

福萊特玻璃集團股份有限公司 Flat Glass Group Co., Ltd.

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



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Corporate Information

DIRECTORS

Executive directors

Mr. Tang Yung Kwan (Chairman and Executive Director)
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan (resigned on 24 July 2023)
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

Independent non-executive directors

Mr. Tang Yung Kwan
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

SUPERVISORS

Mr. Tang Yung Kwan (Chairman and Supervisor)
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

AUDIT COMMITTEE

Mr. Tang Yung Kwan (Chairman)
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

REMUNERATION COMMITTEE

Mr. Tang Yung Kwan (Chairman)
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

NOMINATION COMMITTEE

Mr. Tang Yung Kwan (Chairman)
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

STRATEGIC DEVELOPMENT COMMITTEE

Mr. Tang Yung Kwan (Chairman)
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

RISK MANAGEMENT COMMITTEE

Mr. Tang Yung Kwan (Chairman)
Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

COMPANY SECRETARY

Mr. Tang Yung Kwan

AUTHORISED REPRESENTATIVES

Mr. Tang Yung Kwan
Mr. Tang Yung Kwan

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Room 1999, 19/F, China Resources Building,
277, Canton Road, Kowloon, Hong Kong
Room 1999, 19/F, China Resources Building,
277, Canton Road, Kowloon, Hong Kong
Room 1999, 19/F, China Resources Building,
277, Canton Road, Kowloon, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 6, 11/F, China Resources Building,
277, Canton Road, Kowloon, Hong Kong
Room 6, 11/F, China Resources Building,
277, Canton Road, Kowloon, Hong Kong
Room 6, 11/F, China Resources Building,
277, Canton Road, Kowloon, Hong Kong

CORPORATE WEBSITE

www.flatglass.com

LEGAL ADVISERS AS TO HONG KONG LAW

... L ... & ... k ...

AUDITORS

... A ... LL

PRINCIPAL BANKERS

... k ... L ... k ... L ... L ... k ... L

H SHARE REGISTRAR

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Chairman's Statement

Dear Shareholders,

As Chairman of the Board of Directors, I am pleased to present to you the Chairman's Statement and the financial performance of the Group for the year ended 31 December 2023 (the "2023 Financial Year").

In 2023, the Group's revenue increased by 39.21% to 21,523.71 million Hong Kong dollars (HK\$) from 15,460.84 million HK\$ in 2022. Profit after tax increased by 30.00% to 2,122.78 million HK\$ from 1,636.69 million HK\$ in 2022.

GLOBAL PV INSTALLED CAPACITY HIT A NEW HIGH

The Group's revenue is primarily derived from the sale of glass products. In 2023, the Group's revenue increased by 39.21% to 21,523.71 million HK\$ from 15,460.84 million HK\$ in 2022. The increase in revenue is mainly due to the increase in the volume of glass products sold. The Group's profit after tax increased by 30.00% to 2,122.78 million HK\$ from 1,636.69 million HK\$ in 2022. The increase in profit after tax is mainly due to the increase in the volume of glass products sold and the improvement in the gross profit margin. The Group's operating expenses increased by 148.1% to 19,400.93 million HK\$ from 12,823.15 million HK\$ in 2022. The increase in operating expenses is mainly due to the increase in the volume of glass products sold and the increase in the depreciation and amortization expenses. The Group's cash and cash equivalents increased by 32% to 2,122.78 million HK\$ from 1,636.69 million HK\$ in 2022. The increase in cash and cash equivalents is mainly due to the increase in the volume of glass products sold and the improvement in the operating cash flow.

Chairman's Statement

IMPROVING CORE COMPETITIVENESS WITH THE FOCUS ON PRINCIPAL BUSINESSES

Dear Shareholders, Ladies and Gentlemen, I am pleased to have the opportunity to share with you the Chairman's Statement for the year 2023. In 2023, the Group has achieved a record performance, with revenue of RMB 10.1 billion, an increase of 10.5% over 2022, and a net profit of RMB 1.1 billion, an increase of 15.2% over 2022. This is a testament to the hard work and dedication of our employees and the support of our shareholders. In 2023, we have focused on improving our core competitiveness with the focus on principal businesses. We have implemented a series of measures to optimize our operations, improve our product quality, and enhance our customer service. We have also strengthened our financial management and risk control, ensuring the stability and sustainability of our business. In the future, we will continue to focus on our principal businesses, improve our core competitiveness, and create long-term value for our shareholders.

Looking forward, we are optimistic about the future of the Group. We will continue to focus on our principal businesses, improve our core competitiveness, and create long-term value for our shareholders. We will also continue to strengthen our financial management and risk control, ensuring the stability and sustainability of our business. We will also continue to explore new business opportunities and expand our market share. We believe that with the support of our shareholders and employees, we will achieve our long-term goals and create a bright future for the Group.

Ruan Hongliang

26 April 2024

	For the year ended 31 December				
	2023 RMB'000	2022 '000	2021 '000	2020 '000	2019 '000
Revenue	21,523,709	15,460,843	8,713,228	6,260,418	4,806,804
Cost of sales	2,763,027	2,122,780	2,119,919	1,628,784	717,244
Operating profit	1,24	0.99	0.99	0.83	0.37
Operating loss	1.24	0.99	0.99	0.81	1.1

	For the year ended 31 December				
	2023 RMB'000	2022 '000	2021 '000	2020 '000	2019 '000
Cost of sales	26,149,026	20,000,430	11,184,615	6,696,524	4,939,536
Cost of sales	16,832,972	12,381,293	8,898,302	5,569,277	4,452,745
Cost of sales	42,981,998	32,381,723	20,082,917	12,265,800	9,392,281
Cost of sales	9,184,980	10,533,414	6,164,462	3,330,801	4,454,089
Cost of sales	11,506,108	7,815,861	2,108,286	1,700,256	425,303
Cost of sales	20,691,088	18,349,275	8,272,748	5,031,058	4,879,392
Cost of sales	22,290,910	14,032,447	11,810,169	7,234,743	4,512,888
Cost of sales	587,831	536,723	536,723	510,312	487,500
Cost of sales	22,290,910	14,032,447	11,810,169	7,234,743	4,512,888
Cost of sales	22,215,074	14,032,447	11,810,169	7,234,743	4,512,888

2019, 2020, 2021, 2022, 2023

Management Discussion and Analysis

BUSINESS OVERVIEW

2023, the Group's revenue increased by 39.21% compared to 2022, reaching 21,523.71 million RMB. The Group's net profit increased by 30.00% compared to 2022, reaching 2,122.78 million RMB. The Group's operating profit increased by 39.21% compared to 2022, reaching 15,460.84 million RMB.

2023	21,523.71	39.21%	15,460.84
2022	15,460.84		11,119.78
	30.00%		2,122.78

Overview of the Group's business

The Issuance of A Shares to Specific Subscribers

1. On 2022, the Group issued 29,000,000 A shares to specific subscribers. The total amount of the issuance was 2,146,894,461 RMB. The Group's net profit for 2022 was 2,122.78 million RMB. The Group's operating profit for 2022 was 11,119.78 million RMB. The Group's revenue for 2022 was 15,460.84 million RMB. The Group's net profit for 2023 was 2,122.78 million RMB. The Group's operating profit for 2023 was 15,460.84 million RMB. The Group's revenue for 2023 was 21,523.71 million RMB.

(《關於核准福萊特玻璃集團股份有限公司非公開發行股票的批覆》(證監許可 2022 2742 號))

2022	29,000,000	2,146,894,461
2023	24,000,000	1,696,894,461
2023	1,000,000	1,901,323,762
2023	204,429,301	2,351,323,762
	450,000,000	

Management Discussion and Analysis

SHARE SCHEMES OF THE COMPANY

2020 Restricted A Share Incentive Scheme

As at 29 June 2020, the number of Shares reserved for issue under the 2020 Restricted A Share Incentive Scheme (the "2020 Scheme") was 6,000,000 Shares.

a. The purpose of the 2020 Incentive Scheme

The purpose of the 2020 Scheme is to provide an incentive to eligible participants to contribute to the growth and success of the Company. The 2020 Scheme is designed to attract and retain key personnel, to reward and motivate employees for their contribution to the Company's performance and to provide a long-term incentive to participants. The 2020 Scheme is subject to the terms and conditions set out in the 2020 Scheme Rules. The 2020 Scheme is intended to be a long-term incentive scheme and is not intended to provide a short-term benefit to participants. The 2020 Scheme is subject to the approval of the shareholders of the Company.

b. The participants of the 2020 Incentive Scheme

The participants of the 2020 Scheme are eligible employees of the Company and its subsidiaries. The 2020 Scheme is subject to the terms and conditions set out in the 2020 Scheme Rules.

c. The total number of Shares available for issue

As at 29 June 2020, the total number of Shares available for issue under the 2020 Scheme was 6,000,000 Shares, which represented 0.31% of the total number of Shares in issue of 1,950,000,000 Shares as at 29 June 2020. The 2020 Scheme is subject to the terms and conditions set out in the 2020 Scheme Rules.

The 2020 Scheme is subject to the terms and conditions set out in the 2020 Scheme Rules. The 2020 Scheme is intended to be a long-term incentive scheme and is not intended to provide a short-term benefit to participants.

d. The maximum entitlement of each participant

The maximum entitlement of each participant under the 2020 Scheme is 1,000,000 Shares, which represents 1.00% of the total number of Shares in issue of 1,950,000,000 Shares as at 29 June 2020.

e. The remaining life of the 2020 Incentive Scheme

As at 31 December 2020	As at 31 December 2023	As at 31 December 2020	As at 31 December 2023
72	72	32	41

Category of participants	Date of grant	Lock-up period	Grant price ()	Number of Restricted Shares					
				As at 1 January 2023	Granted during the period	Attributed during the period	Cancelled during the period	Lapsed during the period	As at 31 December 2023
15	11/11/2020	1,3	6.23 () 5)	2,760,000	-	920,000	-	-	1,840,000
3	25/01/2021	2,3	14.23 () 6)	560,000	-	140,000	-	-	420,000
Total				3,320,000	Nil	1,060,000	Nil	Nil	2,260,000

Unlocking arrangement	Unlocking Period	Unlocking proportion
19,438,000 ()	12	12

Management Discussion and Analysis

2. 本公司股票解锁安排如下：

Unlocking arrangement	Unlocking Period	Unlocking proportion
本公司股票	自2020年12月31日起，分24個月	20%
本公司股票	自2021年2月24日起，分36個月	20%
本公司股票	自2021年4月26日起，分48個月	20%
本公司股票	自2021年6月28日起，分60個月	20%
本公司股票	自2021年8月30日起，分72個月	20%

3. 本公司股票解锁安排如下：本公司股票自2020年12月31日起，分27個月

4. 本公司股票解锁安排如下：本公司股票自2020年12月31日起，分30.6個月

5. 本公司股票解锁安排如下：本公司股票自2020年12月31日起，分30.6個月

(1) 50% 本公司股票自2020年6月23日起，分20個月

(2) 50% 本公司股票自2020年5月7日起，分20個月

6. 本公司股票解锁安排如下：本公司股票自2020年12月31日起，分30.6個月

(1) 50% 本公司股票自2020年6月23日起，分20個月

(2) 50% 本公司股票自2020年5月7日起，分20個月

25 2021, 700,000 14.23

2023 2020 2020 1 2023 31

	2020	2020	2023,	2020
k	20%	31	20%	k
2020				
k				2020

2021 A Share Option Incentive Scheme

17 [▲] 2021, (2021 [▲]).

2021 [▲] :

a. Purpose of the 2021 A Share Option Scheme

[▲]

b. Eligible participants of the 2021 A Share Option Scheme

2021 [▲] () 2021 [▲] k 2021 [▲] 2021 [▲]

c. Total number of Shares available for issue under the 2021 A Share Option Scheme and percentage to the issued share capital

0.28%	2021 [▲] 2,146,893,254	5,947,858,
0.25%	5,353,072 ()	
0.03%	2,146,893,254	90%
	594,786	
	2,146,893,254	10%

2021 [▲] 4,196,378, 0.18% 31 2023.

Management Discussion and Analysis

d. Maximum entitlement of each participant under the 2021 A Share Option Scheme

Year	1.00%	20.00%	10.00%
2021	1	20	10
2022	1	20	10
2023	1	20	10
2024	1	20	10
2025	1	20	10
2026	1	20	10
2027	1	20	10
2028	1	20	10
2029	1	20	10
2030	1	20	10

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

Year	2021
2021	12

f. The amount payable on acceptance of the option and the period within which payments must be made

There is no amount payable on acceptance of the option and the period within which payments must be made.

g. The remaining life of the 2021 A Share Option Scheme

Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
2021	72	31	47							

h. Accounting policy adopted for the share options

On 19 January 2021, the Company adopted the fair value method to account for the share options granted to employees. The fair value of the share options is determined using the Black-Scholes model. The fair value of the share options is determined based on the following assumptions: (i) the expected volatility of the share price is 20.00%; (ii) the expected dividend yield is 0.00%; (iii) the risk-free rate is 0.50%; and (iv) the expected term of the share options is 10 years.

The fair value of the share options is determined based on the following assumptions: (i) the expected volatility of the share price is 20.00%; (ii) the expected dividend yield is 0.00%; (iii) the risk-free rate is 0.50%; and (iv) the expected term of the share options is 10 years.

The fair value of the share options is determined based on the following assumptions: (i) the expected volatility of the share price is 20.00%; (ii) the expected dividend yield is 0.00%; (iii) the risk-free rate is 0.50%; and (iv) the expected term of the share options is 10 years.

21 (企業會計準則第11號 股份支付) 11
 22 (企業會計準則第22號 金融工具確認和計量),
 k- () k
 17 2021 () :

() : 42.89 (17 2021)

() : 1 , 2 , 3 , 4 5 ()

() : 14.73%, 17.44%, 18.71%, 17.92% 16.55% ()

() k- : 1.50%, 2.10% 2.75% () k
 k

31 2023, 2021 :

Grantees	Date of grant	Exercise price (RMB)	Exercise period and exercisable portion of the share options granted	Vesting schedule of the share options granted	Outstanding as at 1 January 2023	Number of share options				Outstanding as at 31 December 2023
						Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	
	19 2021	43.79 ²	3	4	40,000			8,000		32,000
282	19 2021	43.79 ²	3	4	5,205,472			1,041,094		4,164,378
					5,245,472			1,049,094		4,196,378

1. (祝宇平) (祝全明),
 2. 44.02 (《上市公司股權激勵管理辦法》) 2021 (《福萊特玻璃集團股份有限公司2021年股股票期權激勵計劃》), 2021
 2021 0.23 () 2022 23 2022 43.79
 3. 2021 12 19 2021 ()

Management Discussion and Analysis

		2021		
Exercise Arrangement	Exercise Period			Proportion of exercisable share options to the total number of share options granted
		12	24	20%
		24	36	20%
		36	48	20%
		48	60	20%
		60	72	20%
4.			12	
			2021	
			2021	
		2021	1	2023
2023			2021	31
		2021		18
2023.		1,049,094.	k	
		k		
		k		
		20	2023,	2023
				2021
			k	
				(《福萊特玻璃集團股份有限公司關於調整2021年股股票期權激勵計劃行權價格並註銷部分已獲授但尚未行權的股票期權的議案》)
		4	2023.	
		31	2023,	
				0.19%.

INDUSTRY OVERVIEW

Multiple overseas markets were booming

As the global economy gradually recovered, the demand for glass products in overseas markets increased significantly. In 2023, the company's overseas sales reached 18.6 billion RMB, an increase of 6% compared to 17.5 billion RMB in 2022. The company's overseas sales accounted for 15% of its total sales, up from 10% in 2022. The company's overseas sales were concentrated in the United States, Europe, and Asia. In 2023, the company's sales in the United States reached 8.2 billion RMB, an increase of 646% compared to 1.1 billion RMB in 2022. The company's sales in Europe reached 11.5 billion RMB, an increase of 94% compared to 5.9 billion RMB in 2022. The company's sales in Asia reached 8.9 billion RMB, an increase of 10% compared to 8.0 billion RMB in 2022.

China's market beat expectations

The company's sales in China exceeded expectations in 2023. The company's sales in China reached 216.88 billion RMB, an increase of 148.1% compared to 87.4 billion RMB in 2022. The company's sales in China accounted for 88.4% of its total sales, up from 80% in 2022. The company's sales in China were concentrated in the automotive, construction, and consumer electronics industries. In 2023, the company's sales in the automotive industry reached 120.59 billion RMB, an increase of 96.29% compared to 61.3 billion RMB in 2022. The company's sales in the construction industry reached 96.29 billion RMB, an increase of 232.2% compared to 33.1 billion RMB in 2022. The company's sales in the consumer electronics industry reached 96.29 billion RMB, an increase of 88.4% compared to 51.0 billion RMB in 2022.

The PV glass market gradually achieved a balance between the supply and demand

The PV glass market gradually achieved a balance between the supply and demand in 2023. The company's sales in the PV glass market reached 20.6 billion RMB, an increase of 31% compared to 15.7 billion RMB in 2022. The company's sales in the PV glass market accounted for 11% of its total sales, up from 8% in 2022. The company's sales in the PV glass market were concentrated in the solar panel industry. In 2023, the company's sales in the solar panel industry reached 20.6 billion RMB, an increase of 31% compared to 15.7 billion RMB in 2022. The company's sales in the solar panel industry accounted for 11% of its total sales, up from 8% in 2022.

Future Prospect

The company's sales in 2023 were 245.48 billion RMB, an increase of 20% compared to 204.5 billion RMB in 2022. The company's sales in 2023 were concentrated in the automotive, construction, and consumer electronics industries. In 2023, the company's sales in the automotive industry reached 120.59 billion RMB, an increase of 96.29% compared to 61.3 billion RMB in 2022. The company's sales in the construction industry reached 96.29 billion RMB, an increase of 232.2% compared to 33.1 billion RMB in 2022. The company's sales in the consumer electronics industry reached 96.29 billion RMB, an increase of 88.4% compared to 51.0 billion RMB in 2022. The company's sales in the PV glass market reached 20.6 billion RMB, an increase of 31% compared to 15.7 billion RMB in 2022. The company's sales in the PV glass market accounted for 11% of its total sales, up from 8% in 2022.

Management Discussion and Analysis

FINANCIAL PERFORMANCE

As of the end of 2023, the total assets of the Company were 21,523.71 million yuan, an increase of 39.21% from 15,460.84 million yuan at the end of 2022. The total liabilities were 2,122.78 million yuan, an increase of 30.00% from 1,637.50 million yuan at the end of 2022.

Revenue

The total revenue of the Company in 2023 was 21,523.71 million yuan, an increase of 39.21% from 15,460.84 million yuan in 2022. The revenue from the sale of glass products was 13,681.80 million yuan, an increase of 43.82% from 9,511.00 million yuan in 2022. The revenue from the sale of other products was 7,841.91 million yuan, an increase of 21.15% from 6,469.84 million yuan in 2022.

The gross profit of the Company in 2023 was 342.20 million yuan, an increase of 2.15% from 334.99 million yuan in 2022. The gross profit margin was 2.16%, an increase of 0.01 percentage points from 2.15% in 2022. The net profit of the Company in 2023 was 595.58 million yuan, an increase of 2.15% from 582.71 million yuan in 2022.

2023年12月31日止年度，本集团存货的账面价值如下：

	For the year ended 31 December	
	2023 (Audited) (RMB'000)	2022 (Audited) (RMB'000)
Categories of goods		
原材料	19,676,531.71	13,681,797.76
在产品	342,204.69	334,992.00
库存商品	328,383.29	349,913.72
发出商品	582,707.70	595,576.94
合同履约成本 ⁽¹⁾	435,376.91	439,401.22
其他 ⁽²⁾	158,504.23	59,161.59
By geographical regions		
中国大陆	17,200,202.84	12,085,756.44
中国以外	3,740,599.33	2,896,259.49
存货减值准备	229,407.09	209,666.54
其他	336,042.41	249,784.61
	17,456.86	19,376.15

附注：

(1) 本集团按照与客户签订的合同，在客户指定的地点提供玻璃安装服务，因此产生合同履约成本。

(2) 其他存货包括在途物资、周转材料、低值易耗品、受托代销商品、委托加工物资、受托代管物资等。

Operating costs

2023年12月31日止年度，本集团经营成本为人民币16,830.72百万元，较2022年12月31日止年度增加39.70%。	2023	16,830.72	2022	4,782.53
其中：折旧及摊销		12,048.19		12,048.19

Management Discussion and Analysis

Gross profit and gross profit margin

Our gross profit for 2023 was RMB4,692.99 million, representing 37.52% of our revenue, compared with RMB3,412.65 million, representing 22.07% of our revenue for 2022. The increase in gross profit and gross profit margin was primarily due to the increase in the price of our products and the decrease in the cost of our products.

	For the year ended 31 December			
	2023 (Audited)		2022 (Audited)	
	Gross profit (RMB'000)	Gross profit margin (%)	(RMB'000)	(%)
Revenue	4,416,521.16	22.45	3,189,815.31	23.31
Cost of sales	-12,362.17	-3.61	-68,001.99	-20.30
Manufacturing expenses	37,822.64	11.52	62,836.00	17.96
Depreciation and amortization	62,854.73	10.79	83,850.59	14.08
Other expenses	115,114.20	26.44	104,502.11	23.78
Total	73,036.73	46.08	39,650.33	67.02
Total	4,692,987.29	21.80	3,412,652.35	22.07

Sales expenses

Our sales expenses for 2023 were RMB119.75 million, representing 0.73% of our revenue, compared with RMB118.88 million, representing 0.73% of our revenue for 2022. The increase in sales expenses was primarily due to the increase in the price of our products.

Administrative expenses

Our administrative expenses for 2023 were RMB302.20 million, representing 2.45% of our revenue, compared with RMB277.54 million, representing 2.20% of our revenue for 2022. The increase in administrative expenses was primarily due to the increase in the price of our products.

Research and development costs

Our research and development costs for 2023 were RMB523.23 million, representing 4.25% of our revenue, compared with RMB596.75 million, representing 4.75% of our revenue for 2022. The decrease in research and development costs was primarily due to the decrease in the price of our products.

