洛阳玻璃股份有限公司

LUOYANG GLASS COMPANY LIMITED*

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

(Stock code: 01108)

FIRST QUARTERLY REPORT 2021

I. IMPORTANT NOTICE

1.1 The board of directors, the supervisory committee, the directors, supervisors and senior management members of the Company warrant that the information contained in this quarterly report is true, accurate, and complete without any false and misleading statements or material omissions, and severally and jointly accept legal responsibility for the above.

1.2 All Directors attended the Board meeting to consider this quarterly report of the Company.

1.3 Zhang Chong, person-in-charge of the Company, Ma Yan, person-in-charge of accounting, and Chen Jing, person-in-charge of accounting institution (head of accounting department), warrant that the financial statements in this quarterly report are true, accurate and complete.

1.4 This first quarterly report of the Company is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major Financial Data

Unit: yuan Currency: RMB

	At the end of the reporting period	At the end of the previous year	Increase/decrease at the end of the reporting period as compared with the end of the previous year *(%)*
Total assets	**5,880,536,551.76**	5,604,575,811.17	4.92
Net assets attributable to shareholders of the Company	**1,767,288,632.68**	1,626,578,221.81	8.65

	From beginning of the year to the end of the reporting period	From beginning of the previous year to the end of the reporting period of the previous year	Year-on-year increase/decrease *(%)*
Net cash flows from operating activities	**37,336,075.86**	-37,488,584.74	199.59

	From beginning of the year to the end of the reporting period	From beginning of the previous year to the end of the reporting period of the previous year	Year-on-year increase/decrease *(%)*
Operating income	**794,337,982.90**	403,689,173.77	96.77
Net profit attributable to shareholders of the Company	**140,710,410.87**	3,073,119.02	4,478.75
Net profit attributable to shareholders of the Company after deducting extraordinary profit or loss	**136,026,866.05**	187,441.61	72,470.26
Weighted average return on net assets *(%)*	**8.29**	0.24	Increased by 8.05 percentage points
Basic earnings per share *(RMB/share)*	**0.2565**	0.0056	4,480.36
Diluted earnings per share *(RMB/share)*	**0.2565**	0.0056	4,480.36

Extraordinary Items and Amounts

Unit: yuan Currency: RMB

Items	**Amount for the reporting period**	**Explanation**
Gain or loss from disposal of non-current assets	**-147,827.66**	
Government grants credited to current profit or loss, except for those which are closely related to the Company's ordinary business, in accordance with national policies and continuously received in certain standard amounts and quantities	**5,932,246.80**	
Custody fee income from entrusted operation	**283,018.89**	
Other non-operating income and expenses excluding the aforesaid items	**34,855.57**	
Effect of minority interests (after tax)	**-41,904.15**	
Effect of income tax	**-1,376,844.63**	
Total	**4,683,544.82**	

2.2 Total number of shareholders, shareholdings of top 10 shareholders and top 10 holders of circulating shares (or holders of shares not subject to trading moratorium) as at the end of the reporting period

Unit: Share

Total number of shareholders	41,471 shareholders (including 41,433 holders of A shares and 38 holders of H shares)

Shareholdings of the top 10 shareholders

Name of shareholders (full name)	Number of shares held as at the end of the reporting period	Shareholding percentage *(%)*	Number of shares held subject to trading moratorium	Pledged or frozen Status of shares	Pledged or frozen Number	Nature of shareholder
HKSCC NOMINEES LIMITED	249,018,699	45.40	0	Unknown		Overseas legal person
China Luoyang Float Glass (Group) Company Limited	111,195,912	20.27	6,177,670	Pledged	55,597,956	State-owned legal person
(CNBM) Bengbu Design & Research Institute for Glass Industry Co., Ltd.	70,290,049	12.81	1,290,049	Nil		State-owned legal person
Triumph Science & Technology Co., Ltd.	6,170,699	1.12	6,170,699	Nil		State-owned legal person
Anhui Huaguang Photoelectricity Materials Technology Group Co., Ltd.	3,477,327	0.63	3,477,327	Nil		State-owned legal person
Hefei Gaoxin Development and Investment Group Company*	1,853,300	0.34	0	Nil		State-owned legal person
Yixing Environmental Technology Innovation Venture Investment Co., Ltd.*	1,542,674	0.28	1,542,674	Nil		State-owned legal person
Wang Hejun (王賀軍)	1,513,400	0.28	0	Unknown		Domestic natural person
Qinhuangdao Hongxing Iron & Steel Co., Ltd. (秦皇島宏興鋼鐵有限公司)	1,356,400	0.25	0	Unknown		Domestic non-state-owned legal person
Hong Kong Securities Clearing Company Limited	1,310,368	0.24	0	Unknown		Overseas legal person

