Short-term borrowings	4,029,389,470	2,163,490,386
Held-for-trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities	7,562,999	3,077,741
Notes payable and accounts payable	2,044,838,628	1,798,059,778
Advances from customers		
Contract liabilities	439,688,585	200,064,096
Employee remuneration payable	36,277,562	127,297,440
Taxes payable	54,457,644	114,905,997
Other payables	7,917,408,609	7,530,964,681
Including: Interest payable	34,583,808	22,491,020
Dividends payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	1,303,757,461	1,303,514,922
Other current liabilities	<u>1,205,972,938</u>	<u>300,984,971</u>
Total current liabilities	<u>17,039,353,896</u>	<u>13,542,360,012</u>
Non-current liabilities:		
Long-term borrowings	1,877,000,000	1,177,000,000
Debentures payables		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	75,802,966	82,420,987
Long-term payables		
Accrued liabilities		
Deferred income	22,123,743	25,059,372
Deferred tax liabilities	108,257,405	105,631,168
Other non-current liabilities		
Total non-current liabilities	<u>2,083,184,114</u>	<u>1,390,111,527</u>
Total liabilities	<u>19,122,538,010</u>	<u>14,932,471,539</u>

Items	March 31, 2019	December 31, 2018
Total owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	2,508,617,532	2,508,617,532
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	6,202,552,740	6,202,552,740
Less: treasury shares		
Other comprehensive income		
Surplus reserve	2,350,361,581	2,350,361,581
Undistributed profits	<u>7,219,241,561</u>	<u>5,093,427,406</u>
Total owners' equity (or shareholders' equity)	<u>18,280,773,414</u>	<u>16,154,959,259</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>37,403,311,424</u>	<u>31,087,430,798</u>

<i>Legal representative:</i>	<i>Principal in charge of</i>	<i>Head of the Accounting</i>
Cho Tak Wong	<i>accounting:</i>	<i>Department:</i>
	Chen Xiangming	Qiu Yongnian

Consolidated Income Statement

January to March 2019

Prepared by: Fuyao Glass Industry Group Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2019	First quarter of 2018
I. Total operating revenue	4,933,498,402	4,747,842,101
Including: Operating revenue	4,933,498,402	4,747,842,101
Interest income		
Premiums earned		
Income from handling fees and commissions		
II. Total cost of operation	4,295,430,576	4,031,412,374
Including: Cost of operation	3,005,623,307	2,757,766,700
Interest expenses		
Handling fees and commissions expenses		
Surrender payment		
Net expenditure for compensation payment		
Net provisions for insurance contracts		
Expenditure for insurance policy dividend		
Reinsurance cost		
Taxes and surcharges	51,825,161	44,195,128
Selling and distribution expenses	348,205,496	323,477,728
General and administrative expenses	495,423,504	445,997,804
Research and development expenses	190,949,792	195,698,492
Financial expenses	185,375,915	265,408,254
Including: Interest expenses	104,660,987	79,812,379
Interest income	52,931,274	35,755,745
Asset impairment losses	212,781	-1,131,732
Credit impairment loss	17,814,620	
Add: Other income	28,642,347	16,847,628

Items	First quarter of 2019	First quarter of 2018
Investment income (losses are represented by “-”)	-264,675	-214,858
Including: Share in profit of associates and joint ventures	-264,675	-214,858
Gains from foreign exchange (losses are represented by “-”)		
Gains from net exposure to hedging (losses are represented by “-”)		
Gains arising from changes in fair value (losses are represented by “-”)	500,450	-33,513,676
Gains from disposal of assets (losses are represented by “-”)	2,944,672	-2,319,874
III. Operating profit (losses are represented by “-”)	669,890,620	697,228,947
Add: Non-operating income	58,490,859	1,069,253
Less: Non-operating expenses	4,602,813	658,854
IV. Total Profit (total losses are represented by “-”)	723,778,666	697,639,346
Less: Income tax expenses	117,927,730	134,951,311
V. Net Profit (net losses are represented by “-”)	605,850,936	562,688,035
(I) Classified on a going concern basis		
1. Net profit from continuing operations (net losses are represented by “-”)	605,850,936	562,688,035
2. Net profit from discontinued operations (net losses are represented by “-”)		

