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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)

2021 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 2021 first quarterly report (the “**Report**”) of Fuyao Glass Industry Group Co., Ltd. (the “**Company**”) and its subsidiaries for the three months ended March 31, 2021 (the “**Reporting Period**”). The Report contained herein is prepared in accordance with the PRC Accounting Standards for Business Enterprises and has not been audited. The Report 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 16, 2021

As at the date of this announcement, the board of directors of the Company comprises Mr. Cho Tak Wong, Mr. Tso Fai, Mr. Ye Shu and Mr. Chen Xiangming, as executive directors; Mr. Wu Shinong and Ms. Zhu Dezhen, as non-executive directors; Ms. Cheung Kit Man Alison, Mr. Liu Jing and Mr. Qu Wenzhou, 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 the directors of the Company have attended the Board meeting 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 2021 first quarterly report of the Company has not been audited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major financial data

		<i>Unit: Yuan Currency: RMB</i>	
	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	39,922,816,663	38,423,625,184	3.90
Net assets attributable to shareholders of the listed company	22,528,004,468	21,594,517,508	4.32

	From the beginning of 2021 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	1,757,993,567	870,222,855	102.02
	From the beginning of 2021 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 (%)
Operating revenue	5,705,966,779	4,170,497,650	36.82
Net profit attributable to shareholders of the listed company	855,254,275	459,956,420	85.94
Net profit attributable to shareholders of the listed company, net of non-recurring gains or losses	812,965,270	380,185,709	113.83
Return rate on weighted average net assets (%)	3.88	2.13	Increased by 1.75 percentage points
Basic earnings per share (Yuan/share)	0.34	0.18	88.89
Diluted earnings per share (Yuan/share)	0.34	0.18	88.89

During the Reporting Period, the Company realized operating revenue of RMB5,705.9668 million, representing an increase of 36.82% as compared with the corresponding period last year; realized total profit of RMB1,035.2824 million, representing an increase of 67.82% as compared with the corresponding period last year. Eliminating the below non-comparable factors - gains or losses from foreign exchange, the total profit during the Reporting Period increased by 102.79% year on year:

- (1) During the Reporting Period, the Company realized foreign exchange losses of RMB70.3238 million in contrast to the foreign exchange gains of RMB71.6847 million in the corresponding period last year, representing a decrease of RMB142.0085 million in the total profit during the Reporting Period 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	-5,662,922	
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 granted continuously in a fixed amount or fixed quantity under the requirements of the State policies)	36,258,893	
Capital occupancy fee from non-financial enterprises recorded under current profit and loss	8,035,849	
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	-520,088	
Other non-operating income and expenses other than the above items	11,761,505	
Effect of minority interests (after tax)	-99,919	
Effect of income tax	-7,484,313	
Total	42,289,005	

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, 2021, the total number of shareholders of the Company was 184,360, of which, 184,315 were holders of A shares and 45 were registered holders of H shares.

Unit: Shares

Total number of shareholders 184,360

Name of shareholders (Full name)	Shareholding of top ten shareholders		Number of shares held with selling restrictions	Pledge or moratorium Status of shares		Nature of shareholder
	Shareholding at the end of period	Percentage (%)		Status of shares	Number	
HKSCC NOMINEES LIMITED ^(Note)	491,747,159	19.60		Unknown		Unknown
Sanyi Development Limited	390,578,816	15.57		Nil		Overseas legal entity
Heren Charitable Foundation	215,089,084	8.57		Nil		Domestic non-state-owned legal entity
Hong Kong Securities Clearing Company Limited	180,056,918	7.18		Unknown		Unknown
Bai Yongli	34,653,315	1.38		Unknown		Unknown
Fujian Yaohua Industrial Village Development Co., Ltd.	34,277,742	1.37		Pledged	24,000,000	Domestic non-state-owned legal entity
Agricultural Bank of China Limited – E Fund Consumer Industry Equity Securities Investment Fund (易方達消費行業股票型證券投資基金)	33,259,677	1.33		Unknown		Unknown
China Securities Finance Corporation Limited	28,095,485	1.12		Unknown		Unknown
Central Huijin Asset Management Limited (中央匯金資產管理有限責任公司)	24,598,300	0.98		Unknown		Unknown
Li Haiqing	21,922,159	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 ^(Note)	491,747,159	Overseas listed foreign shares	491,747,159
Sanyi Development Limited	390,578,816	Ordinary shares denominated in RMB	390,578,816
Heren Charitable Foundation	215,089,084	Ordinary shares denominated in RMB	215,089,084
Hong Kong Securities Clearing Company Limited	180,056,918	Ordinary shares denominated in RMB	180,056,918
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
Agricultural Bank of China Limited – E Fund Consumer Industry Equity Securities Investment Fund (易方達消費行業股票型證券投資基金)	33,259,677	Ordinary shares denominated in RMB	33,259,677
China Securities Finance Corporation Limited	28,095,485	Ordinary shares denominated in RMB	28,095,485
Central Huijin Asset Management Limited (中央匯金資產管理有限責任公司)	24,598,300	Ordinary shares denominated in RMB	24,598,300
Li Haiqing	21,922,159	Ordinary shares denominated in RMB	21,922,159