Shareholdings of the top 10 holders of shares not subject to trading moratorium

Name of shareholders	Number of circulating shares held not subject to trading moratorium	Class and number of shares Class	Number
HKSCC NOMINEES LIMITED	249,018,699	Overseas listed foreign shares	249,018,699
China Luoyang Float Glass (Group) Company Limited	105,018,242	Ordinary shares denominated in RMB	105,018,242
(CNBM) Bengbu Design & Research Institute for Glass Industry Co., Ltd.	69,000,000	Ordinary shares denominated in RMB	69,000,000
Hefei Gaoxin Development and Investment Group Company*	1,853,300	Ordinary shares denominated in RMB	1,853,300
Wang Hejun (王賀軍)	1,513,400	Ordinary shares denominated in RMB	1,513,400
Qinhuangdao Hongxing Iron & Steel Co., Ltd. (秦皇島宏興鋼鐵有限公司)	1,356,400	Ordinary shares denominated in RMB	1,356,400
Hong Kong Securities Clearing Company Limited	1,310,368	Ordinary shares denominated in RMB	1,310,368
Wang Qingguo (王慶國)	686,700	Ordinary shares denominated in RMB	686,700
Wang Aijun (王愛軍)	648,900	Ordinary shares denominated in RMB	648,900
Peng Shunying (彭順英)	569,600	Ordinary shares denominated in RMB	569,600
Explanation on connected relationship or parties acting in concert among the aforesaid shareholders	Among the top 10 shareholders of the Company, China Luoyang Float Glass (Group) Company Limited, (CNBM) Bengbu Design & Research Institute for Glass Industry Co., Ltd., Anhui Huaguang Photoelectricity Materials Technology Group Co., Ltd., and Triumph Science & Technology Co., Ltd. are related parties or persons acting in concert as defined under the Regulations for Disclosure of Changes in Shareholding of Listed Companies (上市公司股東持股變動信息披露管理辦法). The Company is not aware of any parties acting in concert or any related relationship among other holders of circulating shares.		
Explanations on preferential shareholders with voting rights restored and the number of shares held	None		

Notes: 1. Shares held by HKSCC NOMINEES LIMITED are held on behalf of its various customers.

2. The ordinary shares dominated in Renminbi held by Hong Kong Securities Clearing Company Limited are held on behalf of overseas investors who held these shares via Northbound Trading in the Shanghai-Hong Kong Stock Connect.

2.3 Total number of holders of preferential shares, shareholdings of top 10 holders of preferential shares and top 10 holders of preferential shares not subject to trading moratorium as at the end of the reporting period

☐ Applicable ☑ Not applicable

III. SIGNIFICANT EVENTS

3.1 Details of and reasons for material changes in the major financial statement items and financial indicators of the Company

Analysis of changes in relevant items in the income statement and cash flow statement

Unit: RMB

Item	Amount for current period	Amount for the same period last year	Change *(%)*	Analysis of reasons for the change
Operating revenue	794,337,982.90	403,689,173.77	96.77	The increase in revenue due to a year-on-year increase in production and sales volume during the reporting period
Operating costs	459,395,380.14	294,868,490.39	55.80	The increase in costs due to a year-on-year increase in production and sales volume during the reporting period
Taxes and surcharges	11,264,693.39	6,016,610.28	87.23	The increase in value-added taxes and relevant additional taxes due to a year-on-year increase in revenue during the reporting period
Selling expenses	20,596,189.80	14,916,634.56	38.08	The increase in freight charge due to a year-on-year increase in sales during the reporting period
Administrative expenses	36,585,066.15	27,320,974.10	33.91	The year-on-year increase in the payment of employee compensation and others during the reporting period
Research and development expenses	54,911,438.15	15,134,144.68	262.83	The year-on-year increase in input in research and development during the reporting period
Other income	6,862,954.49	3,097,753.62	121.55	The year-on-year increase in government grants included in profit and loss during the reporting period