Finance costs

2023,	482.89	100.84%
2022,	k	
2023,	1.27%	6.23%
2022,	0.79%	4.70%

Income tax

2023,	288.78	859.40%
2022,	1.40%	9.46%
2023,	()54	

Capital expenditures

2023,	5,612.34
2022,	8,071.33

Assets and equity

31	2023,	32,381.72	31	2022,	42,982.00
31	2023,	14,032.45	31	2022,	22,290.91

Financial resources and liquidity

2023,	11,027.27
2023,	8,573.53

Management Discussion and Analysis

EBITDA and net profit

2023,	1,640.37	25.02%	(	3,744.56	24.22%	)	2022,	5,384.93	2023,	2,122.78
				640.25	30.16%					
2022	2,763.03									

Gearing ratio

31	2023,	100%	(	48.14%,	8.53	56.67%	31	2022,	

Bank loans

31	2023,	18.16%	8,244.07	31	2022,	1,496.84
2023,	33.88%	1.67%	6.23%		66.12%	31

31	2023,	2,514.16	456.69	k

Financing and financial policies

The Group's financing policy is to ensure that it has sufficient liquidity to meet its operating requirements and to fund its growth. The Group's financing policy is to ensure that it has sufficient liquidity to meet its operating requirements and to fund its growth.

Credit risk and foreign exchange risk

The Group's credit risk is managed through the use of credit limits and the monitoring of the creditworthiness of its customers. The Group's foreign exchange risk is managed through the use of forward contracts and other financial instruments.

The Group's credit risk is managed through the use of credit limits and the monitoring of the creditworthiness of its customers. The Group's foreign exchange risk is managed through the use of forward contracts and other financial instruments.

Employee and remuneration policy

As of 31 December 2023, the company had 8,240 employees, of which 852.37 were full-time employees, representing 3.96% of the total population of the Republic of Poland.

The company's remuneration policy is based on the principle of fair remuneration for work performed. The remuneration policy is based on the principle of fair remuneration for work performed. The remuneration policy is based on the principle of fair remuneration for work performed. The remuneration policy is based on the principle of fair remuneration for work performed.

The company's remuneration policy is based on the principle of fair remuneration for work performed. The remuneration policy is based on the principle of fair remuneration for work performed. The remuneration policy is based on the principle of fair remuneration for work performed. The remuneration policy is based on the principle of fair remuneration for work performed.

As of 31 December 2021, the company had 29 full-time employees, representing 18% of the total population of the Republic of Poland. As of 31 December 2020, the company had 29 full-time employees, representing 18% of the total population of the Republic of Poland.

CAPITAL STRUCTURE

As of 31 December 2023, the company's capital structure consists of 2,351,324,235 shares, of which 450,000,000 are held by the company.

DIVIDEND

In 2023, the company declared a dividend of 0.38 PLN per share (including tax), totaling 89,100,000 PLN. The dividend was paid on 15 February 2024 to all shareholders registered in the company's register of shareholders as of 15 February 2024.

The company's dividend policy is based on the principle of fair remuneration for work performed. The dividend policy is based on the principle of fair remuneration for work performed. The dividend policy is based on the principle of fair remuneration for work performed. The dividend policy is based on the principle of fair remuneration for work performed.

Management Discussion and Analysis

TAXATION

Holders of A shares

根據《中華人民共和國個人所得稅法》(《個人所得稅法》)及《中華人民共和國個人所得稅法實施條例》(《個人所得稅法實施條例》) (2015年10月1日)(《財政部、國家稅務總局、中國證監會關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2015]101號))，

本公司向持有A股股份的個人股東派發股息紅利時，將按照《個人所得稅法》及《個人所得稅法實施條例》的規定，按照20%的稅率代扣個人所得稅。對於持有A股股份的境外個人股東，本公司將按照《個人所得稅法》及《個人所得稅法實施條例》的規定，按照20%的稅率代扣個人所得稅。

對於持有A股股份的中國居民個人股東，本公司將按照《個人所得稅法》及《個人所得稅法實施條例》的規定，按照20%的稅率代扣個人所得稅。

對於持有A股股份的境外個人股東，本公司將按照《個人所得稅法》及《個人所得稅法實施條例》的規定，按照20%的稅率代扣個人所得稅。

根據《中華人民共和國個人所得稅法》(《個人所得稅法》)及《中華人民共和國個人所得稅法實施條例》(《個人所得稅法實施條例》) (2009年1月1日) (《國家稅務總局關於中國居民企業向境外支付股息、紅利、利息代扣代繳企業所得稅有關問題的通知》(國稅函[2009]47號))，

本公司向境外個人股東派發股息紅利時，將按照《個人所得稅法》及《個人所得稅法實施條例》的規定，按照20%的稅率代扣個人所得稅。

根據《中華人民共和國個人所得稅法》(《個人所得稅法》)及《中華人民共和國個人所得稅法實施條例》(《個人所得稅法實施條例》) (2009年1月1日) (《非居民企業所得稅源泉扣繳管理暫行辦法》(國稅發[2009]3號))，

本公司向境外個人股東派發股息紅利時，將按照《個人所得稅法》及《個人所得稅法實施條例》的規定，按照20%的稅率代扣個人所得稅。

根據《證券及期貨條例》(「證券及期貨條例」)第104條，本公司在2014年12月1日(即2014年12月1日)起，根據《財政部、國家稅務總局、中國證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號) (「滬港通通知」)，向滬港通投資者提供10%的稅收優惠。根據《證券及期貨條例》第104條，本公司在2016年12月1日(即2016年12月1日)起，根據《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號) (「深港通通知」)，向深港通投資者提供10%的稅收優惠。

根據《證券及期貨條例》第104條，本公司在2016年12月1日(即2016年12月1日)起，根據《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號) (「深港通通知」)，向深港通投資者提供10%的稅收優惠。根據《證券及期貨條例》第104條，本公司在2016年12月1日(即2016年12月1日)起，根據《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號) (「深港通通知」)，向深港通投資者提供10%的稅收優惠。

Holders of H shares

根據《證券及期貨條例》第104條，本公司在1994年12月1日(即1994年12月1日)起，根據《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號) (「1994年通知」)，向H股投資者提供13%的稅收優惠。

根據《證券及期貨條例》第104條，本公司在2008年12月1日(即2008年12月1日)起，根據《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號) (「2008年通知」)，向H股投資者提供10%的稅收優惠。根據《證券及期貨條例》第104條，本公司在2008年12月1日(即2008年12月1日)起，根據《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號) (「2008年通知」)，向H股投資者提供10%的稅收優惠。

Management Discussion and Analysis

2014年8月31日(《財政部、國家稅務總局、中國證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), 20%

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2016年12月27日(《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), 20%

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Biographies of Directors, Supervisors and Senior Management

EXECUTIVE DIRECTORS

Mr. Ruan Hongliang (阮洪良先生) (Mr. Ruan), 62, is currently a Director of the Company. He has been a Director of the Company since 2022. He is also a Director of Zhejiang Ruanhongliang Investment Management Co., Ltd. He holds a Bachelor's degree in Finance from Northeast Finance University.

* (東北財經大學) 2022

38, is currently a Director of the Company. He has been a Director of the Company since 2009. He is also a Director of Jiaxing Shixiuzhou District Federation of Entrepreneurship Investment Co., Ltd. and Fengyang Zhongshiyou Kuishan Gas Co., Ltd.

* (嘉興市秀洲區聯會創業投資有限公司) 2009,
* (鳳陽中石油崑崙燃氣有限公司) 2020.

Ms. Jiang Jinhua (姜瑾華女士) (Ms. Jiang), 62, is currently a Director of the Company. She has been a Director of the Company since 2000. She is also a Director of Jiang Jinhua Investment Management Co., Ltd. She holds a Bachelor's degree in Finance from Zhejiang University.

30, is currently a Director of the Company. She has been a Director of the Company since 2013. She is also a Director of Jiang Jinhua Investment Management Co., Ltd. She holds a Bachelor's degree in Finance from Zhejiang University.

2022.

Ms. Ruan Zeyun (阮澤雲女士) (Ms. Ruan), 37, is currently a Director of the Company. She has been a Director of the Company since 2009. She is also a Director of Ruan Zeyun Investment Management Co., Ltd. She holds a Bachelor's degree in Finance from Zhejiang University.

2009

* (嘉興義和投資有限公司) 2016,
* (嘉興凱鴻福萊特供應鏈管理有限公司) 2020
() * (凱鴻福萊特物流(越南)有限公司) 2021
* (嘉興市燃氣集團股份有限公司) 2023.

Biographies of Directors, Supervisors and Senior Management

Mr. Wei Yezhong (魏葉忠先生) (Mr. Wei), 52, 28, 1998, 2023, 2024.

Mr. Shen Qifu (沈其甫先生) (Mr. Shen), 57, 1999, 21, 1999, 2023, 2022, * (上海工程技術大學), 1987,

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Xu Pan (徐攀女士) (Ms. Xu), 36, 2021, 2019, * (浙江工業大學), 2011, 2015.

* (浙江京新藥業股份有限公司) 2022, * (新鳳鳴集團股份有限公司) 2023.

Ms. Hua Fulan (華富蘭女士) (Ms. Hua), 61, 2018, * (浙江理工大學) 2011, * (浙江火炬星火科技發展有限公司) 2013, * (浙江火炬創業投資管理諮詢有限公司) 2015.

Ms. Ng Yau Kuen Carmen (吳幼娟女士) (Ms. Ng), 48, 2021, * (香港科技大學), * (香港大學).

2016, & 2013, 2013,

SUPERVISORS

Mr. Zheng Wenrong (鄭文榮先生) (Mr. Zheng), 60, male, Chinese, Bachelor's degree, 1998-2003, 2003-2023, 2023.

Mr. Shen Fuquan (沈福泉先生) (Mr. Shen), 64, male, Chinese, Bachelor's degree, 1998-2023, 2023.

Mr. Zhu Quanming (祝全明先生) (Mr. Zhu), 70, male, Chinese, Bachelor's degree, 1998-2023, 2023.

Ms. Niu Liping (鈕麗萍女士) (Ms. Niu), 38, female, Chinese, Bachelor's degree, 2003-2019, 2019-2020, 2020.

Ms. Zhang Huizhen (張惠珍女士) (Ms. Zhang), 49, female, Chinese, Bachelor's degree, 2006-2023, 2023, 2022, 2022.

SENIOR MANAGEMENT

Mr. Zhao Xiaofei (趙曉非先生) (Mr. Zhao), 39, male, Chinese, Bachelor's degree, 2011-2023, 2023, 2016, 2016, 2022, 2007.

Biographies of Directors, Supervisors and Senior Management

Mr. Wei Zhiming (韋志明先生) (Mr. Wei), 55, graduated from Hangzhou University in 2006, majoring in Business Administration. He has worked for various companies since 2006. He has been a director of the Company since 2023. He is a graduate of Hangzhou University (* (杭州大學)) in 1991.

Mr. Zhao Changhai (趙長海先生), 49, graduated from Shandong University of Science and Technology (* (華東理工大學)) in 2000, majoring in Mechanical Engineering.

Mr. Jiang Weijie (蔣緯界先生) (Mr. Jiang), 37, graduated from Jiaxing University in 2017, majoring in Business Administration. He has worked for various companies since 2017. He has been a director of the Company since 2019. He is a graduate of Jiaxing University (* (嘉善熠成貿易有限公司)) in 2020.

Ms. Cheng Yuan (成媛女士) (Ms. Cheng), 33, graduated from Tianjin Normal University (* (天津師範大學)) in 2016, majoring in English. She has worked for various companies since 2016. She has been a director of the Company since 2023.

COMPANY SECRETARY

Ms. Ruan Zeyun (阮澤雲女士) (Ms. Ruan), 37, graduated from Zhejiang University in 2009, majoring in Business Administration. She has worked for various companies since 2009. She has been a company secretary of the Company since 2015.

Ms. Ruan Zeyun has been a company secretary of the Company since 2015. She has worked for various companies since 2009. She has been a company secretary of the Company since 2015.

Corporate Governance Report

The Board of Directors has reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public. The Board of Directors has also reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public.

The Board of Directors has reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public. The Board of Directors has also reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public.

The Board of Directors has reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public. The Board of Directors has also reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public.

BOARD OF DIRECTORS

The Board of Directors has reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public. The Board of Directors has also reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public.

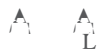
The Board of Directors has reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public. The Board of Directors has also reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public.

Executive Directors

- Mr. [Name]
- Mr. [Name]
- Mr. [Name] (appointed on 24/12/2023)
- Mr. [Name]
- Mr. [Name]

Independent Non-executive Directors

- Mr. [Name]
 - Mr. [Name]
 - Mr. [Name]
- The Board of Directors has reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public. The Board of Directors has also reviewed the consolidated financial statements and the consolidated financial results for the period from January 1, 2023 to December 31, 2023, and has approved them for release to the public.



Corporate Governance Report

The Board of Directors has established the Corporate Governance Committee (CGC) to oversee the company's corporate governance. The CGC is composed of five members, including three independent non-executive directors. The CGC's primary responsibilities include monitoring the company's compliance with applicable laws and regulations, reviewing the company's corporate governance policies and procedures, and providing recommendations to the Board of Directors. The CGC has held several meetings throughout the year, and its findings and recommendations are reported to the Board of Directors. The Board of Directors has taken appropriate actions to address the CGC's findings and recommendations. The company's corporate governance practices are designed to ensure the integrity and transparency of its operations, and to protect the interests of all stakeholders. The company is committed to continuous improvement in its corporate governance practices, and will continue to work with the CGC and other stakeholders to enhance the company's corporate governance framework.

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Meetings and Directors Attendance Record

The Board of Directors held 15 meetings during the year ended 31 March 2023. The attendance record of the directors is as follows:

No. of attendance/No. of meetings

	Board meetings	Audit Committee meetings	Remuneration Committee meetings	Nomination Committee meetings	Strategic Development Committee meetings	Risk Management Committee meetings	General meetings
Executive Directors							
Mr. [Name]	15/15	1/1	4/4	2/2	1/1	1/1	10/10
Mr. [Name]	15/15	1/1	1/1	1/1	1/1	1/1	10/10
Mr. [Name]	15/15	1/1	1/1	1/1	1/1	1/1	10/10
Mr. [Name]	15/15	1/1	1/1	1/1	1/1	1/1	10/10
Mr. [Name]	15/15	1/1	1/1	1/1	1/1	1/1	10/10
Independent Non-executive Directors							
Mr. [Name]	15/15	5/5	4/4	2/2	1/1	1/1	10/10
Mr. [Name]	15/15	5/5	4/4	2/2	1/1	1/1	10/10
Mr. [Name]	15/15	5/5	1/1	1/1	1/1	1/1	10/10

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

At the end of the reporting period, the Board of Directors has received training and professional development in the areas of corporate governance, regulatory updates, finance and accounting, and industry updates. The training and professional development activities are summarized in the table below.

As of the end of the reporting period on 31 December 2023, the Board of Directors has received training and professional development in the areas of corporate governance, regulatory updates, finance and accounting, and industry updates. The training and professional development activities are summarized in the table below.

As of the end of the reporting period on 31 December 2023, the Board of Directors has received training and professional development in the areas of corporate governance, regulatory updates, finance and accounting, and industry updates. The training and professional development activities are summarized in the table below:

	Corporate governance	Regulatory updates	Finance and accounting	Industry updates
Executive Directors				
Mr. Zhang Yuhua	✓	✓	✓	✓
Mr. Zhang Yuhua	✓	✓	✓	✓
Mr. Zhang Yuhua	✓	✓	✓	✓
Mr. Zhang Yuhua		✓		✓
Mr. Zhang Yuhua		✓		✓
Independent Non-Executive Directors				
Mr. Zhang Yuhua	✓	✓	✓	
Mr. Zhang Yuhua		✓	✓	✓
Mr. Zhang Yuhua		✓	✓	✓

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board of Directors has received training and professional development in the areas of corporate governance, regulatory updates, finance and accounting, and industry updates. The training and professional development activities are summarized in the table below.

At the end of the reporting period, the Board of Directors has received training and professional development in the areas of corporate governance, regulatory updates, finance and accounting, and industry updates. The training and professional development activities are summarized in the table below:

The Board of Directors has received training and professional development in the areas of corporate governance, regulatory updates, finance and accounting, and industry updates. The training and professional development activities are summarized in the table below.

Corporate Governance Report

BOARD PROCEEDINGS

At the 11th meeting of the Board of Directors held on March 14, 2023, the Board of Directors resolved to approve the 2023 Corporate Governance Report as of March 31, 2023, 4 pages. At the 13th meeting of the Board of Directors held on April 14, 2023, the Board of Directors resolved to approve the 2023 Corporate Governance Report as of April 14, 2023, 14 pages.

The Board of Directors also resolved to approve the 2023 Corporate Governance Report (Corporate Governance Report) as of April 14, 2023, 14 pages.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Board of Directors resolved to appoint Mr. [Name] as a Director of the Company for a term of three years from the date of appointment. The Board of Directors also resolved to re-elect Mr. [Name] as a Director of the Company for a term of three years from the date of re-election.

At the 24th meeting of the Board of Directors held on June 6, 2023, the Board of Directors resolved to appoint Mr. [Name] as a Director of the Company for a term of three years from the date of appointment. The Board of Directors also resolved to re-elect Mr. [Name] as a Director of the Company for a term of three years from the date of re-election.

BOARD OF SUPERVISORS

The Board of Supervisors resolved to appoint Mr. [Name] as a Supervisor of the Company for a term of three years from the date of appointment. The Board of Supervisors also resolved to re-elect Mr. [Name] as a Supervisor of the Company for a term of three years from the date of re-election.

DIRECTORS', SUPERVISORS' AND OFFICERS' INSURANCE

The Board of Directors resolved to approve the insurance policy for the Directors, Supervisors, and Officers of the Company.

Corporate Governance Report

Remuneration Committee

The Remuneration Committee was established on June 16, 2015. As of June 30, 2023, the committee consists of three members, including two independent non-executive directors and one executive director. The committee's primary responsibilities include reviewing and approving the remuneration policies and structures for the Group's executive directors and senior management, and monitoring the implementation of these policies and structures.

In 2023, the committee reviewed and approved the remuneration policies and structures for the Group's executive directors and senior management. The committee also reviewed the remuneration of the executive directors and senior management for the year ended June 30, 2023, and approved the remuneration of the executive directors and senior management for the year ended June 30, 2023.

The remuneration of the executive directors and senior management for the year ended June 30, 2023, is as follows: (in thousands of Hong Kong dollars)

In the band of	Number of Individuals
\$500,000	1
\$500,000 - \$10,000,000,000	9

The remuneration of the executive directors and senior management for the year ended June 30, 2023, is as follows: (in thousands of Hong Kong dollars)

Executive directors: 2; Senior management: () 7.

Nomination Committee

The Nomination Committee was established on June 16, 2015. As of June 30, 2023, the committee consists of three members, including two independent non-executive directors and one executive director. The committee's primary responsibilities include reviewing and approving the nomination policies and structures for the Group's executive directors and senior management, and monitoring the implementation of these policies and structures.

In 2023, the committee reviewed and approved the nomination policies and structures for the Group's executive directors and senior management. The committee also reviewed the nomination of the executive directors and senior management for the year ended June 30, 2023, and approved the nomination of the executive directors and senior management for the year ended June 30, 2023.

The nomination of the executive directors and senior management for the year ended June 30, 2023, is as follows: (in thousands of Hong Kong dollars)

FLAT GLASS GROUP CO., LTD. (平治玻璃有限公司), 2023 Annual Report

Corporate Governance Report

Risk Management Committee

Our Risk Management Committee was established in 2015. From January 1, 2023 to December 31, 2023, the Risk Management Committee has been actively engaged in identifying, assessing, and managing risks, and has been working to improve the company's risk management system. The Risk Management Committee has been actively engaged in identifying, assessing, and managing risks, and has been working to improve the company's risk management system. The Risk Management Committee has been actively engaged in identifying, assessing, and managing risks, and has been working to improve the company's risk management system.

As of December 31, 2023, the Risk Management Committee has been actively engaged in identifying, assessing, and managing risks, and has been working to improve the company's risk management system. The Risk Management Committee has been actively engaged in identifying, assessing, and managing risks, and has been working to improve the company's risk management system.

CORPORATE GOVERNANCE FUNCTIONS

3.1

CONSTITUTIONAL DOCUMENTS

13.90

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

31 December 2023, (德勤華永會計師事務所(特殊普通合夥))

(德勤華永會計師事務所(特殊普通合夥)), 59-62

COMPANY SECRETARY

2023, 3.29 L 28

EXTERNAL AUDITORS

31 2023. (德勤華永會計師事務所(特殊普通合夥)) LL (德勤華永會計師事務所(特殊普通合夥)) LL

31 2023, 3,800,000, (德勤華永會計師事務所(特殊普通合夥)) LL 701,100

RISK MANAGEMENT AND INTERNAL CONTROL

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Corporate Governance Report

2023, the Company has established a system of internal control and risk management, and has implemented it effectively. The Company has also established a system of external control, and has implemented it effectively. The Company has also established a system of information disclosure, and has implemented it effectively.

2023, the Company has established a system of internal control and risk management, and has implemented it effectively. The Company has also established a system of external control, and has implemented it effectively. The Company has also established a system of information disclosure, and has implemented it effectively.

SHAREHOLDERS' RIGHTS

(i) Participation at general meetings

The Company has established a system of participation at general meetings, and has implemented it effectively. The Company has also established a system of external control, and has implemented it effectively. The Company has also established a system of information disclosure, and has implemented it effectively.

(ii) Convening extraordinary general meetings

The Company has established a system of convening extraordinary general meetings, and has implemented it effectively. The Company has also established a system of external control, and has implemented it effectively. The Company has also established a system of information disclosure, and has implemented it effectively.

The Company has established a system of convening extraordinary general meetings, and has implemented it effectively. The Company has also established a system of external control, and has implemented it effectively. The Company has also established a system of information disclosure, and has implemented it effectively.

The Company has established a system of convening extraordinary general meetings, and has implemented it effectively. The Company has also established a system of external control, and has implemented it effectively. The Company has also established a system of information disclosure, and has implemented it effectively.

(iii) Procedures for putting forward proposals at a general meeting

A shareholder who holds 3% or more of the total number of shares of the Company is entitled to put forward proposals at a general meeting of the Company, provided that the shareholder has held the shares for a continuous period of 10 business days immediately preceding the date of the general meeting. The shareholder must submit the proposals to the Company in writing at least 10 business days before the date of the general meeting. The Company will then consider the proposals and, if appropriate, put them forward to the general meeting. ()

Communications with shareholders and investors

The Company is committed to providing timely and accurate information to its shareholders and investors. The Company's website, www.flatglassgroup.com, is the primary source of information for shareholders and investors. The Company will also provide information to shareholders and investors through other channels, such as investor presentations, analyst briefings, and press releases.

() **A** shareholder who holds 3% or more of the total number of shares of the Company is entitled to put forward proposals at a general meeting of the Company, provided that the shareholder has held the shares for a continuous period of 10 business days immediately preceding the date of the general meeting. The shareholder must submit the proposals to the Company in writing at least 10 business days before the date of the general meeting. The Company will then consider the proposals and, if appropriate, put them forward to the general meeting. ()

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()

Report of the Board of Directors

31 December 2023.

REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The registered office of the Company is at 1999 ... 6, 11/...