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 the 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). Investors deposit the H shares held by themselves into the Central Clearing and Settlement System under the Hong Kong Stock Exchange and count them by the aggregate number of the shares registered under the name of HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司), a wholly-owned subsidiary member body of the Hong Kong Stock Exchange.

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
Other current assets	138,319,556	252,804,600	-114,485,044	-45.29
Derivative financial liabilities	10,536,398	795,244	9,741,154	1,224.93
Staff salaries and welfare payables	338,030,488	489,357,281	-151,326,793	-30.92
Other current liabilities	0	303,131,507	-303,131,507	-100.00

- a. Decrease in other current assets was mainly due to a decrease in value-added tax retained as at the end of the period.
- b. Increase in derivative financial liabilities was mainly due to an increase in sale of new foreign exchange call options and certain unsettled currency swap contracts estimated as unrealized loss as a result of foreign exchange rate fluctuations during the Reporting Period.
- c. Decrease in staff salaries and welfare payables was mainly due to the payment of the annual bonus provided for in the previous year during the Reporting Period.
- d. Decrease in other current liabilities was due to the repayment of the principal and interest of ultra-short-term financing bills due 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 last year	Increase/decrease	Percentage of increase/decrease
Operating revenue	5,705,966,779	4,170,497,650	1,535,469,129	36.82
Selling and distribution expenses	416,077,341	313,487,604	102,589,737	32.73
Research and development expenses	235,831,188	150,859,577	84,971,611	56.32
Financial expenses	116,401,754	-58,939,457	175,341,211	297.49
Other income	36,258,893	78,529,255	-42,270,362	-53.83
Investment income	-556,542	17,219,138	-17,775,680	-103.23
Gains arising from changes in fair value	-520,088	-11,301,098	10,781,010	95.40
Non-operating income	51,748,109	4,272,905	47,475,204	1,111.08
Non-operating expenses	46,421,300	1,831,485	44,589,815	2,434.63

Note: For above items of “investment income” and “gains arising from changes in fair value”, losses are represented by “-”.

- a. Increase in operating revenue was mainly due to the recovery of the automobile market and the increase of effort in marketing by the Company.
- b. Increase in selling and distribution expenses was mainly due to increases in the corresponding freight fee and packaging expenses, etc. as a result of an increase in operating revenue.
- c. Increase in research and development expenses was mainly due to the technological upgrade and an increase in the added value of products of the Company as a result of further improvement of research and development project management and continuous innovation in research and development of the Company.
- d. Increase in financial expenses was mainly due to foreign exchange losses of RMB70 million as a result of foreign exchange rate fluctuations during the Reporting Period as compared with foreign exchange gains of RMB72 million for the corresponding period last year.
- e. Decrease in other income was mainly due to a decrease in government subsidies received during the Reporting Period.
- f. Decrease in investment income was mainly due to the gains from the interest of principal-guaranteed structured deposits received for the corresponding period last year.