Items	First quarter of 2019	First quarter of 2018
(II) Classified according to ownership		
1. Net profit attributable to shareholders of the Company (net losses are represented by “-”)	606,046,927	562,617,916
2. Minority interests (net losses are represented by “-”)	-195,991	70,119
VI. Net amount of other comprehensive income after tax	-75,402,497	-205,643,035
Net amount of other comprehensive income after tax attributable to the equity holders of the Company	-75,402,497	-205,643,035
(I) Other comprehensive income which will not be reclassified to gain or loss		
1. Changes in re-measurement of defined benefit plans		
2. Other comprehensive income which will not be reclassified into profit and loss under the equity method		
3. Changes in fair value of other equity instruments investment		
4. Changes in fair value of the company’s own credit risk		
(II) Other comprehensive income which will be reclassified to gain or loss	-75,402,497	-205,643,035
1. Other comprehensive income which will be reclassified into profit and loss under equity method		

Items	First quarter of 2019	First quarter of 2018
2. Changes in fair value of other debt investments		
3. Gain or loss from changes in fair value of available-for-sale financial assets		
4. The amount of financial assets reclassified into other comprehensive income		
5. Gain or loss from reclassification of held-to-maturity investments as available-for-sale financial assets		
6. Credit impairment provisions for other debt investment		
7. Reserves for cash flows hedges (effective portion of the gain or loss on cash flow hedging)		
8. Difference arising from translation of foreign financial statements	-75,402,497	-205,643,035
9. Others		
Net amount of other comprehensive income after tax attributable to minority interest		

Items	First quarter of 2019	First quarter of 2018
VII. Total comprehensive income	530,448,439	357,045,000
Total comprehensive income attributable to the equity holders of the Company	530,644,430	356,974,881
Total comprehensive income attributable to minority shareholders	-195,991	70,119
VIII. Earnings per share:		
(1) Basic earnings per share (RMB/share)	0.24	0.22
(2) Diluted earnings per share (RMB/share)	0.24	0.22

For the business merger under common control during the period, the net profit recorded by the merged party before the merger is RMB0, and the net profit recorded by the merged party in the previous period is RMB0.

<i>Legal representative:</i>	<i>Principal in charge of</i>	<i>Head of the Accounting</i>
Cho Tak Wong	<i>accounting:</i>	<i>Department:</i>
	Chen Xiangming	Qiu Yongnian

Income Statement of the Company

January to March 2019

Prepared by: Fuyao Glass Industry Group Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2019	First quarter of 2018
I. Operating revenue	1,288,966,555	1,038,341,043
Less: Cost of operation	1,106,490,075	931,853,557
Taxes and surcharges	5,699,470	4,480,382
Selling and distribution expenses	67,659,491	51,359,319
General and administrative expenses	86,052,113	76,181,249
Research and development expenses	7,856,031	5,635,450
Financial expenses	145,656,520	301,496,995
Including: Interest expenses	72,835,506	69,791,625
Interest incomes	78,892,940	58,604,074
Asset impairment losses		-276,865
Credit impairment loss		
Add: Other income	12,606,223	1,054,310
Investment income (losses are represented by“-”)	2,245,954,739	2,472,635,716
Including: Share in profit of associates and joint ventures	590,834	1,093,971
Gains from net exposure to hedging (losses are represented by“-”)		
Gains arising from changes in fair value (losses are represented by“-”)	396,429	-30,615,125
Gains from disposal of assets (losses are represented by “-”)		-856,032

Items	First quarter of 2019	First quarter of 2018
II. Operating profit (losses are represented by “-”)	2,128,510,246	2,109,829,825
Add: Non-operating income	330,271	42,868
Less: Non-operating expenses	230,760	
III. Total Profit (total losses are represented by “-”)	2,128,609,757	2,109,872,693
Less: Income tax expenses	2,795,602	-5,786,813
IV. Net Profit (net losses are represented by “-”)	2,125,814,155	2,115,659,506
(I) Net profit from continuing operations (net losses are represented by “-”)	2,125,814,155	2,115,659,506
(II) Net profit from discontinued operations (net losses are represented by “-”)		
V. Net amount of other comprehensive income after tax		
(I) Other comprehensive income which will not be reclassified to gain or loss		
1. Changes in re-measurement of defined benefit plans		
2. Other comprehensive income which will not be reclassified into profit and loss under the equity method		
3. Changes in fair value of other equity instruments investment		
4. Changes in fair value of the company’s own credit risk		
(II) Other comprehensive income which will be reclassified to gain or loss		