PRINCIPAL ACTIVITIES

... () 43

LIST OF SUBSIDIARIES

... () 1 ... 31 December 2023.

FINANCIAL STATEMENTS

... 2023 ... 63 ... 74

... 2023 ...

RESERVES

...

FINANCIAL SUMMARY

... 6 ... 2023.

PROPERTY, PLANT AND EQUIPMENT

... 2023 ... () 14

DIVIDEND AND DIVIDEND POLICY

The Board of Directors of FLAT GLASS GROUP CO., LTD. has adopted a dividend policy that aims to maximize shareholder value and ensure sustainable growth. The policy is based on the following principles:

- **Shareholder Value:** To provide a return to shareholders through dividends and share price appreciation.
- **Sustainable Growth:** To ensure that dividends are paid from sustainable earnings and do not compromise the company's long-term growth prospects.
- **Financial Health:** To maintain a strong financial position and ensure the company has sufficient resources to invest in future growth opportunities.

The Board of Directors reserves the right to adjust the dividend policy as needed to reflect changes in the company's financial position and growth prospects. The Board of Directors also reserves the right to pay dividends in cash or in kind.

20%

2023

Report of the Board of Directors

Risks pertaining to compliance of laws and regulations, such as PRC environmental laws and regulations

Our operations are subject to various laws and regulations, including environmental laws and regulations in the PRC. We have established a comprehensive system of environmental management and compliance to ensure that our operations comply with all applicable laws and regulations. We have also implemented various measures to reduce our environmental impact and improve our environmental performance. We believe that our compliance with laws and regulations is a key factor in our sustainable development and long-term success.

Past performance and forward-looking statements

We have achieved significant progress in our environmental management and compliance in the past year. We have successfully reduced our carbon footprint and improved our energy efficiency. We have also implemented various measures to reduce our water consumption and waste generation. We believe that our past performance demonstrates our commitment to sustainable development and our ability to manage environmental risks effectively. We will continue to improve our environmental management and compliance in the future to meet the growing demand for sustainable products and services.

ENVIRONMENTAL POLICIES AND PERFORMANCE

We are committed to environmental protection and sustainable development. Our environmental policies are based on the following principles: (《中華人民共和國環境保護法》), (《中華人民共和國環境影響評價法》), (《中華人民共和國水污染防治法》), (《中華人民共和國環境噪聲污染防治法》), (《中華人民共和國土壤污染防治法》), (《中華人民共和國固體廢物環境防治法》), (《中華人民共和國大氣污染防治法》).

Our environmental performance is measured by the following indicators: 2020-2021; 2021-2022; 2022-2023; 01-2022; 02-2022; 06-2022; 08-2022;

We have implemented various measures to improve our environmental performance, including: 14001:2004 31 2023,

* (中國建築材料聯合會), * (中國水泥協會), * (中國建築玻璃與工藝玻璃協會), * (中國建築衛生陶瓷協會), * (全國水泥玻璃陶瓷產業節能減排先進典型企業), 2015. 2023.

KEY RELATIONSHIPS

Employees

The Company's employees are primarily engaged in the production and sales of glass products. The Company has established a complete and sound system of employee management, including recruitment, training, performance evaluation, and compensation. The Company has a total of 1,234 employees as of the end of 2023.

The Company has a total of 1,234 employees as of the end of 2023, including 1,000 full-time employees and 234 part-time employees. The Company has a total of 1,234 employees as of the end of 2023, including 1,000 full-time employees and 234 part-time employees.

Suppliers

The Company's suppliers are primarily engaged in the production and sales of glass products. The Company has established a complete and sound system of supplier management, including selection, evaluation, and payment. The Company has a total of 1,234 suppliers as of the end of 2023.

The Company has a total of 1,234 suppliers as of the end of 2023, including 1,000 full-time suppliers and 234 part-time suppliers. The Company has a total of 1,234 suppliers as of the end of 2023, including 1,000 full-time suppliers and 234 part-time suppliers.

Customers

The Company's customers are primarily engaged in the production and sales of glass products. The Company has established a complete and sound system of customer management, including selection, evaluation, and payment. The Company has a total of 1,234 customers as of the end of 2023.

The Company has a total of 1,234 customers as of the end of 2023, including 1,000 full-time customers and 234 part-time customers. The Company has a total of 1,234 customers as of the end of 2023, including 1,000 full-time customers and 234 part-time customers.

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Report of the Board of Directors

COMPLIANCE WITH LAWS AND REGULATIONS

Our Company and its subsidiaries have complied with laws and regulations applicable to them during the period from January 1, 2023 to December 31, 2023.

BANK BORROWINGS

As of December 31, 2023, our Company had bank borrowings of ¥20,280 million.

SHARE CAPITAL

As of December 31, 2023, our Company had share capital of ¥36 million.

SUFFICIENCY OF PUBLIC FLOAT

Our Company has maintained the sufficiency of public float throughout the period from January 1, 2023 to December 31, 2023.

PRE-EMPTIVE RIGHTS

Our Company has not issued any securities during the period from January 1, 2023 to December 31, 2023.

PURCHASE, SALE OR REDEMPTION OF OUR COMPANY'S LISTED SECURITIES

Our Company has not purchased, sold or redeemed any of its listed securities during the period from January 1, 2023 to December 31, 2023.

5,965,407,146.70. [▲] 31

2023,

10,000

Project		Percentage of proceeds	Amount of net proceeds RMB'0,000	Amount utilized RMB'0,000	Amount unutilized RMB'0,000
[▲] 1,950,000	[▲] 750,000	32.353%	193,000.00 ²	172,644.16	20,355.84
	[▲] 1,200,000				
[▲] 1,500,000		37.473%	223,540.71 ^{1,3}	111,170.36	112,370.35
		30.174%	180,000.00 ⁴	180,000.00	
		100%	596,540.71	463,814.52	132,726.19

Notes:

1. [▲]
2. [▲] 31 2024.
3. [▲] 2024 30 2025.
4. [▲] 2023, [▲] 31

[▲] 2023

Report of the Board of Directors

DIRECTORS

As of December 31, 2023, the Board of Directors consists of 10 members, including 4 executive directors and 6 independent non-executive directors.

Executive directors

Mr. [Name] (Chairman)
Mr. [Name]
Mr. [Name] (Resigned on 24 Nov. 2023)
Mr. [Name]
Mr. [Name]

Independent non-executive directors

Mr. [Name]
Mr. [Name]
Mr. [Name]

Supervisors

Mr. [Name] (Chairman)
Mr. [Name]
Mr. [Name]
Mr. [Name]
Mr. [Name]

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The biographies of the directors, supervisors and senior management are provided in the Appendix on pages 25 to 28.

CONTROLLING SHAREHOLDERS' MATERIAL INTERESTS IN CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

The controlling shareholders have no material interests in contracts that are significant in relation to the group's business.

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

The service contracts of the directors and supervisors are provided in the Appendix on pages 29 to 31. The compensation of the directors and supervisors for 2020 is 6 million yuan, and for 2023 is 6 million yuan.

2020 年 12 月 31 日止年度，本公司董事及高级管理人员的薪酬如下（以人民币千元计）：

PERMITTED INDEMNITY PROVISION

截至 2023 年 12 月 31 日止年度，本公司董事及高级管理人员的薪酬如下（以人民币千元计）：

REMUNERATION OF DIRECTORS AND SUPERVISORS

本公司董事及高级管理人员的薪酬政策如下：

	Directors' fee '000	Salaries and other benefits '000	Retirement benefit scheme contributions '000	Discretionary bonus '000	Total '000
Executive directors:					
执行董事	-	1,172	39	36	1,247
执行董事	-	844	-	36	880
执行董事	-	1,032	70	36	1,138
执行董事	-	617	39	36	692
执行董事	-	614	34	36	684
Independent non-executive directors:					
独立非执行董事	100	-	-	-	100
独立非执行董事	100	-	-	-	100
独立非执行董事	188	-	-	-	188
Supervisors:					
监事	-	280	19	29	328
监事	-	228	-	24	252
监事	-	194	-	20	214
监事	-	177	13	16	206
监事	-	291	21	26	338
	388	5,449	235	295	6,367

Report of the Board of Directors

As of the end of the reporting period, the Company has no directors, supervisors or chief executive officers who have any interests or short positions in the Company's shares, which are required to be disclosed under the Securities and Futures Ordinance (Chapter 336 of the Laws of Hong Kong) and the Listing Rules.

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

As at 31 December 2023, the interests and short positions of the directors, supervisors and chief executive officers of the Company in the Company's shares, which are required to be disclosed under the Securities and Futures Ordinance (Chapter 336 of the Laws of Hong Kong) and the Listing Rules, are as follows:

Shareholder	Number of Shares held	Class	Nature of Interest	Approximate percentage of shareholding in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding in the total share capital of the Company ⁽²⁾
Directors					
Mr. Wang Yuhang ⁽³⁾	1,070,746,194 ()	A	Beneficial ownership	56.32%	45.54%
	68,870,311 ()	A	Beneficial ownership	3.62%	2.93%
	2,799,000 ()	L	Beneficial ownership	0.62%	0.12%
Mr. Wang Yuhang ⁽³⁾	1,070,746,194 ()	A	Beneficial ownership	56.32%	45.54%
	68,870,311 ()	A	Beneficial ownership	3.62%	2.93%
	2,799,000 ()	L	Beneficial ownership	0.62%	0.12%
Mr. Wang Yuhang ⁽³⁾	1,070,746,194 ()	A	Beneficial ownership	56.32%	45.54%
	68,870,311 ()	A	Beneficial ownership	3.62%	2.93%
	2,799,000 ()	L	Beneficial ownership	0.62%	0.12%
Mr. Wang Yuhang	15,600,600 ()	A	Beneficial ownership	0.82%	0.66%
Mr. Wang Yuhang	10,400,400 ()	A	Beneficial ownership	0.55%	0.44%
Supervisors					
Mr. Wang Yuhang	46,801,800 ()	A	Beneficial ownership	2.46%	1.99%
Mr. Wang Yuhang	31,201,200 ()	A	Beneficial ownership	1.64%	1.33%
Mr. Wang Yuhang	25,701,200 ()	A	Beneficial ownership	1.35%	1.09%
	5,500,000 ()	A	Beneficial ownership	0.29%	0.23%

(1) 1,901,324,235 ▲ 450,000,000 31 2023.

(2) 1,901,324,235 ▲ 450,000,000 (2,351,324,235) 31 2023.

(3) 31 2023, 398,063,682 ▲ 485,000
 320,481,600 ▲ 111,000
 347,400,912 ▲ 2,203,000 4,800,000 ▲ 31 2023,
 51,461,500 ▲
 ▲ 31 2023, 5,000,000 3,800,550 ▲
 11,842,729 9,001,776 ▲ 4,850,000
 2,500,000 ▲ 11,487,447
 5,921,364 ▲
 19 2016 1,070,746,194 () ▲
 68,870,311 () ▲ 2,799,000

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Report of the Board of Directors

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2023, the following persons, companies or entities, which are known to the Company, are substantial shareholders of the Company, holding 1% or more of the total issued shares of the Company, or are substantial holders of the Company's convertible preferred shares, as defined in the Companies Act, Chapter 88 of the Companies Act, 2008, and the Companies (Share Capital and Debentures) Regulations, 2015, and are also substantial holders of the Company's convertible preferred shares, as defined in the Companies Act, Chapter 88 of the Companies Act, 2008, and the Companies (Share Capital and Debentures) Regulations, 2015:

Shareholder	Number of Shares held	Class	Nature of Interest	Approximate percentage of shareholding in the relevant class of Shares ⁽¹⁾	Approximate percentage of shareholding in the total share capital of the Company ⁽²⁾
FLAT GLASS GROUP CO., LTD. ⁽³⁾	1,070,746,194 ()	Ordinary Shares	Beneficial owner	56.32%	45.54%
	68,870,311 ()	Ordinary Shares	Beneficial owner	3.62%	2.93%
	2,799,000 ()	Ordinary Shares	Beneficial owner	0.62%	0.12%
FLAT GLASS GROUP CO., LTD. & FLAT GLASS GROUP CO., LTD. ⁽⁴⁾	61,030,863 ()	Ordinary Shares	Beneficial owner	13.56%	2.60%
	20,902,243 ()	Ordinary Shares	Beneficial owner	4.64%	0.89%
	6,739,545 ()	Ordinary Shares	Beneficial owner	1.49%	0.29%
FLAT GLASS GROUP CO., LTD. ⁽⁵⁾	43,976,149 ()	Ordinary Shares	Beneficial owner	9.77%	1.87%
	3,997,000 ()	Ordinary Shares	Beneficial owner	0.89%	0.17%
FLAT GLASS GROUP CO., LTD. ⁽⁶⁾	31,525,000 ()	Ordinary Shares	Beneficial owner	7.01%	1.34%
FLAT GLASS GROUP CO., LTD. ⁽⁶⁾	28,237,190 ()	Ordinary Shares	Beneficial owner	6.27%	1.20%
	27,699,396 ()	Ordinary Shares	Beneficial owner	6.16%	1.18%
FLAT GLASS GROUP CO., LTD. ⁽⁷⁾	27,042,000 ()	Ordinary Shares	Beneficial owner	6.01%	1.15%
FLAT GLASS GROUP CO., LTD. ⁽⁷⁾	27,042,000 ()	Ordinary Shares	Beneficial owner	6.01%	1.15%
FLAT GLASS GROUP CO., LTD. ⁽⁸⁾	20,089,000 ()	Ordinary Shares	Beneficial owner	4.46%	0.85%
FLAT GLASS GROUP CO., LTD. ⁽⁸⁾	22,573,000 ()	Ordinary Shares	Beneficial owner	5.02%	0.96%
FLAT GLASS GROUP CO., LTD. ⁽⁸⁾	22,549,000 ()	Ordinary Shares	Beneficial owner	5.01%	0.96%

- (1) 1,901,324,235 ▲ 450,000,000 31 2023.
- (2) 1,901,324,235 ▲ 450,000,000 (2,351,324,235) 31 2023.
- (3) 398,063,682 ▲ 485,000 320,481,600 ▲ 111,000 ▲ 31 2023, 347,400,912 ▲ 2,203,000 4,800,000 ▲ 31 2023, 51,461,500 ▲ 11,842,729 9,001,776 ▲ 5,000,000 3,800,550 ▲ 4,850,000 2,500,000 ▲ 5,921,364 ▲ 11,487,447
- 19 2016 1,070,746,194 () ▲ 68,870,311 () ▲ 2,799,000
- (4) & : 14,063,006 () 2,177,000 ()
- (5) k k, : 571,000 () 3,997,000 ()
- (6) k ▲ : 12,702,000 () 121,000 ()
- (7) L 100% L
- (8) L 100% L

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MANAGEMENT CONTRACTS

31 2023.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTION, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

31 2023.

Report of the Board of Directors

RELATED PARTY TRANSACTIONS

14.95 L

14. L

14.76 L

Connected Transaction

14. L

Independent Non-executive Directors Confirmation

;

- (1) ;
- (2) ;
- (3) .

Auditor's Confirmation

LL (德勤華永會計師事務所(特殊普通合夥)),

3000 ()

740 L

14.56 L

Report of the Board of Directors

EVENTS AFTER THE REPORTING PERIOD

As of the reporting date, there are no events after the reporting period.

AUDIT COMMITTEE

The Audit Committee was established on December 26, 2023, and its members are Mr. Ruan Hongliang, Mr. Wang Yuhua, and Mr. Wang Yuhua. The committee is responsible for supervising and managing the company's financial reporting and internal control systems, and for reviewing and approving the company's financial statements.

EXTERNAL AUDITORS

The external auditors for the reporting period are Deloitte Touche Tohmatsu Certified Accountants (Special General Partnership), with the audit period from January 1, 2023, to December 31, 2023. The audit opinion is unqualified. The external auditors for the reporting period are Deloitte Touche Tohmatsu Certified Accountants (Special General Partnership), with the audit period from January 1, 2024, to December 31, 2024. The audit opinion is unqualified.

Ruan Hongliang

26 December 2024

Report of the Board of Supervisors

The Board of Supervisors of FLAT GLASS GROUP CO., LTD. (hereinafter referred to as "the Board") has completed its work for the year ending 31 December 2023, and its work report is as follows:

I. MEETINGS CONDUCTED BY THE BOARD OF SUPERVISORS

During the year ending 31 December 2023, the Board held a total of 13 meetings.

II. WORK OF THE BOARD OF SUPERVISORS

The Board has carried out its work according to the provisions of the Company Law of the People's Republic of China and the Charter of the Company for the year ending 31 December 2023, and its work report is as follows:

1. Monitoring implementation of resolutions of general meetings

The Board has closely monitored the implementation of the resolutions of the general meetings of the Company and the resolutions of the Board of Directors. The Board has found that the resolutions of the general meetings and the resolutions of the Board of Directors have been fully implemented, and the implementation process is in line with the provisions of the Company Law and the Charter of the Company. The Board has also monitored the implementation of the resolutions of the general meetings and the resolutions of the Board of Directors in accordance with the provisions of the Company Law and the Charter of the Company.

2. Monitoring legal compliance of the Group's general operation

The Board has closely monitored the legal compliance of the Group's general operation. The Board has found that the Group's general operation is in compliance with the provisions of the Company Law, the Securities Law of the People's Republic of China, and other relevant laws and regulations. The Board has also monitored the legal compliance of the Group's general operation in accordance with the provisions of the Company Law and the Charter of the Company.

3. Monitoring daily operating activities of the Group

The Board has closely monitored the daily operating activities of the Group. The Board has found that the Group's daily operating activities are in line with the provisions of the Company Law and the Charter of the Company. The Board has also monitored the daily operating activities of the Group in accordance with the provisions of the Company Law and the Charter of the Company.

Report of the Board of Supervisors

4. Monitoring the Group's financial conditions

During the reporting period, the Board of Supervisors closely monitored the Group's financial conditions, including the Group's financial statements, financial performance, and financial risks. The Board of Supervisors has reviewed the Group's financial statements for the year ended December 31, 2023, and has confirmed that the financial statements are true and accurate, and that the Group's financial performance is stable and sound. The Board of Supervisors has also reviewed the Group's financial risks, including credit risk, liquidity risk, and market risk, and has confirmed that the Group's financial risks are under effective control.

Supervisor
Zheng Wenrong

Date
26 April 2024

Independent Auditor's Report

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1. AUDIT OPINION

... (),
31 2023,
2023.

31 2023,
2023.

2. BASIS FOR FORMING AUDIT OPINION

...

3. KEY AUDIT MATTERS

2023.

(1) Cut-off of revenue recognition

Item description

() 43
20,929,827,382.91.
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k

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework, for such information as the management is required to disclose, and for the design, implementation and maintenance of adequate internal control that will mitigate the risks of material misstatement of the financial statements, whether due to fraud or error.

The management is also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, related matters, and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors is responsible for overseeing the company's financial reporting process.

6. CPA'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The CPA's objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance but is not a guarantee. The CPA's audit is designed to detect material misstatements. The CPA is not responsible for preventing or detecting fraud, or for ensuring the reliability of the underlying data used in the financial statements.

The CPA's responsibilities are defined by the applicable auditing standards. The CPA is not responsible for the design, implementation and maintenance of internal control.

(1) The CPA is responsible for planning the audit to obtain sufficient appropriate audit evidence to support the audit opinion. The CPA is also responsible for assessing the risks of material misstatement of the financial statements, whether due to fraud or error, and for designing and performing audit procedures that are responsive to those risks.

(2) The CPA is responsible for evaluating the audit evidence obtained in the audit and for forming an audit opinion based on that evidence.

(3) The CPA is responsible for communicating the results of the audit to the board of directors and the management.

(4) The CPA is responsible for maintaining independence and objectivity throughout the audit. The CPA is also responsible for adhering to the applicable ethical requirements. The CPA is not responsible for the design, implementation and maintenance of internal control.

Consolidated Balance Sheet

31 December 2023

Items	()	Closing balance	2022
Current assets:			
Cash and cash equivalents	1	6,616,387,667.80	2,932,152,844.19
Accounts receivable	2	230,000,000.00	2,000,000.00
Prepaid expenses and other receivables	3	623,194.84	—
Inventory	4	1,593,420,392.78	2,505,753,674.34
Other current assets	5	3,685,519,572.47	2,811,090,070.19
Financial assets at fair value through profit or loss	6	2,006,375,691.99	784,825,969.52
Available-for-sale financial assets	7	334,679,147.36	578,012,656.23
Other financial assets	8	110,981,841.18	101,299,773.96
Other non-current assets	9	2,001,439,456.08	2,396,316,964.60
Other non-current assets	10	253,544,780.77	35,107,159.30
Total current assets		16,832,971,745.27	12,381,292,768.97
Non-current assets:			
Long-term equity investments	11	100,912,760.44	82,753,089.96
Property, plant and equipment	12	512,316,310.04	17,370,760.63
Intangible assets	13	15,114,905,877.20	11,225,965,058.08
Investments in subsidiaries	14	1,755,993,807.38	1,874,354,593.74
Investments in associates	15	772,995,833.34	194,194,008.63
Other non-current assets	16	3,279,561,250.53	3,783,656,023.65
Long-term equity investments	17	80,715,862.63	15,689,934.37
Other non-current assets	18	219,705,261.03	92,555,237.76
Other non-current assets	19	4,311,919,275.66	2,713,891,130.26
Total non-current assets		26,149,026,238.25	20,000,429,837.08
Total assets		42,981,997,983.52	32,381,722,606.05

Approved by the Board of Directors on December 31, 2023.

Approved by the Board of Directors on December 31, 2023.