- g. Decrease in losses arising from changes in fair value was mainly due to the unsettled forward foreign exchange settlement contracts estimated as unrealized loss as a result of foreign exchange rate fluctuations for the corresponding period last year.
- h. Increase in non-operating income was mainly due to the receipt of insurance indemnity by Guangzhou Fuyao Glass Co., Ltd., a subsidiary of the Company, in connection with the flooding last year.
- i. Increase in non-operating expenses was mainly due to the losses arising from the clean-up activities conducted by Guangzhou Fuyao Glass Co., Ltd., a subsidiary of the Company, after the flooding last year.

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 last year	Increase/ decrease	Percentage of increase/ decrease
Refund of taxes and surcharges	75,505,324	44,720,076	30,785,248	68.84
Cash received relating to other operating activities	99,642,174	173,451,200	-73,809,026	-42.55
Payments of taxes and surcharges	450,180,924	312,403,384	137,777,540	44.10
Cash received relating to other investment activities	0	878,634,241	-878,634,241	-100.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	511,060,208	286,512,908	224,547,300	78.37
Cash paid for investment	11,320,755	0	11,320,755	100
Cash paid relating to other investing activities	0	1,450,000,000	-1,450,000,000	-100.00
Cash received from borrowing receipt	3,032,268,502	4,575,627,244	-1,543,358,742	-33.73
Cash received relating to other financing activities	0	2,100,000,000	-2,100,000,000	-100.00
Cash paid for debt repayment	2,362,234,524	3,552,340,143	-1,190,105,619	-33.50

- a. Increase in refund of taxes and surcharges was mainly due to an increase in value-added tax rebate on exports received during the Reporting Period.
- b. Decrease in cash received relating to other operating activities was mainly due to a decrease in government subsidies received during the Reporting Period.

- c. Increase in payments of taxes and surcharges was mainly due to increases in income tax and value-added tax paid during the Reporting Period.
- d. Decrease in cash received relating to other investing activities was mainly due to the recovery of due principal and interest of the principal-guaranteed structured deposits in the corresponding period last year.
- e. Increase in cash paid for acquisition of fixed assets, intangible assets and other long-term assets was mainly due to an increase in capital expenditures during the Reporting Period.
- f. Cash paid for investment represented the relevant expenses for the purchase of equity in China Intelligent and Connected Vehicles (Beijing) Research Institute Co., Ltd. (國汽(北京)智能網聯汽車研究院有限公司).
- g. Decrease in cash paid relating to other investing activities was mainly due to an increase in the principal-guaranteed structured deposits in the corresponding last year.
- h. Decrease in cash received from borrowing receipt was mainly due to a decrease in external borrowings as a result of a year-on-year increase in net operating cash flow during the Reporting Period.
- i. Decrease in cash received relating to other financing activities was due to the issuance of four tranches of ultra-short-term financing bills in an aggregated amount of RMB1.5 billion and the issuance of one tranche of medium-term bills in an amount of RMB600 million in the corresponding period last year.
- j. Decrease in cash paid for debt repayment was mainly due to a decrease in the borrowings due for repayment during the Reporting Period.

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

In order to broaden the investor base of H shares and optimize the capital structure of the Company, on January 8, 2021, the Board of Directors resolved that according to the provisions of the Articles of Association, the Company proposed to issue and place not more than 101,126,240 additional H shares to qualified investors, and the issuance will be made under the specific mandate. The Company convened the 2021 second extraordinary general meeting, the 2021 first A share class meeting and the 2021 first H share class meeting on February 26, 2021. The resolution relating to the issuance has been approved at the extraordinary general meeting and the class meetings.

On March 9, 2021, the Company received the CSRC Acceptance Notice of the Application for Administrative Permission (《中國證監會行政許可申請受理通知單》) (Acceptance No.: 210503) issued by the China Securities Regulatory Commission (the “CSRC”). The CSRC has reviewed the application materials for the issuance and listing of additional overseas listed foreign shares (H shares) on the Main Board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) (the “Issuance of H Shares”) submitted by the Company and considered that the application materials were complete and decided to accept the application for administrative permission.