Items	First quarter of 2019	First quarter of 2018
1. Other comprehensive income which will be reclassified into profit and loss under equity method		
2. Changes in fair value of other debt investments		
3. Gain or loss from changes in fair value of available-for-sale financial assets		
4. The amount of financial assets reclassified into other comprehensive income		
5. Gain or loss from reclassification of held-to-maturity investments as available-for-sale financial assets		
6. Credit impairment provisions for other debt investment		
7. Reserves for cash flows hedges (effective portion of the gain or loss on cash flow hedging)		
8. Difference arising from translation of foreign financial statements		
9. Others		
VI. Total comprehensive income	2,125,814,155	2,115,659,506
VII. Earnings per share:		
(1) Basic earnings per share (RMB/share)	Not applicable	Not applicable
(2) Diluted earnings per share (RMB/share)	Not applicable	Not applicable
<i>Legal representative:</i> Cho Tak Wong	<i>Principal in charge of accounting:</i> Chen Xiangming	<i>Head of the Accounting Department:</i> Qiu Yongnian

Consolidated Cash Flow Statement

January to March 2019

Prepared by: Fuyao Glass Industry Group Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2019	First quarter of 2018
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	5,528,760,686	5,578,377,122
Net increase in customer and interbank deposits		
Net increase in borrowing from the central bank		
Net increase in intra-bank borrowing from other financial institutions		
Cash received from premiums under original insurance contract		
Net cash received from reinsurance business		
Net increase in deposits of policy holders and investment		
Cash received from interest, fees and commissions		
Net increase in borrowings from interbank		
Net increase in cash received from repurchase business		
Net cash received from agency securities trading		
Refund of taxes and surcharges	94,713,013	87,200,338
Cash received relating to other operating activities	189,466,546	<u>112,757,274</u>
Sub-total of cash inflows from operating activities	<u>5,812,940,245</u>	<u>5,778,334,734</u>

Items	First quarter of 2019	First quarter of 2018
Cash paid for goods and services	3,232,388,056	2,964,279,442
Net increase in customer loans and advance		
Net increase in deposits in the central bank and interbank deposits		
Cash paid for compensation payments under original insurance contract		
Net increase in financial assets held for trading		
Net increase in placements with financial institutions		
Cash paid for interest, fees and commissions		
Cash paid for insurance policy dividend		
Cash paid to and on behalf of employees	1,220,736,906	1,107,394,760
Payments of taxes and surcharges	560,008,814	470,186,446
Cash paid relating to other operating activities	<u>57,257,744</u>	<u>51,686,078</u>
Sub-total of cash outflows from operating activities	<u>5,070,391,520</u>	<u>4,593,546,726</u>
Net cash flows from operating activities	<u>742,548,725</u>	<u>1,184,788,008</u>
II. Cash flows from investing activities:		
Cash received from disposal of investments		
Cash received from returns on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	18,763,298	15,030,083
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	<u>18,763,298</u>	<u>15,030,083</u>

Items	First quarter of 2019	First quarter of 2018
Cash paid to acquire fixed assets, intangible assets and other long-term assets	819,755,207	821,314,025
Cash paid to acquire investments		
Net increase in secured loans		
Net cash paid to acquire subsidiaries and other business units	20,314,292	
Cash paid relating to other investing activities	<u>2,250,000,000</u>	<hr/>
Sub-total of cash outflows from investing activities	<u>3,090,069,499</u>	<u><u>821,314,025</u></u>
Net cash flows from investing activities	<u>-3,071,306,201</u>	<u><u>-806,283,942</u></u>
III. Cash flows from financing activities:		
Cash received from capital contributions Including: Cash received from capital contributions by minority shareholders of subsidiaries		
Cash received from borrowings	6,515,695,594	3,079,765,358
Cash received from issuance of debentures		
Cash received relating to other financing activities	<u>900,000,000</u>	<hr/>
Sub-total of cash inflows from financing activities	<u>7,415,695,594</u>	<u><u>3,079,765,358</u></u>
Cash repayments of borrowings	3,077,118,647	1,492,714,950
Cash payments for interest expenses and distribution of dividends or profits Including: Cash payments for dividends or profit to minority shareholders of subsidiaries	98,175,483	79,990,525
Cash payment relating to other financing activities	<hr/>	<hr/>

Items	First quarter of 2019	First quarter of 2018
Sub-total of cash outflows from financing activities	<u>3,175,294,130</u>	<u>1,572,705,475</u>
Net cash flows from financing activities	<u>4,240,401,464</u>	<u>1,507,059,883</u>
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	-100,071,728	-191,013,485
V. Net increase in cash and cash equivalents	1,811,572,260	1,694,550,464
Add: Cash and cash equivalents balance at the beginning of the period	6,357,049,536	6,704,295,628
VI. Cash and cash equivalents balance at the end of the period	<u>8,168,621,796</u>	<u>8,398,846,092</u>

<i>Legal representative:</i> Cho Tak Wong	<i>Principal in charge of accounting:</i> Chen Xiangming	<i>Head of the Accounting Department:</i> Qiu Yongnian
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Cash Flow Statement of the Company

January to March 2019

Prepared by: Fuyao Glass Industry Group Co., Ltd.