Item	Amount for current period	Amount for the same period last year	Change (%)	Analysis of reasons for the change
Investment income	-5,605,564.38	-716,518.73	682.33	The year-on-year increase in loss from de-recognition of accounts receivable financing during the reporting period
Income tax expenses	31,576,425.79	6,492,071.94	386.38	The year-on-year increase in taxable profits during the reporting period
Net cash flow from operating activities	37,336,075.86	-37,488,584.74	199.59	The year-on-year increase in cash received from sales of goods during the reporting period
Net cash flow from investment activities	-3,460,623.13	-11,412,280.82	69.68	The year-on-year decrease in cash expenditure invested in the fixed assets during the reporting period
Net cash flow from financing activities	295,823,995.99	134,008,524.74	120.75	The year-on-year increase in net amount of financing during the reporting period

Analysis of changes in relevant items of balance sheet

Unit: RMB

Item	Amount at the end of the period	Amount at the beginning of the period	Change (%)	Analysis of reasons for the change
Bank balance and cash	631,656,328.29	300,948,343.56	109.89	The increase in financing during the reporting period
Notes receivable		102,441,393.68	-100.00	The decrease in settlement of commercial acceptance bills during the reporting period
Inventories	426,931,955.04	257,598,620.68	65.74	The increase in inventories during the reporting period
Construction in progress	121,044,683.11	54,472,785.67	122.21	The increase in input in engineering projects during the reporting period
Development expenditures	18,411,007.29	14,096,615.36	30.61	The increase input in capitalization of R&D during the reporting period
Other non-current assets	53,185,066.68	33,523,206.41	58.65	The increase in prepayments for projects during the reporting period
Contract liabilities	62,520,941.80	38,214,732.27	63.60	The increase in trade accounts collected in advance during the reporting period
Employee compensation payable	23,671,813.79	38,978,819.73	-39.27	Payment of employee compensation accrued at the end of the previous year during the reporting period
Taxes payable	74,344,446.14	116,355,071.70	-36.11	Payment of taxes accrued at the end of the previous year during the reporting period

3.2 Analysis and explanation of progress and impact of significant events and their solutions

☐ Applicable ☑ Not applicable

3.3 Overdue undertakings not fully performed during the reporting period

☐ Applicable ☑ Not applicable

3.4 The warning of projection on cumulative net profit for the period from the beginning of the year to the end of the next reporting period to be at a loss or expected to have material changes as compared to the corresponding period of prior year and its explanation

☐ Applicable ☑ Not applicable

IV. APPENDIX

4.1 Financial Statements

Consolidated Balance Sheet
31 March 2021

Prepared by: Luoyang Glass Company Limited*

Unit: yuan   Currency: RMB   Type of audit: unaudited

Item	31 March 2021	31 December 2020
Current assets:		
Bank balance and cash	**631,656,328.29**	300,948,343.56
Notes receivable		102,441,393.68
Accounts receivable	**461,059,317.60**	637,911,162.29
Accounts receivable financing	**466,689,384.37**	448,697,313.21
Prepayments	**135,702,755.04**	142,259,523.11
Other receivables	**13,600,232.73**	17,023,855.78
Inventories	**426,931,955.04**	257,598,620.68
Other current assets	**67,289,193.24**	55,139,885.94
Total current assets	**2,202,929,166.31**	1,962,020,098.25
Non-current assets:		
Long-term receivables	**55,000,000.00**	55,000,000.00
Fixed assets	**3,016,461,560.16**	3,068,216,734.33
Construction in progress	**121,044,683.11**	54,472,785.67
Right-of-use assets	**11,623,342.72**	12,259,657.09
Intangible assets	**389,514,452.03**	392,925,010.51
Development expenditures	**18,411,007.29**	14,096,615.36
Long-term deferred expenses	**1,908,794.18**	1,595,431.43
Deferred income tax assets	**10,458,479.28**	10,466,272.12
Other non-current assets	**53,185,066.68**	33,523,206.41
Total non-current assets	**3,677,607,385.45**	3,642,555,712.92
Total assets	**5,880,536,551.76**	5,604,575,811.17