The Issuance of H Shares of the Company is still subject to the review and/or approval(s) from the CSRC, the Hong Kong Stock Exchange and other relevant government authorities and regulatory authorities, and there are uncertainties for such matter. The Company will continue to press ahead with the issuance.

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.	For details, please refer to the Dividend Distribution Plan of Fuyao Glass Industry Group Co., Ltd. for the Shareholders for the Upcoming Three Years (2018-2020) dated May 12, 2018 as published on the Shanghai Securities News, the China Securities Journal and the Securities Time, the website of the SSE (http://www.sse.com.cn) and the website of the Hong Kong Stock Exchange (http://www.hkexnews.hk).	Publishing date of undertakings: May 12, 2018 Performance period of undertakings: between January 1, 2018 and December 31, 2020	Yes	Yes

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 last year

Not Applicable

IV. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet

March 31, 2021

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

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	March 31, 2021	December 31, 2020
Current assets:		
Cash at bank and on hand	10,645,629,487	8,809,985,853
Settlement provisions		
Placements with financial institutions		
Held-for-trading financial assets	302,876,712	300,287,671
Derivative financial assets		
Notes receivable	16,972,473	19,430,381
Accounts receivable	3,778,573,220	3,734,495,117
Accounts receivable financing	1,124,419,108	1,301,612,117
Advances to suppliers	188,030,916	173,525,313
Premiums receivable		
Reinsurance receivable		
Deposits receivable from reinsurance treaty		
Other receivables	517,996,672	526,506,578
Including: Interest receivable		
Dividends receivable		
Financial assets purchased for resale		
Inventories	3,260,401,002	3,280,989,599
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	160,000,000	160,000,000
Other current assets	138,319,556	252,804,600
Total current assets	<u>20,133,219,146</u>	<u>18,559,637,229</u>

Items	March 31, 2021	December 31, 2020
Non-current assets:		
Loans and advances granted		
Debt investments		
Other debt investments		
Long-term receivables	209,663,579	206,748,905
Long-term equity investments	69,320,755	58,000,000
Other investments in equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	14,044,700,381	14,260,438,910
Construction in progress	2,564,305,851	2,354,298,463
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	559,868,900	607,068,550
Intangible assets	1,255,545,336	1,270,843,245
Development costs		
Goodwill	154,940,513	154,940,513
Long-term prepaid expenses	422,192,801	431,039,005
Deferred income tax assets	509,059,401	520,610,364
Other non-current assets		
	-----	-----
Total non-current assets	<u>19,789,597,517</u>	<u>19,863,987,955</u>
Total assets	<u>39,922,816,663</u>	<u>38,423,625,184</u>

Items	March 31, 2021	December 31, 2020
Current liabilities:		
Short-term borrowings	6,782,968,074	6,165,804,499
Borrowings from the central bank		
Borrowings from interbank		
Held-for-trading financial liabilities		
Derivative financial liabilities	10,536,398	795,244
Notes payable	1,404,258,231	1,166,210,433
Accounts payable	1,248,101,490	1,299,794,957
Advances from customers		
Contract liabilities	753,765,381	756,282,114
Amount from sale of repurchased financial assets		
Customer and interbank deposits		
Customer deposits for trading in securities		
Amounts due to issuer for securities underwriting		
Staff salaries and welfare payables	338,030,488	489,357,281
Taxes payable	269,214,562	302,321,505
Other payables	1,363,483,534	1,376,997,551
Including: Interest payable		
Dividends payable		
Handling fees and commissions payable		
Reinsurance accounts payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	242,446,900	270,557,753
Other current liabilities		303,131,507
Total current liabilities	<u>12,412,805,058</u>	<u>12,131,252,844</u>

Items	March 31, 2021	December 31, 2020
Non-current liabilities:		
Provisions for insurance contracts		
Long-term borrowings	2,323,000,000	1,985,000,000
Debentures payables	1,198,614,110	1,198,784,928
Including: Preference shares		
Perpetual bonds		
Lease liabilities	474,498,356	510,511,192
Long-term payables	76,531,800	75,694,702
Long-term staff salaries and welfare payables		
Accrued liabilities		
Deferred income	718,075,392	735,789,390
Deferred income tax liabilities	195,982,664	195,684,830
Other non-current liabilities		
	-----	-----
Total non-current liabilities	<u>4,986,702,322</u>	<u>4,701,465,042</u>
Total liabilities	<u>17,399,507,380</u>	<u>16,832,717,886</u>