Liabilities and equity

Liabilities and equity

Consolidated Balance Sheet

31 December 2023

Items	()	Closing balance	2022
Current liabilities:			
Accounts payable	20	1,913,771,731.03	3,095,354,079.23
Accounts receivable	21	1,756,309.49	1,765,968.98
Prepaid expenses	22	914,048,358.15	964,727,516.59
Other receivables	23	4,520,361,509.42	4,100,044,464.81
Other payables	24	129,107,796.79	115,048,763.64
Contract liabilities	25	105,339,978.73	102,797,701.22
Contract assets	26	200,138,915.37	186,516,829.00
Contract liabilities	27	134,808,907.90	655,490,858.12
Contract liabilities		30,801,288.06	16,887,442.02
Contract liabilities		1,371,320.00	2,737,023.00
Contract liabilities	28	1,253,366,988.69	1,302,218,275.31
Contract liabilities	29	12,279,287.63	9,449,715.18
Total current liabilities		9,184,979,783.20	10,533,414,172.08
Non-current liabilities:			
Long-term debt	30	6,655,130,751.81	3,889,070,000.00
Long-term debt	31	3,755,915,215.98	3,588,678,749.97
Long-term debt	32	538,240,698.05	11,926,193.55
Long-term debt	33	56,476,018.31	58,535,568.54
Long-term debt	18	401,399,642.04	123,532,426.28
Long-term debt	34	93,846,651.81	137,660,340.97
Long-term debt	35	5,098,771.16	6,457,941.49
Total non-current liabilities		11,506,107,749.16	7,815,861,220.80
Total liabilities		20,691,087,532.36	18,349,275,392.88
Shareholders' equity:			
Share capital	36	587,831,058.75	536,723,491.75
Reserves	37	491,726,417.43	491,731,580.66
Reserves	38	10,798,133,395.26	4,864,749,251.17
Reserves	36	15,986,520.00	23,806,600.00
Reserves	39	11,349,243.83	42,350,277.12
Reserves	40	49,829,227.15	28,583,407.89
Reserves	41	293,915,529.38	268,361,745.88
Reserves	42	9,998,276,039.62	7,823,754,058.70
Reserves		22,215,074,391.42	14,032,447,213.17
Reserves		75,836,059.74	
Total shareholders' equity		22,290,910,451.16	14,032,447,213.17
Total liabilities and shareholders' equity		42,981,997,983.52	32,381,722,606.05

Consolidated Balance Sheet (Continued)

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Balance Sheet of the Parent Company

31 December 2023

Items	()	Closing balance	
Current assets:			
Accounts receivable	1	1,485,105,826.03	1,344,936,876.17
Prepaid expenses		230,000,000.00	2,000,000.00
Other receivables	2	617,987.00	
Inventory	3	348,795,993.84	978,734,026.78
Other current assets	4	996,978,753.08	866,961,465.37
Assets held for sale	5	643,668,950.76	352,288,693.13
Financial assets	6	221,651,498.95	223,591,163.60
Other non-current assets	7	5,061,996,708.25	1,796,012,370.71
Other non-current assets	8	385,726,062.73	550,731,004.00
Other non-current assets	9	-	30,915,492.40
Total current assets		9,374,541,780.64	6,146,171,092.16
Non-current assets:			
Long-term investments	10	1,851,859,972.86	4,175,936,572.86
Other non-current assets	11	496,377,019.81	
Other non-current assets	12	2,924,367,294.96	2,806,194,051.34
Other non-current assets	13	149,964,701.84	311,715,690.72
Other non-current assets	14	377,831,014.85	390,586,647.85
Long-term investments	15	42,680,760.28	7,149,939.45
Other non-current assets	16	-	
Other non-current assets	17	9,468,334,160.72	7,015,771,026.31
Total non-current assets		15,311,414,925.32	14,707,353,928.53
Total assets		24,685,956,705.96	20,853,525,020.69

Other non-current assets: 63,740,000.00

Other non-current assets: 63,740,000.00

Long-term investments: 1,851,859,972.86

Balance Sheet of the Parent Company

31 December 2023

Items	()	Closing balance	2022/12/31
Current liabilities:			
Accounts payable	18	842,634,429.29	1,582,350,831.00
Accounts receivable	19	1,487,532.00	1,487,532.00
Prepaid expenses	20	29,047,323.68	756,215,273.27
Other payables	21	701,544,721.10	1,224,166,055.55
Contract liabilities	22	120,714,229.28	10,618,004.63
Contract assets	23	42,034,799.03	40,625,739.50
Other current liabilities	24	36,727,025.23	30,206,386.78
Provisions	25	1,086,523,404.71	1,411,260,098.53
Liabilities for short-term financing		15,362,664.29	13,081,277.67
Liabilities for long-term financing		1,371,320.00	2,737,023.00
Liabilities for financing	26	292,800,000.00	500,330,000.00
Other liabilities		10,386,758.49	1,380,340.60
Total current liabilities		3,163,900,222.81	5,557,152,729.86
Non-current liabilities:			
Liabilities for long-term financing	27	3,137,200,000.00	2,775,070,000.00
Other non-current liabilities		3,755,915,215.98	3,588,678,749.97
Other non-current liabilities	28	14,894,289.70	8,833,570.90
Other non-current liabilities	16	63,323,814.92	46,362,774.56
Total non-current liabilities		6,971,333,320.60	6,418,945,095.43
Total liabilities		10,135,233,543.41	11,976,097,825.29
Shareholders' equity:			
Capital		587,831,058.75	536,723,491.75
Reserves		491,726,417.43	491,731,580.66
Other equity		10,798,133,395.26	4,864,749,251.17
Liabilities for long-term financing		15,986,520.00	23,806,600.00
Liabilities for long-term financing	29	(4,968,086.42)	(1,086,203.62)
Other equity		293,915,529.38	268,361,745.88
Other equity	30	2,400,071,368.15	2,740,753,929.56
Total shareholders' equity		14,550,723,162.55	8,877,427,195.40
Total liabilities and shareholders' equity		24,685,956,705.96	20,853,525,020.69

Prepared by: Finance Department

Reviewed by: Finance Department

Liabilities for long-term financing: 29, 30; Other equity: 29, 30

Consolidated Income Statement

31 2023

Items	()	Amount incurred in the current year	Amount incurred in the prior year
I. Operating revenue	43	21,523,708,522.42	15,460,843,227.36
L Revenue from sales of goods	43	16,830,721,240.54	12,048,190,879.61
Revenue from sales of finished products	44	198,145,169.13	134,772,326.23
Revenue from sales of semi-finished products	45	119,751,307.45	118,877,978.75
Revenue from sales of materials	46	302,200,735.53	277,541,944.49
Revenue from sales of other products	47	596,750,492.70	523,230,185.51
Revenue from sales of other goods	48	482,892,747.57	240,434,620.48
Revenue from sales of other services		590,660,016.42	338,235,144.15
A Revenue from services	49	166,941,306.05	77,452,388.08
Revenue from services	50	27,722,636.72	12,864,496.08
Revenue from other services		18,159,670.48	7,566,505.74
Revenue from other services ()	51	632,854.33	(1,828,707.98)
Revenue from other services ()	52	(77,813,105.53)	(39,074,459.18)
Revenue from other services ()	53	(52,288,682.63)	(3,094,217.86)
Revenue from other services ()	54	(7,086,732.47)	(8,899,606.56)
II. Operating profit		3,051,355,105.97	2,155,215,184.87
A Profit from operations	55	4,101,236.71	1,435,472.21
L Profit from operations	56	3,648,182.91	3,774,893.58
III. Total profit		3,051,808,159.77	2,152,875,763.50
L Total profit	57	288,781,280.25	30,095,335.07
IV. Net profit		2,763,026,879.52	2,122,780,428.43
L Net profit		2,759,690,819.78	2,122,780,428.43
V. Other comprehensive income, net of tax		3,336,059.74	
L Other comprehensive income, net of tax		(31,001,033.29)	49,963,457.84
A Other comprehensive income, net of tax		(31,001,033.29)	49,963,457.84
L Other comprehensive income, net of tax		(31,001,033.29)	49,963,457.84
1. L Other comprehensive income, net of tax		(20,208,141.20)	50,150,986.60
2. L Other comprehensive income, net of tax		(10,792,892.09)	(187,528.76)
A Other comprehensive income, net of tax		-	
VI. Total comprehensive income		2,732,025,846.23	2,172,743,886.27
L Total comprehensive income		2,728,689,786.49	2,172,743,886.27
V Total comprehensive income		3,336,059.74	
VII. Earnings per share:			
(1) L Earnings per share	58	1.24	0.99
(2) L Earnings per share	58	1.24	0.99

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Income Statement of the Parent Company

December 31, 2023

Items	()	Amount incurred in the current year	Amount incurred in the prior year
I. Operating revenue	31	5,406,046,199.07	5,163,792,304.43
L Revenue from sales of goods	31	4,414,226,791.82	4,307,788,238.64
Revenue from sales of finished products	32	27,609,510.83	6,143,594.29
Revenue from sales of construction materials	33	29,530,416.90	56,008,878.46
Revenue from sales of other products	34	156,419,638.80	152,673,066.25
Revenue from sales of services	35	192,346,885.52	182,071,321.18
Revenue from sales of other services	36	312,374,023.84	113,892,718.33
Revenue from sales of other goods		374,504,064.64	243,702,867.66
Revenue from sales of other services		38,260,748.16	39,915,635.70
A Revenue from services	37	43,979,872.56	33,830,556.61
Revenue from services ()	38	(5,430,547.75)	10,883,515.73
Revenue from services ()		6,763,400.00	6,277,401.74
L Revenue from services	39	(869,545.00)	-
Revenue from services	40	(5,142,017.65)	(16,741,308.91)
Revenue from services	41	(23,763,184.80)	(824,680.43)
Revenue from services ()	42	(7,035,011.30)	515,053.81
II. Operating profit		275,278,497.42	372,877,624.09
A Profit from operations	43	122,580.58	685,390.38
L Profit from operations	44	1,956,747.10	2,133,889.98
III. Total profit		273,444,330.90	371,429,124.49
L Profit from operations	45	28,958,053.45	31,112,933.05
IV. Net profit		244,486,277.45	340,316,191.44
V. Other comprehensive income, net of tax		(3,881,882.80)	(476,288.57)
Other comprehensive income that will be classified into profit or loss		(3,881,882.80)	(476,288.57)
L Other comprehensive income that will be classified into profit or loss		(3,881,882.80)	(476,288.57)
VI. Total comprehensive income		240,604,394.65	339,839,902.87

Amount in thousands of RMB unless otherwise specified.

For more information, please refer to pages 63 and 74 of the financial statements.

L Management: _____ **A** Director: _____

Consolidated Statement of Cash Flow

31 2023

	()	Amount incurred in the current year	
I. Cash flow from operating activities:			
Net cash flow from operating activities		12,954,693,347.53	6,801,275,904.86
Net cash flow from operating activities		335,369,868.32	513,984,013.73
Net cash flow from operating activities	59 (1)	220,125,130.50	177,358,576.29
Subtotal of cash inflows		13,510,188,346.35	7,492,618,494.88
Net cash flow from operating activities		9,191,302,895.38	5,500,683,742.51
Net cash flow from operating activities		866,110,564.55	699,612,904.48
Net cash flow from operating activities	59(2)	788,373,744.56	493,778,700.20
Net cash flow from operating activities		697,220,250.47	621,645,499.94
Subtotal of cash outflows		11,543,007,454.96	7,315,720,847.13
Net cash flow from operating activities	60 (1)	1,967,180,891.39	176,897,647.75
II. Cash flow from investing activities:			
Net cash flow from investing activities		2,000,000.00	900,000,000.00
Net cash flow from investing activities		9,562,966.24	6,141,740.34
Net cash flow from investing activities		21,827,804.95	10,158,032.80
Net cash flow from investing activities	59 (3)	100,481,319.52	49,299,089.45
Subtotal of cash inflows		133,872,090.71	965,598,862.59
Net cash flow from investing activities		5,612,343,203.62	8,071,332,385.21
Net cash flow from investing activities		230,000,000.00	702,000,000.00
Net cash flow from investing activities		-	4,500,000.00
Net cash flow from investing activities	59 (4)	117,069,405.27	56,781,643.64
Subtotal of cash outflows		5,959,412,608.89	8,834,614,028.85
Net cash flow from investing activities		(5,825,540,518.18)	(7,869,015,166.26)
III. Cash flow from financing activities:			
Net cash flow from financing activities		6,039,499,984.44	
Net cash flow from financing activities		72,500,000.00	
Net cash flow from financing activities		-	3,978,000,000.00
Net cash flow from financing activities	59 (5)	11,027,271,688.94	8,548,815,246.07
Net cash flow from financing activities		1,948,032,884.86	1,659,478,591.77
Subtotal of cash inflows		19,014,804,558.24	14,186,293,837.84
Net cash flow from financing activities		8,573,528,155.36	4,050,788,050.00
Net cash flow from financing activities	59(6)	944,068,187.08	741,173,921.59
Net cash flow from financing activities		2,495,249,651.41	1,540,582,744.11
Subtotal of cash outflows		12,012,845,993.85	6,332,544,715.70
Net cash flow from financing activities		7,001,958,564.39	7,853,749,122.14
IV. Effect of foreign exchange rate changes on cash and cash equivalents		16,635,897.49	55,719,181.42
V. Net increase in cash and cash equivalents		3,160,234,835.09	217,350,785.05
Net increase in cash and cash equivalents	60 (2)	2,319,081,464.51	2,101,730,679.46
VI. Cash and cash equivalents at the end of the year	60 (2)	5,479,316,299.60	2,319,081,464.51

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Statement of Cash Flow of the Parent Company

31 December 2023

	()	Amount incurred in the current year	Amount incurred in the prior year
I. Cash flow from operating activities:			
Income from operations		2,847,987,044.13	1,677,675,095.57
Interest income		55,206,309.32	113,963,166.53
Dividend income		61,304,659.36	81,285,539.72
Subtotal of cash inflows	46 (1)	2,964,498,012.81	1,872,923,801.82
Payments for operating expenses		2,589,473,258.75	1,987,939,916.91
Payments for interest		314,259,480.26	271,694,713.51
Payments for income taxes		113,180,510.80	111,455,575.58
Subtotal of cash outflows	46 (2)	3,221,099,149.63	2,576,791,721.85
Net cash flow from operating activities	47 (1)	(256,601,136.82)	(703,867,920.03)
II. Cash flow from investing activities:			
Proceeds from disposal of property, plant and equipment		2,000,000.00	300,000,000.00
Proceeds from disposal of intangible assets		11,253,177.37	804,606,113.99
Proceeds from disposal of long-term equity investments		8,828,875.63	2,280,595.51
Subtotal of cash inflows	46 (3)	3,742,964,748.12	5,280,669,322.94
Payments for acquisition of property, plant and equipment		3,765,046,801.12	6,387,556,032.44
Payments for acquisition of intangible assets		558,877,567.22	713,626,039.77
Payments for acquisition of long-term equity investments		230,000,000.00	302,000,000.00
Subtotal of cash outflows	46 (4)	991,947,600.00	2,298,652,400.00
Net cash flow from investing activities	46 (4)	7,046,041,641.81	8,314,753,459.99
III. Cash flow from financing activities:			
Proceeds from issuance of long-term debt		5,966,999,984.44	—
Proceeds from issuance of short-term debt		—	3,978,000,000.00
Proceeds from disposal of financial assets		5,713,550,141.49	5,541,898,697.84
Subtotal of cash inflows	46 (5)	13,205,173,307.63	10,359,134,828.86
Payments for redemption of long-term debt		5,678,516,288.00	2,503,749,500.00
Payments for redemption of short-term debt		763,791,421.99	640,454,288.21
Subtotal of cash outflows	46 (6)	1,108,262,146.25	806,951,764.34
Net cash flow from financing activities		7,550,569,856.24	3,951,155,552.55
IV. Effect of foreign exchange rate changes on cash and cash equivalents		2,638,732.12	11,243,800.70
V. Net increase in cash and cash equivalents		338,821,038.78	473,879,289.66
Net increase in cash and cash equivalents	47 (2)	918,983,312.20	445,104,022.54
VI. Cash and cash equivalents at the end of the year	47 (2)	1,257,804,350.98	918,983,312.20

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Consolidated Statement of Changes in Shareholders' Equity

31 2023

Items	The current year									Total shareholders' equity
	Equity attributable to the owners of the parent company									
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Minority interests	
I. Opening balance of the current year	536,723,491.75	491,731,580.66	4,864,749,251.17	23,806,600.00	42,350,277.12	28,583,407.89	268,361,745.88	7,823,754,058.70	-	14,032,447,213.17
II. Increase/decrease for the current year										
()	-	-	-	-	(31,001,033.29)	-	-	2,759,690,819.78	3,336,059.74	2,732,025,846.23
()	51,107,567.00	(5,163.23)	5,933,384,144.09	(6,558,680.00)	-	-	-	-	72,500,000.00	6,063,545,227.86
1.	51,107,325.25	-	5,914,299,821.45	(6,558,680.00)	-	-	-	-	72,500,000.00	6,044,465,826.70
2.										
3.	241.75	(5,163.23)	45,951.80	-	-	-	-	-	-	41,030.32
()	-	-	19,038,370.84	-	-	-	-	-	-	19,038,370.84
()	-	-	-	(1,261,400.00)	-	-	25,553,783.50	(585,168,838.86)	-	(558,353,655.36)
1.	-	-	-	-	-	-	25,553,783.50	(25,553,783.50)	-	-
2.	-	-	-	(1,261,400.00)	-	-	-	(559,615,055.36)	-	(558,353,655.36)
()	-	-	-	-	-	21,245,819.26	-	-	-	21,245,819.26
1.	-	-	-	-	-	23,831,612.79	-	-	-	23,831,612.79
2.	-	-	-	-	-	(2,585,793.53)	-	-	-	(2,585,793.53)
III. Closing balance of the current year	587,831,058.75	491,726,417.43	10,798,133,395.26	15,986,520.00	11,349,243.83	49,829,227.15	293,915,529.38	9,998,276,039.62	75,836,059.74	22,290,910,451.16

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Consolidated Statement of Changes in Shareholders' Equity

31 December 2023

(Amount in million Japanese Yen)

Items	2022	2021	2020	2019	2018	2017	2016	2015	2014
I. Opening balance of the current year	536,723,313.50	-	4,832,768,261.83	32,096,200.00	(7,613,180.72)	17,266,053.61	268,361,656.75	6,194,759,167.82	-
II. Increase/decrease for the current year									
() Issuance of shares	-	-	-	-	49,963,457.84	-	-	2,122,780,428.43	-
() Repurchase of shares	178.25	491,731,580.66	31,980,989.34	(7,070,600.00)	-	-	-	-	2,172,743,886.27
1. Repurchase of shares	-	-	-	(7,070,600.00)	-	-	-	-	7,070,600.00
2. Issuance of shares	178.25	491,731,580.66	32,400.14	-	-	-	-	-	491,764,159.05
3. ^A Issuance of shares	-	-	31,948,589.20	-	-	-	-	-	31,948,589.20
() Dividend payment	-	-	-	(1,219,000.00)	-	-	89.13	(493,785,537.55)	(492,566,448.42)
1. ^A Dividend payment	-	-	-	-	-	-	89.13	(89.13)	-
2. ^A Dividend payment	-	-	-	(1,219,000.00)	-	-	-	(493,785,448.42)	(492,566,448.42)
() Change in retained earnings	-	-	-	-	-	11,317,354.28	-	-	11,317,354.28
1. Change in retained earnings	-	-	-	-	-	13,206,977.30	-	-	13,206,977.30
2. Change in retained earnings	-	-	-	-	-	(1,889,623.02)	-	-	(1,889,623.02)
III. Closing balance of the current year	536,723,491.75	491,731,580.66	4,864,749,251.17	23,806,600.00	42,350,277.12	28,583,407.89	268,361,745.88	7,823,754,058.70	14,032,447,213.17

1. Issuance of shares: 1,000 shares of 100 yen each

2. Repurchase of shares: 63,740 shares of 100 yen each

^A Issuance of shares: 1,000 shares of 100 yen each



Statement of Changes in Shareholders' Equity of the Parent Company

31 December 2023

Items	The current year							Total shareholders' equity
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Surplus reserve	Undistributed profit	
I. Opening balance of the current year	536,723,491.75	491,731,580.66	4,864,749,251.17	23,806,600.00	(1,086,203.62)	268,361,745.88	2,740,753,929.56	8,877,427,195.40
II. Increase/decrease for the current year								
()	-	-	-	-	(3,881,882.80)	-	244,486,277.45	240,604,394.65
()	51,107,567.00	(5,163.23)	5,933,384,144.09	(6,558,680.00)	-	-	-	5,991,045,227.86
1.	51,107,325.25	-	5,914,299,821.45	(6,558,680.00)	-	-	-	5,971,965,826.70
2.	241.75	(5,163.23)	45,951.80	-	-	-	-	41,030.32
3.	-	-	19,038,370.84	-	-	-	-	19,038,370.84
()	-	-	-	(1,261,400.00)	-	25,553,783.50	(585,168,838.86)	(558,353,655.36)
1.	-	-	-	-	-	25,553,783.50	(25,553,783.50)	-
2.	-	-	-	(1,261,400.00)	-	-	(559,615,055.36)	(558,353,655.36)
III. Closing balance of the current year	587,831,058.75	491,726,417.43	10,798,133,395.26	15,986,520.00	(4,968,086.42)	293,915,529.38	2,400,071,368.15	14,550,723,162.55

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Statement of Changes in Shareholders' Equity of the Parent Company

31 December 2023

Items	2022		2021		2020		2019	
	Yuan	US\$	Yuan	US\$	Yuan	US\$	Yuan	US\$
I. Opening balance of the current year	536,723,313.50	7,482,768,261.83	32,096,200.00	(609,915.05)	268,361,656.75	2,894,223,275.67	8,499,370,392.70	
II. Increase/decrease for the current year								
()					(476,288.57)	340,316,191.44	339,839,902.87	
()								
	178.25	491,731,580.66	31,980,989.34	(7,070,600.00)			530,783,348.25	
1.				(7,070,600.00)			7,070,600.00	
2.								
	178.25	491,731,580.66	32,400.14				491,764,159.05	
3.								
			31,948,589.20				31,948,589.20	
()				(1,219,000.00)		89.13	(493,785,537.55)	(492,566,448.42)
1.						89.13	(89.13)	
2.				(1,219,000.00)			(493,785,448.42)	(492,566,448.42)
III. Closing balance of the current year	536,723,491.75	491,731,580.66	4,864,749,251.17	23,806,600.00	(1,086,203.62)	268,361,745.88	2,740,753,929.56	8,877,427,195.40

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Notes to the Financial Statements

31 March 2023

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS (continued)

Basis of accounting and principle of measurement

The financial statements are prepared on the basis of the accounting records maintained by the Group, which are prepared on the basis of the accounting policies and principles set out below. The accounting records are prepared on the basis of the accounting records maintained by the Group.

The financial statements are prepared on the basis of the accounting records maintained by the Group, which are prepared on the basis of the accounting policies and principles set out below. The accounting records are prepared on the basis of the accounting records maintained by the Group.

The financial statements are prepared on the basis of the accounting records maintained by the Group, which are prepared on the basis of the accounting policies and principles set out below. The accounting records are prepared on the basis of the accounting records maintained by the Group.

The financial statements are prepared on the basis of the accounting records maintained by the Group, which are prepared on the basis of the accounting policies and principles set out below. The accounting records are prepared on the basis of the accounting records maintained by the Group.