Item	**31 March 2021**	31 December 2020
Current liabilities:		
Short-term borrowings	**1,391,176,021.01**	1,177,314,071.56
Notes payable	**428,312,579.20**	465,733,722.37
Accounts payable	**367,253,448.87**	428,756,037.46
Contract liabilities	**62,520,941.80**	38,214,732.27
Employee compensation payable	**23,671,813.79**	38,978,819.73
Taxes payable	**74,344,446.14**	116,355,071.70
Other payables	**755,730,468.77**	764,011,526.81
Non-current liabilities due within one year	**110,955,114.00**	137,330,815.42
Other current liabilities	**7,279,287.69**	4,888,222.00
Total current liabilities	**3,221,244,121.27**	3,171,583,019.32
Non-current liabilities:		
Long-term borrowings	**594,063,924.00**	524,063,924.00
Lease liabilities	**9,343,583.61**	9,238,598.97
Deferred income	**104,050,426.95**	104,408,642.44
Total non-current liabilities	**707,457,934.56**	637,711,165.41
Total Liabilities	**3,928,702,055.83**	3,809,294,184.73

Item	**31 March 2021**	31 December 2020
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	**548,540,432.00**	548,540,432.00
Capital reserve	**1,982,394,841.30**	1,982,394,841.30
Surplus reserve	**51,365,509.04**	51,365,509.04
Undistributed profit	**-815,012,149.66**	-955,722,560.53
Total owners' equity attributable to owners of the Company (or shareholders' equity)	**1,767,288,632.68**	1,626,578,221.81
Minority interests	**184,545,863.25**	168,703,404.63
Total owners' equity (or shareholders' equity)	**1,951,834,495.93**	1,795,281,626.44
Total liabilities and owners' equity (or shareholders' equity)	**5,880,536,551.76**	5,604,575,811.17

Person-in-charge of the Company:	*Person-in-charge of accounting:*	*Person-in-charge of accounting institution:*
Zhang Chong	**Ma Yan**	**Chen Jing**

Balance Sheet of the Company
31 March 2021

Prepared by: Luoyang Glass Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	31 March 2021	31 December 2020
Current assets:		
Bank balance and cash	**282,407,299.05**	125,309,146.98
Notes receivable	**25,000,000.00**	25,000,000.00
Accounts receivable	**157,892,036.51**	172,104,965.11
Accounts receivable financing	**12,971,449.46**	11,328,409.13
Prepayments	**38,083.87**	23,779.73
Other receivables	**503,302,067.54**	489,264,423.62
Inventories	**533,083.94**	3,100,908.52
Other current assets	**1,512,947.80**	
Total current assets	**983,656,968.17**	826,131,633.09
Non-current assets:		
Long-term receivables	**55,000,000.00**	55,000,000.00
Long-term equity investment	**1,886,146,638.35**	1,886,146,638.35
Fixed assets	**2,111,150.58**	2,174,833.48
Intangible assets	**5,455,165.87**	5,511,212.08
Total non-current assets	**1,948,712,954.80**	1,948,832,683.91
Total assets	**2,932,369,922.97**	2,774,964,317.00