Items	March 31, 2021	December 31, 2020
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 surplus	6,222,912,435	6,222,912,435
Less: Inventory shares		
Other comprehensive income	-295,747,647	-373,980,332
Special reserve		
Surplus reserve	2,931,419,311	2,931,419,311
General risk reserve		
Undistributed profits	<u>11,160,802,837</u>	<u>10,305,548,562</u>
Total equity attributable to equity holders (or shareholders) of the Company	<u>22,528,004,468</u>	<u>21,594,517,508</u>
Minority interests	<u>-4,695,185</u>	<u>-3,610,210</u>
Total owners' equity (or shareholders' equity)	<u>22,523,309,283</u>	<u>21,590,907,298</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>39,922,816,663</u>	<u>38,423,625,184</u>
<i>Person-in-charge of the Company:</i> Cho Tak Wong	<i>Principal-in-charge of accounting:</i> Chen Xiangming	<i>Head of the Accounting Department:</i> Qiu Yongnian

Balance Sheet of the Company

March 31, 2021

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

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	March 31, 2021	December 31, 2020
Current assets:		
Cash at bank and on hand	8,096,259,809	7,338,352,816
Held-for-trading financial assets	302,876,712	300,287,671
Derivative financial assets		
Notes receivable		
Accounts receivable	969,990,591	860,806,887
Accounts receivable financing	1,008,133,397	1,161,324,269
Advances to suppliers	58,910,385	46,785,143
Other receivables	16,447,005,657	12,866,009,059
Including: Interest receivable		
Dividends receivable	2,383,696,630	58,209,899
Inventories	332,393,683	340,644,631
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	160,000,000	160,000,000
Other current assets	17,392,780	32,444,191
Total current assets	<u>27,392,963,014</u>	<u>23,106,654,667</u>

Items	March 31, 2021	December 31, 2020
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	4,094,577,030	4,130,914,190
Long-term equity investments	8,008,646,446	7,907,883,208
Other investments in equity instruments	69,320,755	58,000,000
Other non-current financial assets		
Investment properties		
Fixed assets	574,369,896	585,760,917
Construction in progress	154,946,333	109,689,788
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	22,699,813	29,895,883
Intangible assets	71,460,804	76,862,605
Development costs		
Goodwill	48,490,007	48,490,007
Long-term prepaid expenses	31,669,289	31,212,442
Deferred income tax assets	34,829,896	34,063,674
Other non-current assets		
	_____	_____
Total non-current assets	<u><u>13,111,010,269</u></u>	<u><u>13,012,772,714</u></u>
Total assets	<u><u>40,503,973,283</u></u>	<u><u>36,119,427,381</u></u>

Items	March 31, 2021	December 31, 2020
Current liabilities:		
Short-term borrowings	3,148,910,673	2,152,671,389
Held-for-trading financial liabilities		
Derivative financial liabilities	10,536,398	795,244
Notes payable	1,426,761,546	1,360,505,067
Accounts payable	192,016,082	167,418,163
Advances from customers		
Contract liabilities	39,282,823	38,139,980
Staff salaries and welfare payables	43,112,851	90,230,941
Taxes payable	-15,380,902	3,194,937
Other payables	11,238,098,736	10,261,274,757
Including: Interest payable		
Dividends payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	176,434,381	207,071,517
Other current liabilities		303,131,507
Total current liabilities	<u>16,259,772,588</u>	<u>14,584,433,502</u>
Non-current liabilities:		
Long-term borrowings	2,323,000,000	1,985,000,000
Debentures payables	1,198,614,110	1,198,784,928
Including: Preference shares		
Perpetual bonds		
Lease liabilities	967,141	2,181,451
Long-term payables		
Long-term staff salaries and welfare payables		
Accrued liabilities		
Deferred income	11,913,872	12,478,009
Deferred income tax liabilities	134,245,458	133,939,237
Other non-current liabilities		
Total non-current liabilities	<u>3,668,740,581</u>	<u>3,332,383,625</u>
Total liabilities	<u>19,928,513,169</u>	<u>17,916,817,127</u>