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2019	First quarter of 2018
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	1,133,676,561	863,906,373
Refund of taxes and surcharges	82,938,514	83,503,877
Cash received relating to other operating activities	88,893,804	1,417,427,130
Sub-total of cash inflows from operating activities	1,305,508,879	2,364,837,380
Cash paid for goods and services	1,062,171,295	905,192,243
Cash paid to and on behalf of employees	170,583,280	141,047,658
Payments of taxes and surcharges	66,861,665	5,173,104
Cash paid relating to other operating activities	1,010,172,350	67,735,125
Sub-total of cash outflows from operating activities	2,309,788,590	1,119,148,130
Net cash flows from operating activities	-1,004,279,711	1,245,689,250
II. Cash flows from investing activities:		
Cash received from disposal of investments		
Cash received from returns on investments		216,489,622
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	61,576	
Net cash received from disposal of subsidiaries and other business units		

Items	First quarter of 2019	First quarter of 2018
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	61,576	216,489,622
Cash paid to acquire fixed assets, intangible assets and other long-term assets	24,579,039	58,827,672
Cash paid to acquire investments	1,180,000	141,602,640
Net cash paid to acquire subsidiaries and other business units		
Cash paid relating to other investing activities	2,250,000,000	
Sub-total of cash outflows from investing activities	2,275,759,039	200,430,312
Net cash flows from investing activities	-2,275,697,463	16,059,310
III. Cash flows from financing activities:		
Cash received from capital contributions		
Cash received from borrowings	4,466,339,420	1,889,003,141
Cash received relating to other financing activities	900,000,000	
Sub-total of cash inflows from financing activities	5,366,339,420	1,889,003,141
Cash repayments of borrowings	1,900,682,875	1,102,714,950
Cash payments for interest expenses and distribution of dividends or profits	55,269,673	60,678,832
Cash payment relating to other financing activities		
Sub-total of cash outflows from financing activities	1,955,952,548	1,163,393,782
Net cash flows from financing activities	3,410,386,872	725,609,359

Items	First quarter of 2019	First quarter of 2018
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	-99,904,196	-186,530,920
V. Net increase in cash and cash equivalents	30,505,502	1,800,826,999
Add: Cash and cash equivalents balance at the beginning of the period	6,017,450,898	6,353,866,585
VI. Cash and cash equivalents balance at the end of the period	<u>6,047,956,400</u>	<u>8,154,693,584</u>

<i>Legal representative:</i>	<i>Principal in charge of</i>	<i>Head of the Accounting</i>
Cho Tak Wong	<i>accounting:</i>	<i>Department:</i>
	Chen Xiangming	Qiu Yongnian

4.2 Adjustments made to relevant items in the financial statements as at the beginning of the year upon initial adoption of the new financial instrument standard, new revenue standard and new lease standard.

Consolidated Balance Sheet

Unit: Yuan Currency: RMB

Items	December 31, 2018	January 1, 2019	Adjustment
Current assets:			
Cash at bank and on hand	6,365,973,126	6,365,973,126	
Settlement provisions			
Placements with financial institutions			
Held-for-trading financial assets	387,261,777	387,261,777	
Financial assets at fair value through profit or loss			
Derivative financial assets	47,542,362	47,542,362	
Notes and accounts receivable	4,304,107,516	4,304,107,516	
Including: Notes receivable	710,399,926	710,399,926	
Accounts receivable	3,593,707,590	3,593,707,590	
Advances to suppliers	220,126,772	220,126,772	
Premiums receivable			
Reinsurance receivable			
Deposits receivable from reinsurance treaty			
Other receivables	510,753,825	450,745,060	-60,008,765
Including: Interest receivable			
Dividends receivable			
Financial assets purchased for resale			
Inventories	3,241,739,977	3,241,739,977	
Contract assets			
Held-for-sale assets			
Non-current assets due within one year	190,000,000	190,000,000	
Other current assets	313,634,314	313,634,314	
Total current assets	<u>15,581,139,669</u>	<u>15,521,130,904</u>	<u>-60,008,765</u>