Item	**31 March 2021**	31 December 2020
Current liabilities:		
Short-term borrowings	**504,485,573.07**	394,007,666.58
Notes payable	**44,359,421.12**	45,877,926.40
Accounts payable	**35,323,168.02**	49,075,335.55
Contract liabilities	**35,608,104.75**	12,260,748.25
Employee compensation payable	**4,642,136.14**	8,074,804.47
Taxes payable	**182,275.18**	2,253,865.09
Other payables	**846,255,508.98**	791,861,472.98
Non-current liabilities due within one year	**32,421,609.15**	42,422,967.95
Other current liabilities	**4,629,053.62**	1,593,897.27
Total current liabilities	**1,507,906,850.03**	1,347,428,684.54
Non-current liabilities:		
Long-term borrowings	**238,000,000.00**	228,000,000.00
Total non-current liabilities	**238,000,000.00**	228,000,000.00
Total Liabilities	**1,745,906,850.03**	1,575,428,684.54

Item	**31 March 2021**	31 December 2020
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	**548,540,432.00**	548,540,432.00
Capital reserve	**1,961,847,553.30**	1,961,847,553.30
Surplus reserve	**51,365,509.04**	51,365,509.04
Undistributed profit	**-1,375,290,421.40**	-1,362,217,861.88
Total owners' equity (or shareholders' equity)	**1,186,463,072.94**	1,199,535,632.46
Total liabilities and owners' equity (or shareholders' equity)	**2,932,369,922.97**	2,774,964,317.00

Person-in-charge of the Company:	*Person-in-charge of accounting:*	*Person-in-charge of accounting institution:*
Zhang Chong	**Ma Yan**	**Chen Jing**

Consolidated Income Statement
January–March 2021

Prepared by: Luoyang Glass Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	First quarter of 2021	First quarter of 2020
I. Total operating revenue	**794,337,982.90**	403,689,173.77
Including: Operating revenue	**794,337,982.90**	403,689,173.77
II. Total operating costs	**609,227,817.96**	386,956,237.69
Including: Operating costs	**459,395,380.14**	294,868,490.39
Taxes and surcharges	**11,264,693.39**	6,016,610.28
Selling expenses	**20,596,189.80**	14,916,634.56
Administrative expenses	**36,585,066.15**	27,320,974.10
R&D expenses	**54,911,438.15**	15,134,144.68
Finance expenses	**26,475,050.33**	28,699,383.68
Including: Interest expenses	**27,147,204.13**	26,203,153.54
Interest income	**713,052.48**	605,212.06
Add: Other income	**6,862,954.49**	3,097,753.62
Investment income (losses are represented by "-")	**-5,605,564.38**	-716,518.73
Impairment losses on credit (losses are represented by "-")	**1,909,067.89**	182,448.13
Impairment losses on assets (losses are represented by "-")		127,887.48
Gains on disposal of assets (losses are represented by "-")	**38,275.82**	12,438.78
III. Operating profit (loss is represented by "-")	**188,314,898.76**	19,436,945.36
Add: Non-operating income	**500.00**	
Less: Non-operating expense	**186,103.48**	5,000.00
IV. Total profit (total loss is represented by "-")	**188,129,295.28**	19,431,945.36
Less: Income tax expenses	**31,576,425.79**	6,492,071.94

Item	First quarter of 2021	First quarter of 2020
V. Net profit (net loss is represented by "-")	**156,552,869.49**	12,939,873.42
(I) Classified on a going concern basis		
1. Net profit from continuing operation (Net loss is represented by "-")	**156,552,869.49**	12,939,873.42
2. Net profit from discontinued operation (Net loss is represented by "-")		
(II) Classified by ownership		
1. Net profit attributable to the shareholders of the Company (Net loss is represented by "-")	**140,710,410.87**	3,073,119.02
2. Profit or loss attributable to minority interests (Net loss is represented by "-")	**15,842,458.62**	9,866,754.40
VI. Other comprehensive income, net of tax		
(I) Other comprehensive income net of tax attributable to owners of the Company		
(II) Other comprehensive income net of tax attributable to minority interests		
VII. Total comprehensive income	**156,552,869.49**	12,939,873.42
(I) Total comprehensive income attributable to owners of the Company	**140,710,410.87**	3,073,119.02
(II) Total comprehensive income attributable to minority interests	**15,842,458.62**	9,866,754.40
VIII. Earnings per share:		
(I) Basic earnings per share *(RMB/share)*	**0.2565**	0.0056
(II) Diluted earnings per share *(RMB/share)*	**0.2565**	0.0056