Items	March 31, 2021	December 31, 2020
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 surplus	6,202,552,740	6,202,552,740
Less: inventory shares		
Other comprehensive income		
Special reserve		
Surplus reserve	2,931,419,311	2,931,419,311
Undistributed profits	<u>8,932,870,531</u>	<u>6,560,020,671</u>
Total owners' equity (or shareholders' equity)	<u>20,575,460,114</u>	<u>18,202,610,254</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>40,503,973,283</u>	<u>36,119,427,381</u>
<i>Person-in-charge of the Company:</i> Cho Tak Wong	<i>Principal-in-charge of accounting:</i> Chen Xiangming	<i>Head of the Accounting Department:</i> Qiu Yongnian

Consolidated Income Statement

January to March 2021

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

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2021	First quarter of 2020
I. Total operating revenue	5,705,966,779	4,170,497,650
Including: Operating revenue	5,705,966,779	4,170,497,650
Interest income		
Premiums earned		
Income from handling fees and commissions		
II. Total cost of operation	4,712,350,834	3,636,862,455
Including: Cost of operation	3,389,517,637	2,733,899,288
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	48,089,581	40,036,037
Selling and distribution expenses	416,077,341	313,487,604
General and administrative expenses	506,433,333	457,519,406
Research and development expenses	235,831,188	150,859,577
Financial expenses	116,401,754	-58,939,457
Including: Interest expenses	67,819,146	77,958,823
Interest income	22,760,736	68,016,541

Items	First quarter of 2021	First quarter of 2020
Add: Other income	36,258,893	78,529,255
Investment income (losses are represented by"-")	-556,542	17,219,138
Including: Share in profit of associates and joint ventures	2,914,674	897,595
Gain on derecognition of financial assets measured at amortised cost		
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 “-”)	-520,088	-11,301,098
Impairment loss of credit (loss represented by “-”)	187,389	-24,202
Asset impairment losses (loss represented by “-”)	198,185	-2,962,754
Gains from disposal of assets (losses are represented by “-”)	771,774	-643,231
III. Operating profit (losses are represented by “-”)	1,029,955,556	614,452,303
Add: Non-operating income	51,748,109	4,272,905
Less: Non-operating expenses	46,421,300	1,831,485

Items	First quarter of 2021	First quarter of 2020
IV. Total Profit (total losses are represented by “-”)	1,035,282,365	616,893,723
Less: Income tax expenses	181,113,065	157,602,184
V. Net Profit (net losses are represented by “-”)	854,169,300	459,291,539
(I) Classified on a going concern basis		
1. Net profit from continuing operations (net losses are represented by “-”)	854,169,300	459,291,539
2. Net profit from discontinued operations (net losses are represented by “-”)		
(II) Classified according to ownership		
1. Net profit attributable to shareholders of the Company (net losses are represented by “-”)	855,254,275	459,956,420
2. Minority interests (net losses are represented by “-”)	-1,084,975	-664,881
VI. Net amount of other comprehensive income after tax	78,232,685	39,662,419
(I) Net amount of other comprehensive income after tax attributable to the equity holders of the Company	78,232,685	39,662,419
1. 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		

Items	First quarter of 2021	First quarter of 2020
2. Other comprehensive income which will be reclassified to gain or loss	78,232,685	39,662,419
(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) The amount of financial assets reclassified into other comprehensive income		
(4) Credit impairment provisions for other debt investment		
(5) Reserves for cash flows hedges		
(6) Difference arising from translation of foreign financial statements	78,232,685	39,662,419
(7) Others		
(II) Net amount of other comprehensive income after tax attributable to minority interest		
VII. Total comprehensive income	932,401,985	498,953,958
(I) Total comprehensive income attributable to the equity holders of the Company	933,486,960	499,618,839
(II) Total comprehensive income attributable to minority shareholders	-1,084,975	-664,881
VIII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)	0.34	0.18
(II) Diluted earnings per share (<i>RMB/share</i>)	0.34	0.18