Items	December 31, 2018	January 1, 2019	Adjustment
Non-current assets:			
Loans and advances granted			
Debt investments			
Available-for sale financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables			
Long-term equity investments	205,738,050	205,738,050	
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets	13,629,887,296	13,629,887,296	
Construction in progress	2,936,812,592	2,936,812,592	
Bearer biological assets			
Oil and gas assets			
Right-of-use assets		392,072,039	392,072,039
Intangible assets	1,219,578,721	1,219,578,721	
Development costs			
Goodwill	153,707,174	153,707,174	
Long-term prepaid expenses	510,271,130	510,271,130	
Deferred tax assets	252,461,078	252,461,078	
Other non-current assets	842,960	842,960	
	<hr/>	<hr/>	<hr/>
Total non-current assets	18,909,299,001	19,301,371,040	392,072,039
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total assets	34,490,438,670	34,822,501,944	332,063,274
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Items	December 31, 2018	January 1, 2019	Adjustment
Current liabilities:			
Short-term borrowings	5,548,826,223	5,548,826,223	
Borrowings from the central bank			
Borrowing from interbank			
Held-for-trading financial liabilities			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities	3,077,741	3,077,741	
Notes and accounts payable	2,465,349,981	2,465,349,981	
Advances from customers			
Amount from sales of repurchased financial assets			
Customer and interbank deposits			
Customer deposits for trading in securities			
Amounts due to issuer for securities underwriting			
Employee remuneration payable	483,015,711	483,015,711	
Taxes payable	449,716,675	449,716,675	
Other payables	1,208,118,598	1,208,118,598	
Including: Interest payable	30,918,976	30,918,976	
Dividends payable			
Bank charges and commissions due			
Reinsurance accounts payable			
Contract liabilities	594,503,112	594,503,112	
Held-for-sale liabilities			
Non-current liabilities due within one year	1,303,514,922	1,303,514,922	
Other current liabilities	300,984,971	300,984,971	
	<hr/>	<hr/>	<hr/>
Total current liabilities	12,357,107,934	12,357,107,934	

Items	December 31, 2018	January 1, 2019	Adjustment
Non-current liabilities:			
Provisions for insurance contracts			
Long-term borrowings	1,246,875,075	1,246,875,075	
Debtures payables			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		332,063,274	332,063,274
Long-term payables			
Accrued liabilities			
Deferred income	536,834,206	536,834,206	
Deferred tax liabilities	159,748,849	159,748,849	
Other non-current liabilities			
	<hr/>	<hr/>	<hr/>
Total non-current liabilities	<u>1,943,458,130</u>	<u>2,275,521,404</u>	<u>332,063,274</u>
Total liabilities	<u>14,300,566,064</u>	<u>14,632,629,338</u>	<u>332,063,274</u>
Owners' equity (or shareholder's equity)			
Paid-in capital (or share capital)	2,508,617,532	2,508,617,532	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	6,223,078,157	6,223,078,157	
Less: treasury shares			
Other comprehensive income	-41,473,936	-41,473,936	
Surplus reserve	2,350,361,581	2,350,361,581	
General risk reserve			
Undistributed profits	9,150,322,858	9,150,322,858	
	<hr/>	<hr/>	<hr/>
Total equity attributable to equity holders of the Company	<u>20,190,906,192</u>	<u>20,190,906,192</u>	<u></u>
Minority interests	<u>-1,033,586</u>	<u>-1,033,586</u>	<u></u>
Total owners' equity (or shareholders' equity)	<u>20,189,872,606</u>	<u>20,189,872,606</u>	<u></u>
Total liabilities and owners' equity (or shareholders' equity)	<u>34,490,438,670</u>	<u>34,822,501,944</u>	<u>332,063,274</u>

Explanations on adjustments to relevant items:

Adjustment to right-of-use assets is mainly due to the recognition of the right held to use the leased assets in the lease period as the right-of-use assets as a result of the adoption of the new lease standard in the Reporting Period.

Adjustment to other receivables is mainly due to classification of the lease deposits that can be used to offset rents as right-of-use assets for measurement as a result of the adoption of the new lease standard in the Reporting Period.

Adjustment to lease liabilities is mainly due to the discounting of outstanding lease payments under lease agreements as lease liabilities for measurement as a result of the adoption of the new lease standard in the Reporting Period.