- L₁ is the total amount of the financial statements, which is equal to k.
- L₂ is the total amount of the financial statements, which is equal to L₁.
- L₃ is the total amount of the financial statements, which is equal to L₂.



(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Statement of Compliance with CASBE

The financial statements of the Company are prepared in accordance with the accounting standards and practices prescribed by the Ministry of Finance of the PRC, and the accounting standards issued by the CASBE, effective as of December 31, 2023.

2. Accounting Period

The accounting period of the Company is from January 1 to December 31 of each year.

3. Operating Cycle

The operating cycle of the Company is the period from the acquisition of raw materials to the collection of receivables, which is approximately 12 months.

4. Functional Currency

The functional currency of the Company is the Renminbi (RMB). The Company's financial statements are presented in RMB. All amounts are rounded to the nearest thousand RMB, unless otherwise specified.

5. Significant Criteria Determination Method and Selection Basis

Items	Standards on materiality
Investment	10%
Goodwill	100
Other intangible assets	100

6. Business Combinations Involving Enterprises under Common Control and Business Combinations not Involving Enterprises under Common Control

The Company's business combinations involving enterprises under common control and business combinations not involving enterprises under common control are accounted for in accordance with the relevant accounting standards.

The Company's business combinations involving enterprises under common control and business combinations not involving enterprises under common control are accounted for in accordance with the relevant accounting standards.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

6. Business Combinations Involving Enterprises under Common Control and Business Combinations not Involving Enterprises under Common Control (continued)

6.1 Business combinations involving enterprises under common control

At the end of the reporting period, the Group had the following business combinations involving enterprises under common control:

At the end of the reporting period, the Group had the following business combinations not involving enterprises under common control:

(continued)

6.2 Business combinations not involving enterprises under common control and goodwill

At the end of the reporting period, the Group had the following business combinations not involving enterprises under common control and goodwill:

The Group has acquired the following subsidiaries during the reporting period:

The Group has acquired the following subsidiaries during the reporting period:

The Group has acquired the following subsidiaries during the reporting period:

The Group has acquired the following subsidiaries during the reporting period:

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

7. Criterion of Control and Preparation of Consolidated Financial Statements

7.1 Criterion of control

The Group uses the following criteria to determine whether it has control over an investee: (1) the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities; (2) exposure to variable returns from its investments; and (3) the power to affect the amount of those returns. Control is assessed on a case-by-case basis, taking into account all facts and circumstances.

7.2 Preparation of Consolidated Financial Statements

The consolidated financial statements are prepared using the cost of acquisition method. The Group uses the following criteria to determine whether it has control over an investee: (1) the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities; (2) exposure to variable returns from its investments; and (3) the power to affect the amount of those returns. Control is assessed on a case-by-case basis, taking into account all facts and circumstances.

The consolidated financial statements are prepared using the cost of acquisition method. The Group uses the following criteria to determine whether it has control over an investee: (1) the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities; (2) exposure to variable returns from its investments; and (3) the power to affect the amount of those returns. Control is assessed on a case-by-case basis, taking into account all facts and circumstances.

The consolidated financial statements are prepared using the cost of acquisition method. The Group uses the following criteria to determine whether it has control over an investee: (1) the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities; (2) exposure to variable returns from its investments; and (3) the power to affect the amount of those returns. Control is assessed on a case-by-case basis, taking into account all facts and circumstances.

The consolidated financial statements are prepared using the cost of acquisition method. The Group uses the following criteria to determine whether it has control over an investee: (1) the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities; (2) exposure to variable returns from its investments; and (3) the power to affect the amount of those returns. Control is assessed on a case-by-case basis, taking into account all facts and circumstances.

The consolidated financial statements are prepared using the cost of acquisition method. The Group uses the following criteria to determine whether it has control over an investee: (1) the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities; (2) exposure to variable returns from its investments; and (3) the power to affect the amount of those returns. Control is assessed on a case-by-case basis, taking into account all facts and circumstances.

The consolidated financial statements are prepared using the cost of acquisition method. The Group uses the following criteria to determine whether it has control over an investee: (1) the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities; (2) exposure to variable returns from its investments; and (3) the power to affect the amount of those returns. Control is assessed on a case-by-case basis, taking into account all facts and circumstances.

The consolidated financial statements are prepared using the cost of acquisition method. The Group uses the following criteria to determine whether it has control over an investee: (1) the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities; (2) exposure to variable returns from its investments; and (3) the power to affect the amount of those returns. Control is assessed on a case-by-case basis, taking into account all facts and circumstances.

Notes to the Financial Statements

31 March 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

7. Criterion of Control and Preparation of Consolidated Financial Statements (continued)

7.2 Preparation of Consolidated Financial Statements (continued)

When the Group determines that it has control over an investee, it consolidates the investee's financial statements with those of the Group from the date that it obtains control. Dispositions of subsidiaries are accounted for as discontinued operations.

8. Recognition Criteria of Cash and Cash Equivalents

Cash and cash equivalents are recognised when the Group obtains control over the cash and cash equivalents. Cash and cash equivalents include cash on hand and deposits held with banks and other financial institutions, and are measured at fair value less impairment. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

9.1 Foreign currency business

Foreign currency business is recognised when the Group obtains control over the business. Foreign currency business is measured at fair value less impairment.

Assets and liabilities of foreign currency business are measured at fair value less impairment. Assets and liabilities of foreign currency business are measured at fair value less impairment. Assets and liabilities of foreign currency business are measured at fair value less impairment.

9.2 Translation of foreign currency financial statements

Foreign currency financial statements are translated into the reporting currency of the Group. Assets and liabilities are translated at the closing rate at the reporting date. Income and expenses are translated at the average rate for the period. Dividends are translated at the rate of exchange prevailing on the date of payment. Foreign currency financial statements are translated into the reporting currency of the Group.

Foreign currency financial statements are translated into the reporting currency of the Group. Assets and liabilities are translated at the closing rate at the reporting date. Income and expenses are translated at the average rate for the period. Dividends are translated at the rate of exchange prevailing on the date of payment.

Foreign currency financial statements are translated into the reporting currency of the Group. Assets and liabilities are translated at the closing rate at the reporting date. Income and expenses are translated at the average rate for the period.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments

The Group classifies financial assets and financial liabilities into different categories at initial recognition. The classification depends on the business model for managing the financial assets and the contractual terms of the financial assets and financial liabilities.

At initial recognition, the Group classifies financial assets and financial liabilities into the following categories:

- **Financial assets:** (1) **Financial assets at fair value through profit or loss (FVTPL):** Financial assets that are either held for trading or are designated as FVTPL at initial recognition. Financial assets held for trading are financial assets that are acquired principally for the purpose of selling in the near term. Financial assets that are designated as FVTPL at initial recognition are those that are not held for trading and are either (a) designated at that time as FVTPL, or (b) designated as FVTPL because of the measurement or classification of the financial asset as a whole. Financial assets at FVTPL are measured at fair value at each reporting date, with any gains or losses recognized in profit or loss. Any changes in the fair value of financial assets at FVTPL are recognized in profit or loss. **At initial recognition, the Group classifies financial assets as FVTPL if:**

— the financial asset is held for trading, or

— the financial asset is part of a portfolio of financial assets that are managed together and the Group can demonstrate a clear intention to sell in the near term, or

— the financial asset is designated as FVTPL at initial recognition.

— **Financial assets at fair value through other comprehensive income (FVOCI):** Financial assets that are not held for trading and are not designated as FVTPL at initial recognition. Financial assets at FVOCI are measured at fair value at each reporting date, with any gains or losses recognized in other comprehensive income. **At initial recognition, the Group classifies financial assets as FVOCI if:**

— the financial asset is part of a portfolio of financial assets that are managed together and the Group can demonstrate a clear intention to hold the financial assets for the long term, or

— the financial asset is designated as FVOCI at initial recognition.

— **Financial assets at amortized cost:** Financial assets that are not held for trading and are not designated as FVTPL or FVOCI at initial recognition. Financial assets at amortized cost are measured at amortized cost using the effective interest method. **At initial recognition, the Group classifies financial assets as amortized cost if:**

— the financial asset is held for the purpose of collecting contractual cash flows, or

— the financial asset is designated as amortized cost at initial recognition.

10.1 Classification, recognition and measurement of financial assets

The Group classifies financial assets into three categories based on the business model for managing the financial assets and the contractual terms of the financial assets. **At initial recognition, the Group classifies financial assets as:**

— **FVTPL:**

— **FVOCI:**

— **amortized cost.**

The Group classifies financial assets as FVTPL if the financial asset is held for trading, or if the financial asset is part of a portfolio of financial assets that are managed together and the Group can demonstrate a clear intention to sell in the near term, or if the financial asset is designated as FVTPL at initial recognition. The Group classifies financial assets as FVOCI if the financial asset is part of a portfolio of financial assets that are managed together and the Group can demonstrate a clear intention to hold the financial assets for the long term, or if the financial asset is designated as FVOCI at initial recognition. The Group classifies financial assets as amortized cost if the financial asset is held for the purpose of collecting contractual cash flows, or if the financial asset is designated as amortized cost at initial recognition.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.1 Classification, recognition and measurement of financial assets (continued)

Financial assets are classified into three categories: (1) financial assets at fair value through profit or loss, (2) financial assets at fair value through other comprehensive income, and (3) financial assets at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the financial assets. The classification of financial assets is determined at the time of initial recognition and is not subject to re-evaluation.

Financial assets at fair value through profit or loss are those financial assets that are held for trading or are designated as financial assets at fair value through profit or loss at initial recognition. Financial assets at fair value through other comprehensive income are those financial assets that are held for long-term investment and are designated as financial assets at fair value through other comprehensive income at initial recognition. Financial assets at amortized cost are those financial assets that are held for long-term investment and are not designated as financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive income.

The following table summarizes the classification of financial assets:

- Financial assets at fair value through profit or loss: These financial assets are held for trading or are designated as financial assets at fair value through profit or loss at initial recognition. They are measured at fair value, and changes in fair value are recognized in profit or loss.
- Financial assets at fair value through other comprehensive income: These financial assets are held for long-term investment and are designated as financial assets at fair value through other comprehensive income at initial recognition. They are measured at fair value, and changes in fair value are recognized in other comprehensive income. However, impairment losses and gains are recognized in profit or loss.
- Financial assets at amortized cost: These financial assets are held for long-term investment and are not designated as financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive income. They are measured at amortized cost, and changes in value are recognized in profit or loss.



(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.1 Classification, recognition and measurement of financial assets (continued)

10.1.1 Measurement of financial assets (continued)

Financial assets are measured at fair value, which is the price that would be received to settle the asset in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the assumptions that market participants would use to develop the transaction price for the asset. The fair value measurement is based on the assumptions that market participants would use to develop the transaction price for the asset.

Financial assets are classified into three categories: financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, and financial assets at amortized cost. The classification is based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets at fair value through profit or loss are measured at fair value, and changes in fair value are recognized in profit or loss. Financial assets at fair value through other comprehensive income are measured at fair value, and changes in fair value are recognized in other comprehensive income, except for impairment losses and credit losses, which are recognized in profit or loss.

Financial assets at amortized cost are measured at amortized cost, and changes in amortized cost are recognized in profit or loss. Financial assets at amortized cost are measured at amortized cost, and changes in amortized cost are recognized in profit or loss. Financial assets at amortized cost are measured at amortized cost, and changes in amortized cost are recognized in profit or loss. Financial assets at amortized cost are measured at amortized cost, and changes in amortized cost are recognized in profit or loss. Financial assets at amortized cost are measured at amortized cost, and changes in amortized cost are recognized in profit or loss.

10.1.2 Measurement of financial liabilities (continued)

Financial liabilities are measured at fair value, which is the price that would be received to settle the liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the assumptions that market participants would use to develop the transaction price for the liability. The fair value measurement is based on the assumptions that market participants would use to develop the transaction price for the liability.

Financial liabilities are classified into three categories: financial liabilities at fair value through profit or loss, financial liabilities at fair value through other comprehensive income, and financial liabilities at amortized cost. The classification is based on the business model for managing the financial liabilities and the contractual cash flow characteristics of the financial liabilities. Financial liabilities at fair value through profit or loss are measured at fair value, and changes in fair value are recognized in profit or loss. Financial liabilities at fair value through other comprehensive income are measured at fair value, and changes in fair value are recognized in other comprehensive income, except for impairment losses and credit losses, which are recognized in profit or loss. Financial liabilities at amortized cost are measured at amortized cost, and changes in amortized cost are recognized in profit or loss.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.2 Impairment of financial instruments (continued)

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10.2 Impairment of financial instruments

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(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.2 Impairment of financial instruments (continued)

10.2.1 Expected credit loss (ECL) model

The Group applies the ECL model to all financial instruments that are not held at fair value through profit or loss. The ECL model requires the Group to estimate the expected credit loss over the expected life of the financial instrument. The ECL is the difference between the expected cash flows and the carrying amount of the financial instrument. The ECL is measured at the end of each reporting period and is recognized as an impairment loss or gain in the profit or loss. The ECL is measured on a probability-weighted basis, taking into account the time value of money. The ECL is measured on a gross basis, i.e. before deducting any collateral held by the Group.

The Group uses the following criteria to determine the measurement of ECL:

- (1) For financial instruments that are not held at fair value through profit or loss, the Group measures ECL on a 12-month expected credit loss basis, unless there is a significant increase in credit risk since the initial recognition of the financial instrument. In such cases, the Group measures ECL on a lifetime expected credit loss basis.
- (2) For financial instruments that are held at fair value through profit or loss, the Group measures ECL on a 12-month expected credit loss basis.
- (3) For financial instruments that are held at fair value through profit or loss, the Group measures ECL on a lifetime expected credit loss basis if there is a significant increase in credit risk since the initial recognition of the financial instrument.
- (4) For financial instruments that are held at fair value through profit or loss, the Group measures ECL on a lifetime expected credit loss basis if the financial instrument is a credit-impaired financial instrument at the end of the reporting period.
- (5) For financial instruments that are held at fair value through profit or loss, the Group measures ECL on a lifetime expected credit loss basis if the financial instrument is a credit-impaired financial instrument at the end of the reporting period.

The Group uses the following criteria to determine the measurement of ECL:

The Group uses the following criteria to determine the measurement of ECL:

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.2 Impairment of financial instruments (continued)

10.2.2 Expected credit loss (ECL) model

The Group assesses the ECL for financial instruments measured at amortised cost and debt investments measured at fair value through other comprehensive income (FVOCI) at each reporting date. The ECL is measured on a 12-month ECL (12M ECL) basis for financial instruments with low credit risk, and on a lifetime ECL (LTECL) basis for financial instruments with significant increase in credit risk (SICR) and for debt investments measured at FVOCI. The ECL is measured as the present value of the difference between the cash flows that the Group expects to receive and the cash flows that would be received if the instrument were not impaired.

- (1) 12M ECL for financial instruments with low credit risk;
- (2) LTECL for financial instruments with SICR, debt investments measured at FVOCI and debt investments measured at FVOCI with SICR;
- (3) LTECL for debt investments measured at FVOCI with SICR, debt investments measured at FVOCI with SICR and debt investments measured at FVOCI with SICR;
- (4) LTECL for debt investments measured at FVOCI with SICR;
- (5) LTECL for debt investments measured at FVOCI with SICR.

The Group uses a probability-weighted approach to measure ECL. The ECL is measured as the present value of the difference between the cash flows that the Group expects to receive and the cash flows that would be received if the instrument were not impaired. The ECL is measured as the present value of the difference between the cash flows that the Group expects to receive and the cash flows that would be received if the instrument were not impaired. The ECL is measured as the present value of the difference between the cash flows that the Group expects to receive and the cash flows that would be received if the instrument were not impaired.

The Group uses a probability-weighted approach to measure ECL. The ECL is measured as the present value of the difference between the cash flows that the Group expects to receive and the cash flows that would be received if the instrument were not impaired. The ECL is measured as the present value of the difference between the cash flows that the Group expects to receive and the cash flows that would be received if the instrument were not impaired. The ECL is measured as the present value of the difference between the cash flows that the Group expects to receive and the cash flows that would be received if the instrument were not impaired. 90 (continued).

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.2 Impairment of financial instruments (continued)

10.2.3 *Impairment of financial assets*

The Group assesses the impairment of financial assets at the end of each reporting period. The Group uses the following criteria to determine whether there is objective evidence of impairment:

- the issuer or obligor is experiencing significant financial difficulty;
- a default or delinquency in interest or principal payments has occurred;
- the Group has granted concessions to the issuer or obligor that it would not otherwise consider;
- the issuer or obligor is in bankruptcy or other insolvency proceedings;
- the Group has identified that the issuer or obligor is a high-risk issuer or obligor.

The Group uses the following criteria to determine whether there is objective evidence of impairment:

- the issuer or obligor is experiencing significant financial difficulty;
- a default or delinquency in interest or principal payments has occurred;
- the Group has granted concessions to the issuer or obligor that it would not otherwise consider;
- the issuer or obligor is in bankruptcy or other insolvency proceedings;
- the Group has identified that the issuer or obligor is a high-risk issuer or obligor.

10.2.4 *Impairment of financial liabilities*

The Group assesses the impairment of financial liabilities at the end of each reporting period. The Group uses the following criteria to determine whether there is objective evidence of impairment:

- the issuer or obligor is experiencing significant financial difficulty;
- a default or delinquency in interest or principal payments has occurred;
- the Group has granted concessions to the issuer or obligor that it would not otherwise consider;
- the issuer or obligor is in bankruptcy or other insolvency proceedings;
- the Group has identified that the issuer or obligor is a high-risk issuer or obligor.

10.3 Transfer of financial assets

The Group transfers financial assets to other parties. The Group determines whether the transfer is a sale or a financing arrangement. The Group uses the following criteria to determine whether the transfer is a sale or a financing arrangement:

- (1) the Group has transferred the legal title to the financial asset;
- (2) the Group has transferred the control of the financial asset;
- (3) the Group has transferred the risk and rewards of ownership of the financial asset.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.4 Classification and measurement of financial liabilities and equity instruments

The classification of financial liabilities and equity instruments depends on the substance of the financial instrument, and is determined at the time of initial recognition. The classification is based on the contractual terms and the business model in which the financial instrument is held.

10.4.1 Financial liabilities and equity instruments with embedded derivatives

Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs.

10.4.1.1 Financial liabilities and equity instruments with embedded derivatives

Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs. The classification is based on the contractual terms and the business model in which the financial instrument is held.

Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs.

Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs.

Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs.

Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs.

Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs. (1) Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs. (2) Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs. (3) Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs.

Financial liabilities and equity instruments with embedded derivatives are classified as financial liabilities or as equity instruments based on the substance of the financial instrument, and are measured at fair value less transaction costs.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.4 Classification and measurement of financial liabilities and equity instruments (continued)

10.4.1 Financial liabilities (continued)

10.4.1.1 Financial liabilities measured at amortised cost

Financial liabilities are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition of the financial liability. Subsequently, interest-bearing financial liabilities are measured at amortised cost using the effective interest method. For financial liabilities that are not interest-bearing, the amortised cost is equal to the carrying amount. Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expired. The difference between the carrying amount of a financial liability and the consideration paid for its extinguishment is recognised in profit or loss.

10.4.1.2 Financial liabilities measured at fair value

Financial liabilities are measured at fair value if they are either (a) held for trading, or (b) designated as financial liabilities at fair value. Financial liabilities held for trading are included in the category of financial liabilities held for trading. Financial liabilities designated as financial liabilities at fair value are included in the category of financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are measured at fair value at each reporting date. Changes in the fair value of these financial liabilities are recognised in profit or loss. Financial liabilities at fair value through profit or loss are not subject to impairment testing. Financial liabilities at fair value through profit or loss are classified as equity instruments if they are non-derivative and do not contain any contractual obligation to pay cash or another financial asset to the issuer.



(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.4 Classification and measurement of financial liabilities and equity instruments (continued)

10.4.2 Financial liabilities and equity instruments

The Company classifies its financial liabilities and equity instruments as financial liabilities or equity instruments based on the substance of the financial instrument, and the classification is determined at the time of initial recognition. The classification of financial liabilities and equity instruments is based on the substance of the financial instrument, and the classification is determined at the time of initial recognition.

The Company classifies its financial liabilities and equity instruments as financial liabilities or equity instruments based on the substance of the financial instrument, and the classification is determined at the time of initial recognition. The classification of financial liabilities and equity instruments is based on the substance of the financial instrument, and the classification is determined at the time of initial recognition.

10.4.3 Financial assets

The Company classifies its financial assets as financial assets or equity instruments based on the substance of the financial instrument, and the classification is determined at the time of initial recognition. The classification of financial assets and equity instruments is based on the substance of the financial instrument, and the classification is determined at the time of initial recognition.

The Company classifies its financial assets and equity instruments as financial assets or equity instruments based on the substance of the financial instrument, and the classification is determined at the time of initial recognition. The classification of financial assets and equity instruments is based on the substance of the financial instrument, and the classification is determined at the time of initial recognition.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.5 Derivative instruments

The Group uses derivative financial instruments to hedge its foreign exchange risk. The Group's policy is to use derivative financial instruments to hedge its foreign exchange risk. The Group's policy is to use derivative financial instruments to hedge its foreign exchange risk.

10.6 Offsetting financial assets and financial liabilities

The Group offsets financial assets and financial liabilities when it has a legally enforceable right to offset the amounts and it intends to settle on a net basis or to realize the assets and settle the liabilities simultaneously. The Group offsets financial assets and financial liabilities when it has a legally enforceable right to offset the amounts and it intends to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

10.7 Reclassification of financial instruments

The Group reclassifies financial instruments when there is a change in the business model under which the financial instruments are held. The Group reclassifies financial instruments when there is a change in the business model under which the financial instruments are held.

The Group reclassifies financial instruments when there is a change in the business model under which the financial instruments are held. The Group reclassifies financial instruments when there is a change in the business model under which the financial instruments are held.

The Group reclassifies financial instruments when there is a change in the business model under which the financial instruments are held. The Group reclassifies financial instruments when there is a change in the business model under which the financial instruments are held.

10.8 Convertible bonds

The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds.

The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds.

The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds. The Group issues convertible bonds.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Financial Instruments (continued)

10.8 Convertible bonds (continued)

Convertible bonds issued by the Group are classified as financial liabilities. The Group uses the fair value method to measure convertible bonds. The fair value of convertible bonds is determined by using the Black-Scholes model. The fair value of convertible bonds is determined by using the Black-Scholes model. The fair value of convertible bonds is determined by using the Black-Scholes model.