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

Income Statement of the Company

January to March 2021

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

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2021	First quarter of 2020
I. Operating revenue	1,211,229,339	926,759,527
Less: Cost of operation	1,028,909,909	787,768,712
Taxes and surcharges	3,528,482	3,794,784
Selling and distribution expenses	84,200,641	62,984,888
General and administrative expenses	90,345,379	75,457,706
Research and development expenses	19,053,462	9,439,656
Financial expenses	-60,930,145	-175,218,861
Including: Interest expenses	43,397,384	47,798,853
Interest incomes	38,661,240	75,184,606
Add: Other income	2,760,054	16,919,423
Investment income (losses are represented by"-")	2,324,075,435	11,555,424
Including: Share in profit of associates and joint ventures	1,508,238	643,325
Gain on derecognition of financial assets measured at amortised cost		
Gains from net exposure to hedging (losses are represented by"-")		
Gains arising from changes in fair value (losses are represented by “-”)	-520,088	-12,932,912
Credit impairment loss (loss represented by “-”)		

Items	First quarter of 2021	First quarter of 2020
Asset impairment losses (loss represented by “-”)		-2,090,831
Gains from disposal of assets (losses are represented by “-”)		
II. Operating profit (losses are represented by “-”)	2,372,437,012	175,983,746
Add: Non-operating income	739,618	2,185,409
Less: Non-operating expenses	786,771	230,118
III. Total Profit (total losses are represented by “-”)	2,372,389,859	177,939,037
Less: Income tax expenses	-460,001	48,529,612
IV. Net Profit (net losses are represented by “-”)	2,372,849,860	129,409,425
(I) Net profit from continuing operations (net losses are represented by “-”)	2,372,849,860	129,409,425
(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		

Items	First quarter of 2021	First quarter of 2020
(II) Other comprehensive income which will be reclassified to gain or loss		
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. The amount of financial assets reclassified into other comprehensive income		
4. Credit impairment provisions for other debt investment		
5. Reserves for cash flows hedges		
6. Difference arising from translation of foreign financial statements		
7. Others		
VI. Total comprehensive income	2,372,849,860	129,409,425
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>Person-in-charge of the Company:</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 2021

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

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2021	First quarter of 2020
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of labor services	6,195,699,596	5,170,575,736
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, handling 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	75,505,324	44,720,076
Cash received relating to other operating activities	99,642,174	173,451,200
Sub-total of cash inflows from operating activities	<u>6,370,847,094</u>	<u>5,388,747,012</u>

Items	First quarter of 2021	First quarter of 2020
Cash paid for goods and labor services	2,867,971,713	3,008,018,194
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 placements with financial institutions		
Cash paid for interest, handling fees and commissions		
Cash paid for insurance policy dividend		
Cash paid to and on behalf of employees	1,240,549,762	1,142,227,905
Payments of taxes and surcharges	450,180,924	312,403,384
Cash paid relating to other operating activities	<u>54,151,128</u>	<u>55,874,674</u>
Sub-total of cash outflows from operating activities	<u>4,612,853,527</u>	<u>4,518,524,157</u>
Net cash flows from operating activities	<u>1,757,993,567</u>	<u>870,222,855</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	28,049,280	22,850,299
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		<u>878,634,241</u>
Sub-total of cash inflows from investing activities	<u>28,049,280</u>	<u>901,484,540</u>

Items	First quarter of 2021	First quarter of 2020
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	511,060,208	286,512,908
Cash paid for investment	11,320,755	
Net increase in secured loans		
Net cash paid to acquire subsidiaries and other business units		
Cash paid relating to other investing activities		1,450,000,000
Sub-total of cash outflows from investing activities	522,380,963	1,736,512,908
Net cash flows from investing activities	-494,331,683	-835,028,368
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	3,032,268,502	4,575,627,244
Cash received relating to other financing activities		2,100,000,000
Sub-total of cash inflows from financing activities	3,032,268,502	6,675,627,244
Cash repayments of borrowings	2,362,234,524	3,552,340,143
Cash payments for interest expenses and distribution of dividends or profits Including: Cash payments for dividends or profit to minority shareholders of subsidiaries	85,120,461	92,443,947
Cash payment relating to other financing activities	43,261,673	37,512,629
Sub-total of cash outflows from financing activities	2,490,616,658	3,682,296,719
Net cash flows from financing activities	541,651,844	2,993,330,525