Person-in-charge of the Company:	*Person-in-charge of accounting:*	*Person-in-charge of accounting institution:*
Zhang Chong	**Ma Yan**	**Chen Jing**

Income Statement of the Company
January–March 2021

Prepared by: Luoyang Glass Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	First quarter of 2021	First quarter of 2020
I. Operating revenue	**128,656,619.07**	67,845,878.75
Less: Operating costs	**127,585,550.95**	67,385,669.84
Taxes and surcharges	**1,479.25**	15,849.08
Selling expenses	**157,742.58**	128,771.59
Administrative expenses	**4,157,947.52**	3,302,271.85
Finance expenses	**9,832,687.52**	10,402,230.75
Including: Interest expenses	**15,887,953.20**	11,619,173.36
Interest income	**6,112,747.26**	3,138,398.23
Add: Other income	**6,229.23**	
II. Operating profit (loss is represented by "-")	**-13,072,559.52**	-13,388,914.36
Add: Non-operating income		
Less: Non-operating expenses		
III. Total profit (total loss is represented by "-")	**-13,072,559.52**	-13,388,914.36
Less: Income tax expenses		
IV. Net profit (net loss is represented by "-")	**-13,072,559.52**	-13,388,914.36
(I) Net profit from continuing operation (Net loss is represented by "-")	**-13,072,559.52**	-13,388,914.36
(II) Net profit from discontinued operation (Net loss is represented by "-")		

Item	First quarter of 2021	First quarter of 2020
V. Other comprehensive income, net of tax		
(I) Other comprehensive income that can not be reclassified to profit and loss		
(II) Other comprehensive income that will be reclassified to profit and loss		
VI. Total comprehensive income	**-13,072,559.52**	-13,388,914.36
VII. Earnings per share:		
(I) Basic earnings per share *(RMB/share)*		
(II) Diluted earnings per share *(RMB/share)*		

Person-in-charge of the Company:	*Person-in-charge of accounting:*	*Person-in-charge of accounting institution:*
Zhang Chong	**Ma Yan**	**Chen Jing**

Consolidated Cash Flow Statement
January–March 2021

Prepared by: Luoyang Glass Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	First quarter of 2021	First quarter of 2020
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	**591,942,252.78**	300,640,589.29
Tax refunds received	**451,398.46**	2,322,827.68
Cash received from other operating-related activities	**14,208,559.29**	13,762,244.26
Sub-total of cash inflow from operating activities	**606,602,210.53**	316,725,661.23
Cash paid for goods purchased and services received	**327,476,513.60**	235,004,632.07
Cash paid to and on behalf of employees	**94,732,419.45**	62,937,186.44
Tax payments	**100,987,720.39**	36,035,443.44
Cash paid for other operating-related activities	**46,069,481.23**	20,236,984.02
Sub-total of cash outflow from operating activities	**569,266,134.67**	354,214,245.97
Net cash flow from operating activities	**37,336,075.86**	-37,488,584.74
II. Cash flow from investment activities:		
Cash received from other investment-related activities		6,761,595.39
Sub-total of cash inflow from investment activities		6,761,595.39
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	**3,459,553.82**	18,173,876.21
Cash paid for other investment-related activities	**1,069.31**	
Sub-total of cash outflow from investment activities	**3,460,623.13**	18,173,876.21
Net cash flow from investment activities	**-3,460,623.13**	-11,412,280.82

Item	First quarter of 2021	First quarter of 2020
III. Cash flow from financing activities:		
Proceeds from loans	**654,990,000.00**	560,490,000.00
Cash received from other financing-related activities	**62,380,848.10**	212,500,000.00
Sub-total of cash inflow from financing activities	**717,370,848.10**	772,990,000.00
Cash paid for repayment of loans	**397,450,000.00**	485,602,733.76
Cash paid for dividends, profit, or interest payments	**20,015,813.63**	23,486,119.97
Cash paid for other financing-related activities	**4,081,038.48**	129,892,621.53
Sub-total of cash outflow from financing activities	**421,546,852.11**	638,981,475.26
Net cash flow from financing activities	**295,823,995.99**	134,008,524.74
IV. Effects of changes in exchange rate on cash and cash equivalents	**229,491.67**	-59,970.27
V. Net increase in cash and cash equivalents	**329,928,940.39**	85,047,688.91
Add: Opening balance of cash and cash equivalents	**139,231,301.82**	148,188,549.43
VI. Closing balance of cash and cash equivalents	**469,160,242.21**	233,236,238.34