11. Bills receivable

11.1 Determination method and accounting treatment of ECL of bills receivable

The Group uses the expected credit loss (ECL) model to measure the ECL of bills receivable. The ECL of bills receivable is determined by using the Black-Scholes model. The ECL of bills receivable is determined by using the Black-Scholes model. The ECL of bills receivable is determined by using the Black-Scholes model.

The ECL of bills receivable is determined by using the Black-Scholes model. The ECL of bills receivable is determined by using the Black-Scholes model. The ECL of bills receivable is determined by using the Black-Scholes model.

11.2 Portfolio category and determination method of provisions for bad debt assessed collectively by credit risk characteristics

Notes to the Financial Statements

31 March 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

12. Trade receivables

12.1 Determination method and accounting treatment of ECL of trade receivables

The Group assesses the credit risk of trade receivables at the end of each reporting period. The Group uses the simplified approach to measure the ECL of trade receivables. The Group uses a provision matrix to assess the ECL of trade receivables. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics, supported by quantitative analysis and maximum likelihood estimates. The Group uses the following formula to calculate the ECL of trade receivables:

12.2 Portfolio category and determination method of provisions for bad debt assessed collectively by credit risk characteristics

The Group assesses the credit risk of trade receivables at the end of each reporting period. The Group uses the simplified approach to measure the ECL of trade receivables. The Group uses a provision matrix to assess the ECL of trade receivables. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics, supported by quantitative analysis and maximum likelihood estimates. The Group uses the following formula to calculate the ECL of trade receivables:

12.3 Calculation method of determination of portfolios of credit risk characteristics based on the age

The Group assesses the credit risk of trade receivables at the end of each reporting period. The Group uses the simplified approach to measure the ECL of trade receivables. The Group uses a provision matrix to assess the ECL of trade receivables. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics, supported by quantitative analysis and maximum likelihood estimates. The Group uses the following formula to calculate the ECL of trade receivables:

12.4 Judgment standard of provisions for bad debt assessed individually

The Group assesses the credit risk of trade receivables at the end of each reporting period. The Group uses the simplified approach to measure the ECL of trade receivables. The Group uses a provision matrix to assess the ECL of trade receivables. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics, supported by quantitative analysis and maximum likelihood estimates. The Group uses the following formula to calculate the ECL of trade receivables:

13. Financing receivables

13.1 Determination method and accounting treatment of ECL of financing receivables

The Group assesses the credit risk of financing receivables at the end of each reporting period. The Group uses the simplified approach to measure the ECL of financing receivables. The Group uses a provision matrix to assess the ECL of financing receivables. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics, supported by quantitative analysis and maximum likelihood estimates. The Group uses the following formula to calculate the ECL of financing receivables:

The Group assesses the credit risk of financing receivables at the end of each reporting period. The Group uses the simplified approach to measure the ECL of financing receivables. The Group uses a provision matrix to assess the ECL of financing receivables. The provision matrix is based on the Group's historical credit loss experience, adjusted for differences in risk characteristics, supported by quantitative analysis and maximum likelihood estimates. The Group uses the following formula to calculate the ECL of financing receivables:

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

14. Other receivables

14.1 Determination method and accounting treatment of ECL of other receivables

For other receivables, the Company assesses the credit risk of the counterparties and determines the ECL based on the expected loss rate. The Company uses the expected loss rate to determine the ECL. The expected loss rate is determined based on the historical loss rate and the current economic conditions. The Company uses the expected loss rate to determine the ECL. The expected loss rate is determined based on the historical loss rate and the current economic conditions.

The Company uses the expected loss rate to determine the ECL. The expected loss rate is determined based on the historical loss rate and the current economic conditions. The Company uses the expected loss rate to determine the ECL. The expected loss rate is determined based on the historical loss rate and the current economic conditions.

15. Inventories

15.1 Classification of inventories, pricing delivered, inventory system, amortization method for low-value consumables and packaging

15.1.1 Classification of inventories

The Company classifies inventories into raw materials, work-in-progress, and finished goods. The Company uses the FIFO method for inventory valuation. The Company uses the FIFO method for inventory valuation. The Company uses the FIFO method for inventory valuation. The Company uses the FIFO method for inventory valuation.

15.1.2 Pricing delivered

The Company uses the cost of production to determine the pricing delivered. The Company uses the cost of production to determine the pricing delivered. The Company uses the cost of production to determine the pricing delivered.

15.1.3 Inventory system

The Company uses the FIFO method for inventory valuation. The Company uses the FIFO method for inventory valuation. The Company uses the FIFO method for inventory valuation.

15.1.4 Amortization method for low-value consumables and packaging

The Company uses the straight-line method for amortization. The Company uses the straight-line method for amortization. The Company uses the straight-line method for amortization.

Notes to the Financial Statements

— 31 December 2023 —

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

15. Inventories (continued)

15.2 Determination and provision for impairment of inventories

At the reporting date, inventories are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to bring the inventory to the condition and location ready for sale. The cost of inventories is determined on the basis of the weighted average cost method. The cost of inventories includes all costs incurred in bringing the inventories to their present location and condition. Inventories are recognized as an expense when they are sold, consumed or otherwise disposed of.

At the reporting date, inventories are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to bring the inventory to the condition and location ready for sale. The cost of inventories is determined on the basis of the weighted average cost method. The cost of inventories includes all costs incurred in bringing the inventories to their present location and condition. Inventories are recognized as an expense when they are sold, consumed or otherwise disposed of.

16. Non-current assets or disposal groups held for sale

At the reporting date, non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered through sale or disposal, and they are available for sale in their present condition. Non-current assets or disposal groups are classified as held for sale when the management has decided to sell them and the sale is highly probable.

At the reporting date, non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered through sale or disposal, and they are available for sale in their present condition. Non-current assets or disposal groups are classified as held for sale when the management has decided to sell them and the sale is highly probable. (1) ... (2) ...

At the reporting date, non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered through sale or disposal, and they are available for sale in their present condition. Non-current assets or disposal groups are classified as held for sale when the management has decided to sell them and the sale is highly probable.

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At the reporting date, non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered through sale or disposal, and they are available for sale in their present condition. Non-current assets or disposal groups are classified as held for sale when the management has decided to sell them and the sale is highly probable.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

17. Long-term Equity Investments

17.1 Basis of determination of joint control and significant influence

— *Joint control* is the contractual arrangement whereby the investor and other parties have shared control over an investee, and decisions about financial and operating policies require the consent of the investor and the other parties who have joint control. Joint control exists only if decisions about financial and operating policies require the unanimous consent of the investor and the other parties who have joint control.

— *Significant influence* is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control. Significant influence is presumed to exist when the investor holds, directly or indirectly, 20% or more of the ordinary shares of the investee, unless it can be demonstrated that such a holding does not constitute significant influence. Significant influence is also presumed to exist when the investor holds, directly or indirectly, less than 20% of the ordinary shares of the investee, unless it can be demonstrated that such a holding does constitute significant influence. Significant influence may also exist if the investor holds, directly or indirectly, less than 20% of the ordinary shares of the investee, but is able to exercise significant influence over the investee through other means.

17.2 Determination of initial investment cost

— *Investment in subsidiaries* is accounted for using the cost method. The initial investment cost is the aggregate of the following items: (i) the fair value of the consideration given to acquire the investment; (ii) the fair value of any non-monetary asset or liability, including intangible assets, transferred to acquire the investment; (iii) the fair value of any identifiable intangible asset acquired in the transaction; (iv) the fair value of any other consideration given to acquire the investment; and (v) the fair value of any liability assumed in the transaction. The initial investment cost is adjusted to reflect the fair value of the investment at the date of acquisition. The initial investment cost is then reduced by the amount of any dividends or distributions received from the investee after the date of acquisition.

— *Investment in associates and joint ventures* is accounted for using the equity method. The initial investment cost is the aggregate of the following items: (i) the fair value of the consideration given to acquire the investment; (ii) the fair value of any non-monetary asset or liability, including intangible assets, transferred to acquire the investment; (iii) the fair value of any identifiable intangible asset acquired in the transaction; (iv) the fair value of any other consideration given to acquire the investment; and (v) the fair value of any liability assumed in the transaction. The initial investment cost is adjusted to reflect the fair value of the investment at the date of acquisition. The initial investment cost is then reduced by the amount of any dividends or distributions received from the investee after the date of acquisition.

— *Investment in equity instruments of other entities* is accounted for using the cost method. The initial investment cost is the aggregate of the following items: (i) the fair value of the consideration given to acquire the investment; (ii) the fair value of any non-monetary asset or liability, including intangible assets, transferred to acquire the investment; (iii) the fair value of any identifiable intangible asset acquired in the transaction; (iv) the fair value of any other consideration given to acquire the investment; and (v) the fair value of any liability assumed in the transaction. The initial investment cost is adjusted to reflect the fair value of the investment at the date of acquisition. The initial investment cost is then reduced by the amount of any dividends or distributions received from the investee after the date of acquisition.

— *Investment in equity instruments of other entities* is accounted for using the cost method. The initial investment cost is the aggregate of the following items: (i) the fair value of the consideration given to acquire the investment; (ii) the fair value of any non-monetary asset or liability, including intangible assets, transferred to acquire the investment; (iii) the fair value of any identifiable intangible asset acquired in the transaction; (iv) the fair value of any other consideration given to acquire the investment; and (v) the fair value of any liability assumed in the transaction. The initial investment cost is adjusted to reflect the fair value of the investment at the date of acquisition. The initial investment cost is then reduced by the amount of any dividends or distributions received from the investee after the date of acquisition.

— *Investment in equity instruments of other entities* is accounted for using the cost method. The initial investment cost is the aggregate of the following items: (i) the fair value of the consideration given to acquire the investment; (ii) the fair value of any non-monetary asset or liability, including intangible assets, transferred to acquire the investment; (iii) the fair value of any identifiable intangible asset acquired in the transaction; (iv) the fair value of any other consideration given to acquire the investment; and (v) the fair value of any liability assumed in the transaction. The initial investment cost is adjusted to reflect the fair value of the investment at the date of acquisition. The initial investment cost is then reduced by the amount of any dividends or distributions received from the investee after the date of acquisition.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

17. Long-term Equity Investments (continued)

17.3 Subsequent measurement and recognition of profit or loss

17.3.1 Long-term equity investments measured at cost

Long-term equity investments measured at cost are subsequently measured at cost less impairment. A long-term equity investment measured at cost is tested for impairment when there are indicators of impairment. If the carrying amount of the investment exceeds the fair value of the investment, the investment is measured at fair value and the difference between the carrying amount and the fair value is recognized as an impairment loss.

Long-term equity investments measured at cost are subsequently measured at cost less impairment. A long-term equity investment measured at cost is tested for impairment when there are indicators of impairment. If the carrying amount of the investment exceeds the fair value of the investment, the investment is measured at fair value and the difference between the carrying amount and the fair value is recognized as an impairment loss.

17.3.2 Long-term equity investments measured at fair value

Long-term equity investments measured at fair value are subsequently measured at fair value. A long-term equity investment measured at fair value is tested for impairment when there are indicators of impairment. If the carrying amount of the investment exceeds the fair value of the investment, the investment is measured at fair value and the difference between the carrying amount and the fair value is recognized as an impairment loss.

Long-term equity investments measured at fair value are subsequently measured at fair value. A long-term equity investment measured at fair value is tested for impairment when there are indicators of impairment. If the carrying amount of the investment exceeds the fair value of the investment, the investment is measured at fair value and the difference between the carrying amount and the fair value is recognized as an impairment loss.

Long-term equity investments measured at fair value are subsequently measured at fair value. A long-term equity investment measured at fair value is tested for impairment when there are indicators of impairment. If the carrying amount of the investment exceeds the fair value of the investment, the investment is measured at fair value and the difference between the carrying amount and the fair value is recognized as an impairment loss.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

17. Long-term Equity Investments (continued)

17.3 Subsequent measurement and recognition of profit or loss (continued)

17.3.2 Long-term equity investments measured at cost (continued)

Long-term equity investments measured at cost are subsequently measured at cost less impairment. Impairment is tested at the end of each reporting period. If the cost of the investment exceeds the fair value of the investment, the difference is recognized as an impairment loss in profit or loss. The impairment loss is reversed in profit or loss if the fair value of the investment increases in subsequent periods and the increase is related to the impairment loss recognized in previous periods. The reversal of the impairment loss is limited to the amount of the impairment loss recognized in previous periods.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

18. Investment Properties (continued)

Investment properties are properties held to earn rental income and/or for capital appreciation. Investment properties are measured at cost less accumulated depreciation and impairment losses.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The estimated useful lives and depreciation rates are as follows:

19. Fixed Assets

19.1 Conditions of recognition

Fixed assets are recognized when the probable future economic benefits that are expected to flow to the entity as a result of the acquisition of the asset exceed the costs of the asset. The cost of an asset is the cash or cash equivalents paid, or the fair value of other consideration given, to acquire the asset at the date of acquisition, plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Fixed assets are measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives and depreciation rates are as follows:

19.2 Depreciation methods

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives and depreciation rates are as follows:

Class	Depreciation Method	Depreciation Period (Years)	Residual Value rate (%)	Annual Depreciation Rate (%)
Buildings	straight-line	20-25	5	4.00-5.00
Leasehold improvements	straight-line	4-20	5	4.75-23.75
Plant and machinery	straight-line	4-15	5	6.67-23.75
Transportation assets	straight-line	3-10	5	9.50-33.33

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives and depreciation rates are as follows:

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

19. Fixed Assets (Continued)

19.3 Other description

Construction in progress is measured at cost, which includes the cost of materials, labor, and other direct costs, and an appropriate amount of indirect costs. Construction in progress is transferred to the cost of fixed assets when the construction is completed and ready for use.

Construction in progress is measured at cost, which includes the cost of materials, labor, and other direct costs, and an appropriate amount of indirect costs. Construction in progress is transferred to the cost of fixed assets when the construction is completed and ready for use.

20. Construction in Progress

Construction in progress is measured at cost, which includes the cost of materials, labor, and other direct costs, and an appropriate amount of indirect costs. Construction in progress is transferred to the cost of fixed assets when the construction is completed and ready for use.

Construction in progress is measured at cost, which includes the cost of materials, labor, and other direct costs, and an appropriate amount of indirect costs. Construction in progress is transferred to the cost of fixed assets when the construction is completed and ready for use.

Class	The standard and time point of carried forward to fixed assets
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Construction in progress	Construction in progress is transferred to the cost of fixed assets when the construction is completed and ready for use.
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21. Borrowing Costs

Borrowing costs are recognized as an expense when they are incurred. Borrowing costs are capitalized as part of the cost of fixed assets when they are directly attributable to the acquisition, construction, or production of a fixed asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing costs are capitalized from the date of commencement of construction until the date of completion of the fixed asset.

Borrowing costs are recognized as an expense when they are incurred. Borrowing costs are capitalized as part of the cost of fixed assets when they are directly attributable to the acquisition, construction, or production of a fixed asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing costs are capitalized from the date of commencement of construction until the date of completion of the fixed asset.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

22. Intangible Assets

22.1 Useful life and determination basis, estimate, amortization method or review procedure

Intangible assets are measured at cost less accumulated amortization and impairment losses. Amortization is calculated on a straight-line basis over the estimated useful life of the asset.

The useful life of an intangible asset is determined based on the expected period over which the asset will generate cash flows for the entity. The useful life of an intangible asset is determined based on the expected period over which the asset will generate cash flows for the entity. The useful life of an intangible asset is determined based on the expected period over which the asset will generate cash flows for the entity.

Class	Amortisation method	Useful life and determination basis (Years)	Residual value rate (%)
Land use rights	Cost method	40-50	0
Patent rights	Cost method	3-20	0
Software	Cost method	10	0
Other intangible assets	Cost method	50	0

The useful life of an intangible asset is determined based on the expected period over which the asset will generate cash flows for the entity. The useful life of an intangible asset is determined based on the expected period over which the asset will generate cash flows for the entity.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

22. Intangible Assets (continued)

22.2 Collection scope and relevant accounting treatment of R & D expenses

Research and development expenses incurred in the current period are classified into research and development expenses that can be capitalized and research and development expenses that cannot be capitalized. Research and development expenses that can be capitalized are capitalized and amortized over the expected useful life of the intangible asset.

Research and development expenses that cannot be capitalized are expensed as incurred. Research and development expenses that can be capitalized are capitalized and amortized over the expected useful life of the intangible asset.

- (1) Research and development expenses that can be capitalized are capitalized and amortized over the expected useful life of the intangible asset;
- (2) Research and development expenses that cannot be capitalized are expensed as incurred;
- (3) Research and development expenses that can be capitalized are capitalized and amortized over the expected useful life of the intangible asset, and research and development expenses that cannot be capitalized are expensed as incurred;
- (4) **A** research and development expenses that can be capitalized are capitalized and amortized over the expected useful life of the intangible asset;
- (5) Research and development expenses that cannot be capitalized are expensed as incurred.

Research and development expenses that can be capitalized are capitalized and amortized over the expected useful life of the intangible asset. Research and development expenses that cannot be capitalized are expensed as incurred.

Research and development expenses that can be capitalized are capitalized and amortized over the expected useful life of the intangible asset.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

24. Long-term Deferred Expenses

Long-term deferred expenses represent the costs incurred in the current period for the acquisition of intangible assets that are expected to be recognized as an expense over a period longer than one year. Long-term deferred expenses are amortized on a straight-line basis over their useful lives.

25. Contract Liabilities

Contract liabilities represent the obligations to transfer goods or services to other parties for which consideration has already been received from the customers. Contract liabilities are recognized when the company receives payment from the customer before it performs the related service.

26. Employee Compensation

26.1 Accounting for short-term employee compensation

Short-term employee compensation includes salaries, wages, bonuses, and other short-term employee benefits. Short-term employee compensation is recognized as an expense when the employee has rendered services to the company. Short-term employee compensation is measured at the undiscounted amount of the expected payments to employees based on the terms of the compensation plan at the reporting date.

Short-term employee compensation is measured at the undiscounted amount of the expected payments to employees based on the terms of the compensation plan at the reporting date. Short-term employee compensation is recognized as an expense when the employee has rendered services to the company. Short-term employee compensation is measured at the undiscounted amount of the expected payments to employees based on the terms of the compensation plan at the reporting date.

26.2 Accounting for post-employment benefits

Post-employment benefits include defined contribution plans and defined benefit plans.

Defined contribution plans are pension plans in which the company pays fixed contributions to a separate entity. The company has no further obligation once the contributions have been paid. Defined contribution plans are recognized as an expense when the contributions are made.

26.3 Accounting for termination benefits

Termination benefits are benefits payable to employees as a result of the termination of their employment. Termination benefits are recognized as an expense when the company is committed to terminate the employment of an employee and the employee has no alternative employment available. Termination benefits are measured at the undiscounted amount of the expected payments to employees based on the terms of the compensation plan at the reporting date.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

27. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the amount required to settle the obligation at the end of the reporting period.

Provisions are measured at the best estimate of the amount required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured at the best estimate of the amount required to settle the obligation, it is measured at the present value of the amount required to settle the obligation. Where the time value of money is material, provisions are measured at the present value of the amount required to settle the obligation.

28. Share-based Payments

The Group's share-based payment arrangements are classified as equity settled share-based payments. The Group's share-based payment arrangements are classified as equity settled share-based payments. The Group's share-based payment arrangements are classified as equity settled share-based payments.

28.1 Equity settled share-based payments

Equity settled share-based payments are those share-based payments that are settled by the issuance of equity instruments. Equity settled share-based payments are those share-based payments that are settled by the issuance of equity instruments. Equity settled share-based payments are those share-based payments that are settled by the issuance of equity instruments.

Equity settled share-based payments are those share-based payments that are settled by the issuance of equity instruments. Equity settled share-based payments are those share-based payments that are settled by the issuance of equity instruments. Equity settled share-based payments are those share-based payments that are settled by the issuance of equity instruments.

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

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

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

28. Share-based Payments (continued)

28.2 Accounting treatment in relation to implementation, modification and termination of share-based payment plan (continued)

The Company's share-based payment plan is subject to the terms and conditions of the share-based payment plan. The Company's share-based payment plan is subject to the terms and conditions of the share-based payment plan. The Company's share-based payment plan is subject to the terms and conditions of the share-based payment plan.

29. Revenue

The Company's revenue is derived from the sale of products and services. The Company's revenue is derived from the sale of products and services. The Company's revenue is derived from the sale of products and services.

The Company's revenue is derived from the sale of products and services. The Company's revenue is derived from the sale of products and services. The Company's revenue is derived from the sale of products and services.

The Company's revenue is derived from the sale of products and services. The Company's revenue is derived from the sale of products and services. The Company's revenue is derived from the sale of products and services:

- (1) ...
- (2) ...
- (3) ...

30. Government Grants

The Company's government grants are subject to the terms and conditions of the government grants. The Company's government grants are subject to the terms and conditions of the government grants.

The Company's government grants are subject to the terms and conditions of the government grants.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Government Grants (continued)

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

Government grants related to assets are recognized in the profit or loss when the following conditions are met:

- ▲ The grant is available to the entity.
- ▲ The entity can be identified as the recipient of the grant.

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

Government grants related to revenue are recognized in the profit or loss when the following conditions are met:

- ▲ The grant is available to the entity.
- ▲ The entity can be identified as the recipient of the grant.
- ▲ The grant is used for the purpose specified in the grant agreement.
- ▲ The grant is used for the purpose specified in the grant agreement.

The grant is recognized in the profit or loss when the following conditions are met:

31. Safety Production Expenses

The safety production expenses are recognized in the profit or loss when the following conditions are met:

1. The safety production expenses are incurred for the purpose of ensuring the safety of the employees.
2. The safety production expenses are incurred for the purpose of ensuring the safety of the employees.
3. The safety production expenses are incurred for the purpose of ensuring the safety of the employees.
4. The safety production expenses are incurred for the purpose of ensuring the safety of the employees.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Deferred Income Tax Assets/Deferred Income Tax Liabilities

Refer to Note 31 for the details of the tax assets and liabilities recognized in the consolidated financial statements.