Items	First quarter of 2021	First quarter of 2020
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	30,184,761	107,323,600
V. Net increase in cash and cash equivalents	1,835,498,489	3,135,848,612
Add: Cash and cash equivalents balance at the beginning of the period	8,807,952,233	8,352,668,535
VI. Cash and cash equivalents balance at the end of the period	<u>10,643,450,722</u>	<u>11,488,517,147</u>

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

Cash Flow Statement of the Company

January to March 2021

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

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2021	First quarter of 2020
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of labor services	1,380,987,130	762,017,405
Refund of taxes and surcharges	49,624,603	35,582,919
Cash received relating to other operating activities	<u>1,018,420,754</u>	<u>1,756,797,285</u>
Sub-total of cash inflows from operating activities	<u>2,449,032,487</u>	<u>2,554,397,609</u>
Cash paid for goods and labor services	1,126,429,378	897,886,892
Cash paid to and on behalf of employees	142,412,646	135,785,018
Payments of taxes and surcharges	2,561,981	6,073,057
Cash paid relating to other operating activities	<u>1,231,118,782</u>	<u>196,613,416</u>
Sub-total of cash outflows from operating activities	<u>2,502,522,787</u>	<u>1,236,358,383</u>
Net cash flows from operating activities	<u>-53,490,300</u>	<u>1,318,039,226</u>

Items	First quarter of 2021	First quarter of 2020
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	970,336	24,303
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		878,648,208
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	970,336	878,672,511
	<hr/> <hr/>	<hr/> <hr/>
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	60,303,078	21,737,649
Cash paid for investment	110,575,755	520,430,400
Net cash paid to acquire subsidiaries and other business units		
Cash paid relating to other investing activities		1,450,000,000
	<hr/>	<hr/>
Sub-total of cash outflows from investing activities	170,878,833	1,992,168,049
	<hr/> <hr/>	<hr/> <hr/>
Net cash flows from investing activities	-169,908,497	-1,113,495,538
	<hr/> <hr/>	<hr/> <hr/>

Items	First quarter of 2021	First quarter of 2020
III. Cash flows from financing activities:		
Cash received from capital contributions		
Cash received from borrowings	2,314,998,200	2,996,543,904
Cash received relating to other financing activities		2,100,000,000
	<hr/>	<hr/>
Sub-total of cash inflows from financing activities	2,314,998,200	5,096,543,904
	<hr/> <hr/>	<hr/> <hr/>
Cash repayments of borrowings	1,269,544,729	2,182,209,521
Cash payments for interest expenses and distribution of dividends or profits	59,994,111	45,691,835
Cash payment relating to other financing activities	29,818,179	29,000,560
	<hr/>	<hr/>
Sub-total of cash outflows from financing activities	1,359,357,019	2,256,901,916
	<hr/> <hr/>	<hr/> <hr/>
Net cash flows from financing activities	955,641,181	2,839,641,988
	<hr/> <hr/>	<hr/> <hr/>
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	25,664,609	57,731,407
	<hr/>	<hr/>
V. Net increase in cash and cash equivalents	757,906,993	3,101,917,083
Add: Cash and cash equivalents balance at the beginning of the period	7,338,352,816	6,258,632,627
	<hr/>	<hr/>
VI. Cash and cash equivalents balance at the end of the period	8,096,259,809	9,360,549,710
	<hr/> <hr/>	<hr/> <hr/>

<i>Person-in-charge of the Company:</i>	<i>Principal-in-charge of accounting:</i>	<i>Head of the Accounting Department:</i>
Cho Tak Wong	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 lease standards since 2021

Not applicable

4.3 Retroactive adjustments to comparative data of previous period by first adoption of new lease standards since 2021

Not applicable

4.4 Auditor's reports

Not applicable