Balance Sheet of the Company

Unit: Yuan Currency: RMB

Items	December 31, 2018	January 1, 2019	Adjustment
Current assets:			
Cash at bank and on hand	6,017,450,898	6,017,450,898	
Held-for-trading financial assets	387,261,777	387,261,777	
Financial assets at fair value through profit or loss			
Derivative financial assets	47,542,362	47,542,362	
Notes and accounts receivable	1,112,284,329	1,112,284,329	
Including: Notes receivable	297,470,121	297,470,121	
Accounts receivable	814,814,208	814,814,208	
Advances to suppliers	66,954,047	66,954,047	
Other receivables	12,858,289,129	12,858,289,129	
Including: Interest receivable			
Dividends receivable	134,235,731	134,235,731	
Inventories	425,475,331	425,475,331	
Contract assets			
Held-for-sale assets			
Non-current assets due within one year	190,000,000	190,000,000	
Other current assets	41,438,065	41,438,065	
Total current assets	21,146,695,938	21,146,695,938	

Items	December 31, 2018	January 1, 2019	Adjustment
Non-current assets:			
Debt investments			
Available-for sale financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables	2,238,295,416	2,238,295,416	
Long-term equity investment	6,664,912,906	6,664,912,906	
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets	775,918,602	775,918,602	
Construction in progress	25,512,336	25,512,336	
Bearer biological assets			
Oil and gas assets			
Right-of-use assets		82,420,987	82,420,987
Intangible assets	74,934,967	74,934,967	
Development costs			
Goodwill	48,490,007	48,490,007	
Long-term prepaid expenses	20,917,147	20,917,147	
Deferred tax assets	9,332,492	9,332,492	
Other non-current assets			
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Total non-current assets	<u>9,858,313,873</u>	<u>9,940,734,860</u>	<u>82,420,987</u>
Total assets	<u>31,005,009,811</u>	<u>31,087,430,798</u>	<u>82,420,987</u>

Items	December 31, 2018	January 1, 2019	Adjustment
Current liabilities:			
Short-term borrowings	2,163,490,386	2,163,490,386	
Held-for-trading financial liabilities			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities	3,077,741	3,077,741	
Notes and accounts payable	1,798,059,778	1,798,059,778	
Advances from customers			
Contract liabilities	200,064,096	200,064,096	
Employee benefits payable	127,297,440	127,297,440	
Taxes payable	114,905,997	114,905,997	
Other payables	7,530,964,681	7,530,964,681	
Including: Interest payable	22,491,020	22,491,020	
Dividends payable			
Held-for-sale liabilities			
Non-current liabilities due within one year	1,303,514,922	1,303,514,922	
Other current liabilities	300,984,971	300,984,971	
	<hr/>	<hr/>	<hr/>
Total current liabilities	13,542,360,012	13,542,360,012	<hr/> <hr/>

Items	December 31, 2018	January 1, 2019	Adjustment
Non-current liabilities:			
Long-term borrowings	1,177,000,000	1,177,000,000	
Debtures payables			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		82,420,987	82,420,987
Long-term payables			
Accrued liabilities			
Deferred income	25,059,372	25,059,372	
Deferred tax liabilities	105,631,168	105,631,168	
Other non-current liabilities			
	<hr/>	<hr/>	<hr/>
Total non-current liabilities	1,307,690,540	1,390,111,527	82,420,987
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total liabilities	14,850,050,552	14,932,471,539	82,420,987
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	2,508,617,532	2,508,617,532	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	6,202,552,740	6,202,552,740	
Less: treasury shares			
Other comprehensive income			
Surplus reserve	2,350,361,581	2,350,361,581	
Undistributed profits	5,093,427,406	5,093,427,406	
	<hr/>	<hr/>	<hr/>
Total owners' equity (or shareholders' equity)	16,154,959,259	16,154,959,259	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total liabilities and owners' equity (or shareholders' equity)	31,005,009,811	31,087,430,798	82,420,987
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Explanations on adjustments to relevant items:

Adjustment to right-of-use assets is mainly due to the recognition of the right held to use the leased assets in the lease period as the right-of-use assets as a result of the adoption of the new lease standard in the Reporting Period.

Adjustment to lease liabilities is mainly due to the discounting of outstanding lease payments under lease agreements as lease liabilities for measurement as a result of the adoption of the new lease standard in the Reporting Period.

4.3 Retroactive adjustments to comparative data of previous period by first adoption of new financial instrument standards and new lease standards

Not applicable

4.4 Auditor's reports

Not applicable