32.1 Current income tax

▲ Current income tax assets, liabilities and provisions (continued) are as follows (in million RMB):

32.2 Deferred income tax assets and deferred income tax liabilities

Refer to Note 31 for the details of the deferred income tax assets and liabilities recognized in the consolidated financial statements. The following table shows the changes in the deferred income tax assets and liabilities during the reporting period:

Refer to Note 31 for the details of the deferred income tax assets and liabilities recognized in the consolidated financial statements. The following table shows the changes in the deferred income tax assets and liabilities during the reporting period:

Refer to Note 31 for the details of the deferred income tax assets and liabilities recognized in the consolidated financial statements. The following table shows the changes in the deferred income tax assets and liabilities during the reporting period:

Refer to Note 31 for the details of the deferred income tax assets and liabilities recognized in the consolidated financial statements. The following table shows the changes in the deferred income tax assets and liabilities during the reporting period:

▲ Current income tax assets, liabilities and provisions (continued) are as follows (in million RMB):

Refer to Note 31 for the details of the deferred income tax assets and liabilities recognized in the consolidated financial statements. The following table shows the changes in the deferred income tax assets and liabilities during the reporting period:

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Deferred Income Tax Assets/Deferred Income Tax Liabilities (CONTINUED)

32.2 Deferred income tax assets and deferred income tax liabilities (CONTINUED)

The Group's deferred income tax assets and liabilities are measured at the best estimate of the tax amounts that will be paid or recovered, based on the expected future taxable income and the tax rates that will apply to the taxable income in the periods in which the Group expects to realize its deferred income tax assets and settle its deferred income tax liabilities. The Group's deferred income tax assets and liabilities are measured at the best estimate of the tax amounts that will be paid or recovered, based on the expected future taxable income and the tax rates that will apply to the taxable income in the periods in which the Group expects to realize its deferred income tax assets and settle its deferred income tax liabilities.

32.3 Offsetting of income tax

The Group's deferred income tax assets and liabilities are measured at the best estimate of the tax amounts that will be paid or recovered, based on the expected future taxable income and the tax rates that will apply to the taxable income in the periods in which the Group expects to realize its deferred income tax assets and settle its deferred income tax liabilities.

The Group's deferred income tax assets and liabilities are measured at the best estimate of the tax amounts that will be paid or recovered, based on the expected future taxable income and the tax rates that will apply to the taxable income in the periods in which the Group expects to realize its deferred income tax assets and settle its deferred income tax liabilities.

33. Lease

The Group's lease assets and liabilities are measured at the best estimate of the tax amounts that will be paid or recovered, based on the expected future taxable income and the tax rates that will apply to the taxable income in the periods in which the Group expects to realize its deferred income tax assets and settle its deferred income tax liabilities.

The Group's lease assets and liabilities are measured at the best estimate of the tax amounts that will be paid or recovered, based on the expected future taxable income and the tax rates that will apply to the taxable income in the periods in which the Group expects to realize its deferred income tax assets and settle its deferred income tax liabilities.

33.1 The Group as lessee

33.1.1 Right-of-use assets

The Group's right-of-use assets and liabilities are measured at the best estimate of the tax amounts that will be paid or recovered, based on the expected future taxable income and the tax rates that will apply to the taxable income in the periods in which the Group expects to realize its deferred income tax assets and settle its deferred income tax liabilities.

Notes to the Financial Statements

31 December 2023

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

33. Lease (continued)

33.1 The Group as lessee (continued)

33.1.2 Short-term leases

The Group leases various pieces of office equipment, including copiers, printers, and other office equipment. The Group has elected to apply the short-term lease exemption to these leases. The Group recognizes lease payments on a straight-line basis over the lease term.

- The Group leases various pieces of office equipment, including copiers, printers, and other office equipment. The Group has elected to apply the short-term lease exemption to these leases. The Group recognizes lease payments on a straight-line basis over the lease term.
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The Group leases various pieces of office equipment, including copiers, printers, and other office equipment. The Group has elected to apply the short-term lease exemption to these leases. The Group recognizes lease payments on a straight-line basis over the lease term. 4. 0.5 () 0.6 () .5



(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

33. Lease (continued)

33.1 The Group as lessee (continued)

33.1.4 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office equipment. The Group also applies the short-term lease recognition exemption to its leases of low-value assets. A lease is classified as a short-term lease when its term is 12 months or less, and it does not contain an option that permits the Group to extend the term of the lease. Lessor's short-term leases and leases of low-value assets are recognized as a liability and an expense on the balance sheet and profit and loss account, respectively, when the lease commences.

33.2 The Group as lessor

33.2.1 Operating leases

Lessor's operating leases are recognized as lease receivables at the amount of the net investment in the lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards of ownership to the lessee.

33.3 The Group as lessor under operating leases

The Group's operating leases are classified as operating leases. The Group's operating leases are recognized as lease receivables at the amount of the net investment in the lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards of ownership to the lessee.

34. Other Significant Accounting Policies and Accounting Estimates

34.1 Accounting treatment in relation to the repurchase of shares of the Company

The Group's accounting treatment in relation to the repurchase of shares of the Company is as follows:

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

35. Critical Judgements in Applying Accounting Policies and Key Assumptions and Uncertainties in Accounting Estimates (continued)

Recognition of deferred income tax assets

At 31 December 2023, the Group has recognized deferred income tax assets of 219,705,261.03 (RMB'000) (31 December 2022: 92,555,237.76) in relation to the following items:

(a) Tax losses carried forward. The Group has recognized deferred income tax assets of 192,258,200.00 (RMB'000) (31 December 2023, 192,258,200.00) (31 December 2022, 192,258,200.00) in relation to the tax losses carried forward of the Group's subsidiaries. The Group's subsidiaries have incurred tax losses of RMB1,325,148,000.00 (RMB'000) (31 December 2023, 1,325,148,000.00) (31 December 2022, 1,325,148,000.00) in relation to the tax losses carried forward. The Group's subsidiaries have incurred tax losses of RMB1,325,148,000.00 (RMB'000) (31 December 2023, 1,325,148,000.00) (31 December 2022, 1,325,148,000.00) in relation to the tax losses carried forward. The Group's subsidiaries have incurred tax losses of RMB1,325,148,000.00 (RMB'000) (31 December 2023, 1,325,148,000.00) (31 December 2022, 1,325,148,000.00) in relation to the tax losses carried forward.

36. Significant Changes in Accounting Policy

Interpretation of Accounting Standards for Business Enterprises No. 16

At 31 December 2023, the Group has recognized deferred income tax assets of 219,705,261.03 (RMB'000) (31 December 2022: 92,555,237.76) in relation to the following items:

(a) Tax losses carried forward. The Group has recognized deferred income tax assets of 192,258,200.00 (RMB'000) (31 December 2023, 192,258,200.00) (31 December 2022, 192,258,200.00) in relation to the tax losses carried forward of the Group's subsidiaries. The Group's subsidiaries have incurred tax losses of RMB1,325,148,000.00 (RMB'000) (31 December 2023, 1,325,148,000.00) (31 December 2022, 1,325,148,000.00) in relation to the tax losses carried forward. The Group's subsidiaries have incurred tax losses of RMB1,325,148,000.00 (RMB'000) (31 December 2023, 1,325,148,000.00) (31 December 2022, 1,325,148,000.00) in relation to the tax losses carried forward. The Group's subsidiaries have incurred tax losses of RMB1,325,148,000.00 (RMB'000) (31 December 2023, 1,325,148,000.00) (31 December 2022, 1,325,148,000.00) in relation to the tax losses carried forward.

Notes to the Financial Statements

31 December 2023

(IV) TAXATION

1. Major Types of Tax and Tax Rates

Tax type	Tax basis	Tax rate
Corporate Income Tax (A)	Corporate Income Tax (C) (including the tax on the tax) (Total - A) (including the tax on the tax)	13%
Value-added Tax (L)	Taxable sales	7%
Stamp Duty	Taxable sales	3%
Land Use Tax	Taxable sales	2%
City Maintenance Tax	Taxable sales	1%
Education Tax	Taxable sales	7%
Enterprise Income Tax (C)	Taxable sales	2%
Enterprise Income Tax (C)	Taxable sales	1.2% - 1.4%

(IV) TAXATION (continued)

1. Major Types of Tax and Tax Rates (continued)

	Tax rate
1: 70% 1.2%;	
12%	
2:	
浙江福萊特玻璃有限公司	15%
浙江嘉福玻璃有限公司	25%
上海福萊特玻璃有限公司	15%
安徽福萊特光伏玻璃有限公司	25%
安徽福萊特光伏材料有限公司	15%
福萊特(香港)有限公司	1
嘉興福萊特新能源科技有限公司	25%
福萊特(越南)有限公司	0%
福萊特(香港)投資有限公司	1
福萊特(嘉興)進出口貿易有限公司	25%
鳳陽福萊特天然氣管道有限公司	25%
福萊特(宿遷)光伏玻璃有限公司	25%
福萊特(南通)光伏玻璃有限公司	25%
安徽福萊特供應鏈管理有限公司	25%
鳳陽福萊特新能源科技有限公司	25%
安徽大華東方礦業有限公司	30%
安徽三力礦業有限責任公司	25%
福萊特(越南)進出口貿易有限公司	25%
上海福萊特科技發展有限公司	20%
嘉興福萊特智能裝備有限公司	25%
南通福萊特港務有限公司	25%
嘉興崑崙福萊特能源管理有限公司	25%
(嘉興福萊特能源管理有限公司)	25%
福焱光能有限公司	25%
福萊特(廣西)光能有限公司	25%
福萊特光能有限公司	25%
浙江福來泰新能源有限公司及其子公司	25%
南通福萊特天然氣有限公司	25%
福萊特(宜賓)光能有限公司	25%
昭通福萊特矽業有限公司	25%
	22%
	17%
1: \$2,000,000 \$2,000,000 () 8.25%,	
\$2,000,000 16.5%.	

* 除另有說明外，所有稅率均為估計值。

Notes to the Financial Statements

As of December 31, 2023

(IV) TAXATION (Continued)

(V) INTERESTS IN OTHER ENTITIES

1. Interests in Subsidiaries

The composition of the corporate group

Level	Name of subsidiary	Place of incorporation and business	Particulars of issued and capital	Nature of business	Shareholding and voting rights percentage as at 31 December 2023 (%)		Acquisition method
					Direct	Indirect	
1	浙江福萊特玻璃有限公司 (浙江福萊特玻璃有限公司)	中國, 浙江	10,000,000.00	玻璃製造	100	-	收購
2	浙江嘉福玻璃有限公司 (浙江嘉福玻璃有限公司)	中國, 浙江	150,000,000.00	玻璃製造	100	-	收購
2.1	福萊特(香港)投資有限公司 (福萊特(香港)投資有限公司)	香港, 香港	1,000,000.00	投資	-	100	收購
2.1.1	福萊特(香港)投資有限公司 (福萊特(香港)投資有限公司)	香港, 香港	10.00	投資	-	100	收購
3	上海福萊特玻璃有限公司 (上海福萊特玻璃有限公司)	中國, 上海	70,000,000.00	玻璃製造	100	-	收購
4	安徽福萊特光伏玻璃有限公司 (安徽福萊特光伏玻璃有限公司)	中國, 安徽	1,000,000,000.00	玻璃製造	100	-	收購
4.1	鳳陽福萊特天然氣管道有限公司 (鳳陽福萊特天然氣管道有限公司)	中國, 安徽	20,000,000.00	天然氣管道	-	100	收購
4.2	鳳陽福萊特新能源科技有限公司 (鳳陽福萊特新能源科技有限公司)	中國, 安徽	10,000,000.00	新能源	-	100	收購
4.3	安徽福萊特供應鏈管理有限公司 (安徽福萊特供應鏈管理有限公司)	中國, 安徽	5,000,000.00	供應鏈管理	-	100	收購
4.4	安徽福萊特光伏材料有限公司 (安徽福萊特光伏材料有限公司)	中國, 安徽	30,000,000.00	光伏材料	-	100	收購
4.4.1	安徽大華東方礦業有限公司 (安徽大華東方礦業有限公司)	中國, 安徽	50,000,000.00	礦業	-	100	收購
4.4.2	安徽三力礦業有限責任公司 (安徽三力礦業有限責任公司)	中國, 安徽	170,000,000.00	礦業	-	100	收購
4.4.3	昭通福萊特硅業有限公司 (昭通福萊特硅業有限公司)	中國, 雲南	10,000,000.00	硅業	-	100	收購

* 該公司為外商投資企業

Notes to the Financial Statements

31 December 2023

Level	Name of subsidiary	Place of incorporation and business	Particulars of issued and capital	Nature of business	Shareholding and voting rights percentage as at 31 December 2023 (%)		Acquisition method
					Direct	Indirect	
5	() *	()	10,000,000.00		100		
5.1.1	()						
5.1	() L		1,752,800,000.00			100	
5.1.1	() X 0.4 L * () () 進出口貿易有限公司 ()	() L * () / ()	2,286,500,000.00	() 0.9703130 () 2 09900 5507 0	614.098 -1.25 () / 05 () 0.0	1.025 0	2790



(V) INTERESTS IN OTHER ENTITIES (continued)

1. Interests in Subsidiaries (continued)

The composition of the corporate group (continued)

Level	Name of subsidiary	Place of incorporation and business	Particulars of issued and capital	Nature of business	Shareholding and voting rights percentage as at 31 December 2023 (%)		Acquisition method
					Direct	Indirect	
13	嘉興崑崙福萊特能源管理有限公司 (嘉興福萊特能源管理有限公司) (L)		10,000,000.00		100		
14	福焱光能有限公司 (L)		100,000,000.00	&	100		
15	福萊特(廣西)光能有限公司 (L)		100,000,000.00		100		
16	福萊特光能有限公司 (L)		100,000,000.00		100		
17	浙江福萊泰新能源有限公司 (L)		400,000,000.00		82		
18	福萊特(宜賓)光能有限公司 (L)		100,000,000.00		100		
19			10,000.00		100		
19.1			1,200,000,000,000.00			100	

Notes to the Financial Statements

31 December 2023

(V) INTERESTS IN OTHER ENTITIES (continued)

2. Interest in associates

Name of associate	Principal place of business	Place of registration	Nature of business	Shareholding and voting rights percentage as at 31 December 2023 (%)	Accounting treatment method for investment in associates
嘉興凱鴻福萊特供應鏈管理有限公司 (嘉興凱鴻福萊特供應鏈管理有限公司)	China	China	Supply chain management	40.00	Equity method
凱鴻福萊特物流(越南)有限公司	Vietnam	Vietnam	Logistics	40.00	Equity method
鳳陽中石油崑崙燃氣有限公司	China	China	Natural gas supply	35.00	Equity method
嘉興市燃氣集團股份有限公司	China	China	Natural gas supply	4.53	Equity method
福萊特(嘉興)能源供應鏈有限公司	China	China	Energy supply chain management	45.00	Equity method

The company holds 20% of the equity of the following associate:

嘉興市燃氣集團股份有限公司 (嘉興市燃氣集團股份有限公司) is an associate of the company. The company holds 4.53% of the equity of the associate. The associate is engaged in the business of natural gas supply.

(1) Financial information summary of insignificant associate

Items	Amount incurred in the current year
Accounts receivable	100,912,760.44
Accounts payable	18,159,670.48
	18,159,670.48

(V) INTERESTS IN OTHER ENTITIES (Continued)

2. Interest in associates (Continued)

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

(3) Contingent liabilities relating to investment of associates

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash at Bank and on Hand

Items	Foreign currency amount	Closing balance	
		Conversion rate	RMB amount
Bank deposits:			
in RMB	-	-	18,273.37
in foreign currencies:			
US dollars	-	-	4,347,395,440.49
Euro	129,575,229.60	7.0827	917,742,478.66
Hong Kong dollars	3,772,519.23	7.8592	29,648,983.12
New Taiwan dollars	93,417,444.00	0.0502	4,690,770.29
Singapore dollars	190,112,564.44	0.9062	172,283,808.15
Australian dollars	273,376.91	4.8484	1,325,440.61
Other currencies	3,870.78	9.0411	34,996.11
Total	21,010,820,978.00	0.0003	6,176,108.80
Accounts receivable:			
in RMB	-	-	993,716,464.00
in foreign currencies:			
US dollars	20,240,149.04	7.0827	143,354,903.60
New Taiwan dollars	12.00	0.0502	0.60
Other currencies	-	-	6,616,387,667.80
Total	-	-	606,208,121.01

Notes to the Financial Statements

31 March 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. Cash at Bank and on Hand (continued)

Items	31 March 2023		31 March 2022	
	US\$ million	US\$ million	US\$ million	US\$ million
Cash at bank:				
Cash at hand				15,002.78
Cash at bank:				
Cash at bank				1,755,052,715.09
Cash at bank in foreign currencies	76,968,626.29	6.9646	536,055,694.66	
Cash at bank in US dollar	1,725,926.87	7.4229	12,811,382.56	
Cash at bank in Hong Kong dollar	94,343,718.00	0.0524	4,939,648.39	
Cash at bank in Renminbi	3,751,682.89	0.8933	3,351,265.77	
Cash at bank in Japanese Yen	282,743.53	4.7138	1,332,796.45	
Cash at bank in Euro	3,911.63	8.3941	32,834.61	
Cash at bank in other currencies	18,296,321,438.00	0.0003	5,490,124.20	
Cash at bank in foreign currencies				493,001,484.64
Cash at bank in US dollar	17,240,027.34	6.9646	120,069,894.41	
Cash at bank in Hong Kong dollar	12.00	0.0524	0.63	
Cash at bank in Renminbi			2,932,152,844.19	
Cash at bank in Japanese Yen			347,456,029.61	
Cash at bank in Euro				
Cash at bank in other currencies				

US\$ million:

At 31 March 2023, cash at bank in foreign currencies, including cash at bank in Hong Kong dollar, amounted to US\$1,137,071,368.20 (at 31 March 2022: US\$613,071,379.68), of which US\$18,296,321,438.00 (at 31 March 2022: US\$18,296,321,438.00) was held in the US dollar, US\$94,343,718.00 (at 31 March 2022: US\$4,939,648.39) was held in the Hong Kong dollar, US\$3,751,682.89 (at 31 March 2022: US\$3,351,265.77) was held in the Renminbi, US\$282,743.53 (at 31 March 2022: US\$1,332,796.45) was held in the Japanese Yen, US\$3,911.63 (at 31 March 2022: US\$32,834.61) was held in the Euro and US\$17,240,027.34 (at 31 March 2022: US\$120,069,894.41) was held in other currencies.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Trading Financial Assets

Items	Closing balance	2023
Financial assets held for trading:		
Mark-to-market investments	230,000,000.00	2,000,000.00
Total	230,000,000.00	2,000,000.00

3. Derivative Financial Assets

Items	Closing balance	2023
Derivative financial assets held for trading:		
Interest rate derivatives (asset)	623,194.84	-
Interest rate derivatives (liability)	5,207.84	-
Total	617,987.00	-
Total	623,194.84	-

Interest rate derivatives are used to hedge the interest rate risk of the Group's financial assets and liabilities. The Group uses interest rate swaps to hedge its interest rate risk.

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Bills Receivable

(1) Bills receivable by category

Items	Closing balance	2022/12/31
Bank bills receivable	937,437,522.65	1,860,198,827.10
Commercial bills receivable	667,735,006.24	657,120,162.09
Long-term bills receivable	11,752,136.11	11,565,314.85
	1,593,420,392.78	2,505,753,674.34

(2) At the end of the year, the Group had no bills receivable pledged.

(3) Bills receivable that have been endorsed or discounted by the Group at the end of the year but not yet due at the balance sheet date

Items	Amounts not derecognised at the end of the year	2022/12/31
Bank bills receivable	685,238,801.08	1,528,577,368.17
Commercial bills receivable	3,000,000.00	67,350,831.00
Long-term bills receivable	164,990,331.03	153,232,171.23
	853,229,132.11	1,749,160,370.40

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

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Bills Receivable (continued)

(5) Disclosed by classification of bad debt provision method

Classification	Closing balance		Bad debt provision		Book value
	Book balance Amount	Percentage (%)	Amount	Percentage (%)	
Trade receivables	937,437,522.65	58.40	-	-	937,437,522.65
Others	667,735,006.24	41.60	11,752,136.11	1.76	655,982,870.13
Total	1,605,172,528.89	100.00	11,752,136.11	0.73	1,593,420,392.78

Classification	Closing balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Percentage (%)	
Trade receivables	1,860,198,827.10	73.90	-	-	1,860,198,827.10
Others	657,120,162.09	26.10	11,565,314.85	1.76	645,554,847.24
Total	2,517,318,989.19	100.00	11,565,314.85	0.46	2,505,753,674.34

Notes to the Financial Statements

31 March 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Bills Receivable (continued)

(5) Disclosed by classification of bad debt provision method (continued)

Information disclosed by classification of bad debt provision method is as follows:

(Continued)

Bill# 0.025 T6-0

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade Receivables

(1) Disclosed by ageing:

The following table shows the ageing analysis of trade receivables as at 31 December 2023:

Ageing	Closing balance			2023		Accrual percentage (%)
	Trade receivables	Bad debt provision	Accrual percentage (%)	2023	2022	
Up to 1 month	3,748,679,371.19	73,947,512.75	1.97	2,862,429,426.07	54,442,224.40	1.90
1-2 months	72,039,300.12	61,251,586.09	85.03	19,284,453.21	16,181,584.69	83.91
2-3 months	13,488,437.14	13,488,437.14	100.00	6,574,232.05	6,574,232.05	100.00
Over 3 months	12,132,062.67	12,132,062.67	100.00	6,822,107.31	6,822,107.31	100.00
	3,846,339,171.12	160,819,598.65	4.18	2,895,110,218.64	84,020,148.45	2.90

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Trade Receivables (continued)

(2) Disclosed by classification of bad debt provision method:

The following table shows the classification of trade receivables and the corresponding bad debt provision method used for each classification. The amounts are in million Turkish Liras (TL). The amounts are as at 31 December 2023.

Classification	Amount (TL)
Trade receivables from related parties	1,234,567
Trade receivables from unrelated parties	8,765,432
Total	9,999,999

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade Receivables (CONTINUED)

(2) Disclosed by classification of bad debt provision method: (CONTINUED)

Credit risk rating	2023	2022	2021	2020	2019
Normal					
L	1.76%	1.76%	1.76%	1.76%	
L	2,831,075,517.95				2,831,075,517.95
L	49,826,929.12				49,826,929.12
Concerned					
L	14.72%	83.91%	100.00%	100.00%	
L	31,353,908.12	19,284,453.21	6,570,314.71		57,208,676.04
L	4,615,295.28	16,181,584.69	6,570,314.71		27,367,194.68
Loss					
L	100.00%	100.00%	100.00%	100.00%	
L			3,917.34	6,822,107.31	6,826,024.65
L			3,917.34	6,822,107.31	6,826,024.65
Total					
L					
L	2,862,429,426.07	19,284,453.21	6,574,232.05	6,822,107.31	2,895,110,218.64
L	54,442,224.40	16,181,584.69	6,574,232.05	6,822,107.31	84,020,148.45
L	2,807,987,201.67	3,102,868.52			2,811,090,070.19

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade Receivables (continued)

(3) Changes in credit loss provision of trade receivables

Credit loss provision	Lifetime ECL
At January 1, 2023	84,020,148.45
Changes during the period:	
Provision for credit losses	77,626,284.27
Reversal of provision for credit losses (Credit loss provision reversal)	<u>(826,834.07)</u>
At December 31, 2023	<u>160,819,598.65</u>

(4) Accounts receivable actually written off this year

Item	Amounts written off
Accounts receivable actually written off	<u>826,834.07</u>

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

At December 31, 2023, the closing balances of the top five trade receivables were RMB2,344,969,332.34 (percentage of total trade receivables: 1,494,010,210.89), which accounted for 60.97% (percentage of total trade receivables: 51.60%).	42,748,553.38 (percentage of total trade receivables: 26,294,579.71).
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(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Financing receivables

Item	Closing balance	2023/12/31
... k	2,006,375,691.99	784,825,969.52

At the end of the reporting period, the Group's financing receivables, including receivables from related parties, are primarily denominated in RMB. The Group's financing receivables are primarily denominated in RMB. The Group's financing receivables are primarily denominated in RMB.