Person-in-charge of the Company:	*Person-in-charge of accounting:*	*Person-in-charge of accounting institution:*
Zhang Chong	**Ma Yan**	**Chen Jing**

Cash Flow Statement of the Company
January–March 2021

Prepared by: Luoyang Glass Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	First quarter of 2021	First quarter of 2020
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	**60,953,569.45**	31,692,845.37
Cash received from other operating-related activities	**518,970.60**	625,719.64
Sub-total of cash inflow from operating activities	**61,472,540.05**	32,318,565.01
Cash paid for goods purchased and services received	**58,439,151.67**	22,348,064.06
Cash paid to and on behalf of employees	**6,429,171.82**	4,315,611.90
Tax payments	**2,068,942.37**	512,192.21
Cash paid for other operating-related activities	**3,562,498.23**	1,874,891.56
Sub-total of cash outflow from operating activities	**70,499,764.09**	29,050,759.73
Net cash flow from operating activities	**-9,027,224.04**	3,267,805.28
II. Cash flow from investment activities:		
Cash received from disposal of investments		
Cash received from returns on investments		
Cash received from other investment-related activities		
Sub-total of cash inflow from investment activities		
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		
Cash paid for investment		
Cash paid for other investment-related activities		
Sub-total of cash outflow from investment activities		
Net cash flow from investment activities		

Item	First quarter of 2021	First quarter of 2020
III. Cash flow from financing activities:		
Proceeds from loans	**388,990,000.00**	218,490,000.00
Cash received from other financing-related activities	**764,707,944.99**	700,140,000.00
Sub-total of cash inflow from financing activities	**1,153,697,944.99**	918,630,000.00
Cash paid for repayment of loans	**278,490,000.00**	199,098,289.32
Cash paid for dividends, profit, or interest payments	**7,212,568.88**	6,812,255.31
Cash paid for other financing-related activities	**700,951,038.48**	684,212,621.53
Sub-total of cash outflow from financing activities	**986,653,607.36**	890,123,166.16
Net cash flow from financing activities	**167,044,337.63**	28,506,833.84
IV. Effects of changes in exchange rate on cash and cash equivalents		130.98
V. Net increase in cash and cash equivalents	**158,017,113.59**	31,774,770.10
Add: Opening balance of cash and cash equivalents	**81,846,146.98**	46,467,911.64
VI. Closing balance of cash and cash equivalents	**239,863,260.57**	78,242,681.74

Person-in-charge of the Company: **Zhang Chong**   *Person-in-charge of accounting:* **Ma Yan**   *Person-in-charge of accounting institution:* **Chen Jing**

4.2 The related conditions on the adjustment of the items in financial statements at the beginning of the year of initial implementation arising from initial implementation of new lease standard since 2021

☐ Applicable ☑ Not applicable

4.3 Retrospective adjustment of the previous comparative data by initial adoption of new lease standard since 2021

☐ Applicable ☑ Not applicable

4.4 Audit Report

☐ Applicable ☑ Not applicable

By order of the Board
Luoyang Glass Company Limited*
Zhang Chong
Chairman

Luoyang, the PRC
29 April 2021

As at the date of this announcement, the Board comprises five executive directors: Mr. Zhang Chong, Mr. Xie Jun, Mr. Ma Yan, Mr. Wang Guoqiang and Mr. Zhang Rong; two non-executive directors: Mr. Ren Hongcan and Mr. Chen Yong; and four independent non-executive directors: Mr. Jin Zhanping, Mr. Ye Shuhua, Mr. He Baofeng and Ms. Zhang Yajuan.

* *For identification purposes only*