At the end of the reporting period, the Group's financing receivables are primarily denominated in RMB. The Group's financing receivables are primarily denominated in RMB.

(1) Changes in fair value

Items	Closing balance	2023/12/31
...	2,020,283,851.74	787,941,237.18
...	2,006,375,691.99	784,825,969.52
...	(13,908,159.75)	(3,115,267.66)

(2) Bank acceptance bills pledged by the Group at the end of the year

Item	Pledged amount at the end of the year
... k	80,199,303.43

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Financing receivables (Continued)

- (3) *Bank acceptance bills that have been endorsed or discounted by the Group at the end of the year but not yet due at the balance sheet date*

Items	Amounts not derecognised at the end of the year	Amount in RMB
Bank acceptance bills	2,737,959,688.62	1,645,773,499.45
Bank bills	1,241,397,240.00	59,072,317.90
Total	3,979,356,928.62	1,704,845,817.35

7. Advance Payments

- (1) *The ageing analysis of advance payments is as follows:*

Ageing	Closing balance		Amount in RMB (%)	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	331,276,788.97	98.98	575,591,541.78	99.58
1-2 years	2,106,604.08	0.63	2,234,361.28	0.39
2-3 years	1,234,065.11	0.37	164,078.13	0.03
Over 3 years	61,689.20	0.02	22,675.04	0.00
Total	334,679,147.36	100.00	578,012,656.23	100.00

As at 31 December 2023, the closing balance of advance payments is RMB334,679,147.36 (RMB578,012,656.23 as at 31 December 2022), of which RMB269,385,857.12 (RMB446,777,293.27 as at 31 December 2022) is due within one year.

- (2) *Details of top five advance payments with the closing balances classified by the payees:*

As at 31 December 2023, the closing balance of advance payments is RMB269,385,857.12 (RMB446,777,293.27 as at 31 December 2022), of which the top five payees account for RMB188,800,000.00 (RMB300,000,000.00 as at 31 December 2022), or 80.49% (77.30% as at 31 December 2022).

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Other Receivables

Items	Closing balance	in thousands
Trade receivables	110,981,841.18	101,299,773.96
Other receivables	110,981,841.18	101,299,773.96

(1) Disclosed by ageing

Ageing	Closing balance			in thousands	in thousands	Percentage (%)
	Trade receivables	Bad debt provision	Accrual Percentage (%)			
1 year or less	60,212,836.41	-	-	49,802,068.11	49.80	49.80
1-2 years	49,345,940.45	-	-	30,939,205.44	30.94	30.94
2-3 years	871,523.00	-	-	20,084,800.79	20.08	20.08
3 years or more	551,541.32	-	-	473,699.62	47.37	47.37
Total	110,981,841.18	-	-	101,299,773.96	101.29	101.29

(2) Other receivables listed by classification by nature

Nature	Closing book balance	in thousands
Accounts receivable	74,043,731.73	41,007,881.73
Accounts payable	11,692,572.37	51,773,000.07
Prepaid expenses	687,926.46	489,823.06
Other receivables	24,557,610.62	8,029,069.10
Total	110,981,841.18	101,299,773.96

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Other Receivables (Continued)

(3) Impairment of other receivables

At the end of the reporting period, the carrying amount of other receivables less impairment provision is RMB1,000,000 thousand (2022: RMB1,000,000 thousand).

(4) Other receivables had been actually written-off during the period

During the reporting period, other receivables written-off were RMB0 thousand.

(5) Details of top five other receivables with the closing balances classified by other receivables

Name	Nature	Closing balance	Ageing	Percentage of the other receivables (%)	Closing balance of credit loss provision
鳳陽新奧燃氣有限公司*	Other receivables	40,000,000.00	1, 1-2	36.04	0
滁州中石油崑崙燃氣有限公司*	Other receivables	32,000,000.00	1, 1-2	28.83	0
嘉興市洪運新農村投資開發建設有限公司*	Other receivables	16,505,159.30	1	14.87	0
武宣寶鑫礦業有限公司*	Other receivables	5,000,000.00	1	4.51	0
△ △	Other receivables	4,938,653.39	1, 1-2	4.45	0
		98,443,812.69		88.70	0

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Inventories

(1) Inventories category

Items	Closing balance		
	Book balance	Impairment provision	Book value
Raw materials	750,570,063.81	–	750,570,063.81
Work-in-progress	310,945,728.73	23,185,881.04	287,759,847.69
Finished goods	127,411,955.37	–	127,411,955.37
Low value consumables	850,297,206.39	14,599,617.18	835,697,589.21
Total	2,039,224,954.30	37,785,498.22	2,001,439,456.08
	RMB million	RMB million	RMB million
Raw materials	752,813,726.43	–	752,813,726.43
Work-in-progress	339,605,709.34	4,335,685.03	335,270,024.31
Finished goods	107,466,234.14	–	107,466,234.14
Low value consumables	1,207,160,700.87	6,393,721.15	1,200,766,979.72
Total	2,407,046,370.78	10,729,406.18	2,396,316,964.60

(2) Inventory impairment provision

Items	Closing balance			
	Raw materials	Work-in-progress	Finished goods	Low value consumables
Raw materials	6,393,721.15	12,099,553.20	3,893,657.17	–
Work-in-progress	4,335,685.03	22,195,162.88	–	3,344,966.87
Finished goods	–	–	–	–
Low value consumables	10,729,406.18	34,294,716.08	3,893,657.17	3,344,966.87
Total				

Notes to the Financial Statements

31 March 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Other Current Assets

Items	Closing balance	2022
Prepaid expenses	54,856,463.09	119,919,962.44
Prepaid insurance	196,499,526.00	105,856,295.24
Prepaid maintenance	1,775,947.64	1,845,853.95
Prepaid interest	412,844.04	412,844.04
Others	-	6,698,700.97
	253,544,780.77	234,733,656.64

11. Long-term Equity Investments

Invested unit	2022		2023		Closing balance
	Cost	Impairment	Cost	Impairment	
Investment in subsidiaries					
FLAT GLASS GROUP CO., LTD.	13,199,229.86	-	13,199,229.86	6,763,400.00	19,962,629.86
FLAT GLASS GROUP CO., LTD.	10,500,000.00	-	10,500,000.00	-	10,500,000.00
FLAT GLASS GROUP CO., LTD. ()2	54,553,860.10	-	54,553,860.10	11,396,270.48	65,950,130.58
Others	4,500,000.00	-	4,500,000.00	-	4,500,000.00
			82,753,089.96	18,159,670.48	100,912,760.44

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Investment Properties

Investment properties with cost measurement model

Items	House and buildings	Land use rights	Total
I. Book value			
1. <i>Investment properties</i>	27,486,623.54	7,525,892.36	35,012,515.90
2. <i>Investment properties under construction</i>	511,823,829.42	-	511,823,829.42
(1) <i>Investment properties</i>	499,100,342.42	-	499,100,342.42

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

13. Fixed Assets

(1) Fixed assets

Items	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
I. Book value					
1. Buildings	3,896,178,948.73	9,780,651,979.13	148,824,126.08	67,862,932.51	13,893,517,986.45
2. ▲ Intangible assets	1,434,937,189.55	3,615,385,929.43	15,736,260.19	95,943,114.34	5,162,002,493.51
(1) Intangible assets	240,233,823.45	2,139,833,736.39	14,736,769.02	14,204,616.15	2,409,008,945.01
(2) Intangible assets	1,194,703,366.10	1,417,323,515.73	999,491.17	81,738,498.19	2,694,764,871.19
(3) Intangible assets	-	58,228,677.31	-	-	58,228,677.31
3. ▲ Intangible assets	(12,723,487.00)	(28,213,679.01)	(1,804,115.63)	(1,726,327.32)	(44,467,608.96)
(1) Intangible assets	-	(28,213,679.01)	(1,804,115.63)	(1,726,327.32)	(31,744,121.96)
(2) Intangible assets	(12,723,487.00)	-	-	-	(12,723,487.00)
4. Intangible assets	(7,625,619.75)	(11,390,947.71)	(169,379.33)	(47,499.53)	(19,233,446.32)
5. Intangible assets	5,310,767,031.53	13,356,433,281.84	162,586,891.31	162,032,220.00	18,991,819,424.68
II. Accumulated depreciation					
1. Buildings	558,790,986.80	1,979,079,181.85	65,562,757.65	44,633,007.85	2,648,065,934.15
2. ▲ Intangible assets	222,251,498.49	952,756,085.56	24,783,025.75	15,002,473.24	1,214,793,083.04
(1) Intangible assets	222,251,498.49	952,653,439.65	24,783,025.75	15,002,473.24	1,214,690,437.13
(2) Intangible assets	-	102,645.91	-	-	102,645.91
3. ▲ Intangible assets	(3,556,892.05)	(19,472,033.19)	(1,709,477.78)	(111,523.63)	(24,849,926.65)
(1) Intangible assets	-	(19,472,033.19)	(1,709,477.78)	(111,523.63)	(21,293,034.60)
(2) Intangible assets	(3,556,892.05)	-	-	-	(3,556,892.05)
4. Intangible assets	(493,942.95)	(1,556,807.15)	(36,074.48)	(9,692.49)	(2,096,517.07)
5. Intangible assets	776,991,650.29	2,910,806,427.07	88,600,231.14	59,514,264.97	3,835,912,573.47
III. Impairment provision					
1. Buildings	-	19,129,845.49	275,923.26	81,225.47	19,486,994.22
2. ▲ Intangible assets	-	21,819,919.36	6,859.95	60,844.41	21,887,623.72
(1) Intangible assets	-	21,819,919.36	6,859.95	60,844.41	21,887,623.72
3. ▲ Intangible assets	-	(373,643.93)	-	-	(373,643.93)
(1) Intangible assets	-	(373,643.93)	-	-	(373,643.93)
4. Intangible assets	-	40,576,120.92	282,783.21	142,069.88	41,000,974.01
IV. Book value					
1. Buildings	4,533,775,381.24	10,405,050,733.85	73,703,876.96	102,375,885.15	15,114,905,877.20
2. ▲ Intangible assets	3,337,387,961.93	7,782,442,951.79	82,985,445.17	23,148,699.19	

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Fixed Assets (Continued)

(2) At the end of the year, the Group's temporarily idle fixed assets

Items	Book value	Accumulated depreciation	Impairment provision	Net book value
Construction in progress	82,917,449.49	42,243,109.03	40,111,760.69	562,579.77
Investment properties	4,828,983.58	4,239,881.42	589,040.52	61.64
Total	87,746,433.07	46,482,990.45	40,700,801.21	562,641.41

At the end of the reporting period, the Group's temporarily idle fixed assets were mainly construction in progress of the Group's subsidiaries, which were temporarily idle due to the impact of the COVID-19 pandemic. The Group's temporarily idle fixed assets were not impaired at the end of the reporting period.

(3) At the beginning and the end of the year, no fixed asset was held under finance lease.

(4) At the beginning and the end of the year, no fixed asset was leased to others under operating leases.

(5) At the end of year, the Group had no fixed asset without property right certificate.

Items	Book value	Reasons for failing to complete the title certificate
Investment properties	1,430,201,718.20	Investment properties owned by the Group's subsidiaries, which are temporarily idle due to the impact of the COVID-19 pandemic.
Construction in progress	506,228,709.86	Construction in progress of the Group's subsidiaries, which are temporarily idle due to the impact of the COVID-19 pandemic.
Total	1,936,430,428.06	

Notes to the Financial Statements


31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)









14. Construction in progress

(1) Listed by category

Items	Closing balance	2022
Construction in progress	1,615,861,970.66	1,557,815,302.02
Construction in progress	140,131,836.72	316,539,291.72
Total	1,755,993,807.38	1,874,354,593.74

 Construction in progress, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB107,331,643.75 (2022: RMB93,287,049.55) as at 31 December 2023.

(2) Construction in progress

Items	Book balance	Closing balance Impairment provision	Net book amount
 Construction in progress of completed projects, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB1,500,000 (2022: RMB1,500,000) as at 31 December 2023.	877,959,319.88	-	877,959,319.88
 Construction in progress of completed projects, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB1,500,000 (2022: RMB1,500,000) as at 31 December 2023.	336,887,555.34	-	336,887,555.34
 Construction in progress of completed projects, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB1,500,000 (2022: RMB1,500,000) as at 31 December 2023.	104,100,829.17	-	104,100,829.17
 Construction in progress of completed projects, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB1,500,000 (2022: RMB1,500,000) as at 31 December 2023.	79,196,956.04	-	79,196,956.04
 Construction in progress of completed projects, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB1,500,000 (2022: RMB1,500,000) as at 31 December 2023.	70,971,574.05	-	70,971,574.05
 Construction in progress of completed projects, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB1,500,000 (2022: RMB1,500,000) as at 31 December 2023.	44,634,635.03	-	44,634,635.03
 Construction in progress of completed projects, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB1,500,000 (2022: RMB1,500,000) as at 31 December 2023.	834,976.86	-	834,976.86
 Construction in progress of completed projects, including construction in progress of completed projects, is measured at cost less impairment. The carrying amount of construction in progress is RMB1,500,000 (2022: RMB1,500,000) as at 31 December 2023.	101,276,124.29	-	101,276,124.29
Total	1,615,861,970.66	-	1,615,861,970.66

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Construction in progress (continued)

(2) Construction in progress (continued)

Construction in progress (continued)

Items	2023 k	2022 k
Construction in progress	987,546,485.03	987,546,485.03
Construction in progress	110,266,906.15	110,266,906.15
Construction in progress	96,581,900.45	96,581,900.45
Construction in progress	92,870,989.95	92,870,989.95
220 Construction in progress	71,081,387.73	71,081,387.73
Construction in progress	58,026,533.79	58,026,533.79
Construction in progress	18,701,303.99	18,701,303.99
Construction in progress	17,341,295.01	17,341,295.01
Construction in progress	1,363,391.08	1,363,391.08
Construction in progress	1,163,431.12	1,163,431.12
28 Construction in progress	822,481.57	822,481.57
Construction in progress	66,700.90	66,700.90
Construction in progress	101,982,495.25	101,982,495.25
	<u>1,557,815,302.02</u>	<u>1,557,815,302.02</u>

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

14. Construction in progress (Continued)

(2) Construction in progress (Continued)

Refer to Note 14(1) for the description of the construction in progress.

Project name	Budget	Opening amount	Amount increased in the year	Transfer Amount into fixed assets in the year	Closing balance	Project cumulative investment accounted for the proportion of the budget	Project progress	Accumulated amount of interest capitalisation	Including: the amount of interest capitalisation in the year	Capitalisation rate of interest in the year (%)	Sources of funds
▲ Construction of the new office building in Beijing	1,950,000	4,349,335,600.00	987,546,485.03	1,007,599,984.56	1,994,311,492.73	834,976.86	95.53%	3,600,000.00	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	1,500,000	3,752,960,000.00	110,266,906.15	767,692,413.73	877,959,319.88	-	23.40%	-	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	-	338,105,800.00	96,581,900.45	240,305,654.89	336,887,555.34	-	99.64%	-	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	-	129,698,000.00	92,870,989.95	48,642,594.75	139,545,225.54	-	109.11%	-	-	0.00%	Government grants / Government grants
220 Construction of the new office building in Beijing	-	183,961,800.00	71,081,387.73	64,918,331.28	135,999,719.01	-	100.23%	-	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	1,152	101,753,200.00	58,026,533.79	41,825,438.28	98,772,743.05	1,079,229.02	98.13%	-	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	750,000	1,751,683,600.00	17,341,295.01	2,766,248.84	20,107,543.85	-	75.59%	16,910,810.53	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	-	120,000,000.00	18,602,073.80	60,594,882.24	79,196,956.04	-	66.00%	-	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	1,500,000	3,885,000,000.00	835,134.64	103,265,694.53	104,100,829.17	-	2.60%	-	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	-	1,000,000,000.00	-	70,971,574.05	70,971,574.05	-	7.10%	-	-	0.00%	Government grants / Government grants
▲ Construction of the new office building in Beijing	-	660,000,000.00	-	44,634,635.03	44,634,635.03	-	6.76%	-	-	0.00%	Government grants / Government grants
	16,272,498,000.00	1,453,152,706.55	2,453,217,452.18	2,388,736,724.18	1,517,633,434.55	-	-	20,510,810.53	-	0.00%	Government grants / Government grants

Refer to Note 14(1) for the description of the construction in progress.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

14. Construction in progress (Continued)

(3) Engineering materials

Items	Closing balance	2023
Construction materials	88,812,722.98	158,426,728.34
Construction materials	32,844,103.23	76,915,929.93
Construction materials	1,254,566.02	32,257,057.26
Construction materials	1,251,181.86	945,464.61
Construction materials	15,969,262.63	47,994,111.58
	140,131,836.72	316,539,291.72

15. Right-of-use Assets

Items	Land	Roof	Total
I. Book value			
1. Construction materials	221,532,156.28	-	221,532,156.28
2. Construction materials	27,456,381.63	566,569,651.21	594,026,032.84
(1) Construction materials	27,456,381.63	566,569,651.21	594,026,032.84
3. Construction materials	-	-	-
4. Construction materials	(2,123,034.29)	-	(2,123,034.29)
4. Construction materials	246,865,503.62	566,569,651.21	813,435,154.83
II. Accumulated depreciation			
1. Construction materials	27,338,147.65	-	27,338,147.65
2. Construction materials	5,734,117.62	7,416,889.22	13,151,006.84
(1) Construction materials	5,734,117.62	7,416,889.22	13,151,006.84
3. Construction materials	-	-	-
4. Construction materials	(49,833.00)	-	(49,833.00)
4. Construction materials	33,022,432.27	7,416,889.22	40,439,321.49
III. Book value			
1. Construction materials	213,843,071.35	559,152,761.99	772,995,833.34
2. Construction materials	194,194,008.63	-	194,194,008.63

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. Right-of-use Assets (Continued)

As at 31 December:

Land use right, emission rights, mining rights, energy use rights, software, sea area use rights, and other intangible assets, with carrying amount of 29,420,000,000.00 (2022: 25,300,000,000.00).

Land use right, emission rights, mining rights, energy use rights, software, sea area use rights, and other intangible assets, with carrying amount of 21,532,230.38 (2022: 13,971,345.55).

Land use right, emission rights, mining rights, energy use rights, software, sea area use rights, and other intangible assets, with carrying amount of 59,296,594.16 (2022: 14,662,303.22).

16. Intangible Assets

Items	Land use right	Emission rights (Note 1)	Mining rights (Note 2)	Energy use rights (Note 3)	Software	Sea area use rights (Note 4)	Total
I. Book value							
1. Land use right	625,558,930.68	63,999,020.73	3,724,688,156.82	144,731,091.46	7,603,045.14	-	4,566,580,244.83
2. Emission rights	-	-	-	-	-	-	-
3. Mining rights	30,789,524.04	-	-	-	804,014.68	56,684,220.00	88,277,758.72
(1) Land use right	30,789,524.04	-	-	-	804,014.68	56,684,220.00	88,277,758.72
3. Energy use rights	656,348,454.72	63,999,020.73	3,724,688,156.82	144,731,091.46	8,407,059.82	56,684,220.00	4,654,858,003.55
II. Accumulated amortisation							
1. Land use right	77,986,940.34	35,686,669.97	664,978,578.82	-	4,272,032.05	-	782,924,221.18
2. Emission rights	-	-	-	-	-	-	-
3. Mining rights	12,950,393.29	7,914,285.12	570,189,025.01	-	846,459.92	472,368.50	592,372,531.84
(1) Land use right	12,950,393.29	7,914,285.12	570,189,025.01	-	846,459.92	472,368.50	592,372,531.84
3. Energy use rights	90,937,333.63	43,600,955.09	1,235,167,603.83	-	5,118,491.97	472,368.50	1,375,296,753.02
III. Book value							
1. Land use right	565,411,121.09	20,398,065.64	2,489,520,552.99	144,731,091.46	3,288,567.85	56,211,851.50	3,279,561,250.53
2. Emission rights	547,571,990.34	28,312,350.76	3,059,709,578.00	144,731,091.46	3,331,013.09	-	3,783,656,023.65

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

16. Intangible Assets (Continued)

As of December 31, 2023, the carrying amount of intangible assets is 456,694,315.25 (December 31, 2022: 367,362,534.63) as follows:

- 1: Intangible assets that are not subject to amortization, including trademarks, patents, software, etc.
- 2: Intangible assets that are subject to amortization, including trademarks, patents, software, etc.
- 3: Intangible assets that are not subject to amortization, including trademarks, patents, software, etc.
- 4: Intangible assets that are subject to amortization, including trademarks, patents, software, etc.

17. Long-term deferred expenses

Items	December 31, 2023			Closing balance
	Original amount	Accumulated amortization	Accumulated impairment	
Patents		41,818,059.88	4,686,765.17	37,131,294.71
Software	15,689,934.37	34,775,397.40	6,880,763.85	43,584,567.92
Total	15,689,934.37	76,593,457.28	11,567,529.02	80,715,862.63

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

18. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred income tax assets before offsetting

Items	Closing balance		2023	
	Deductible temporary difference	Deferred income tax assets	December 31	December 31
Income tax assets	78,786,472.23	11,833,314.14	30,216,400.40	4,547,803.38
Income tax assets	167,762,204.34	31,694,549.31	90,086,104.15	14,073,127.95
Income tax assets	56,476,018.31	8,900,731.30	58,535,568.54	9,252,441.34
Income tax assets	40,568,327.36	6,085,249.10	36,780,257.43	5,517,038.61
Income tax assets	5,892,794.35	883,919.15	11,606,023.50	1,740,903.53
Income tax assets	782,262,480.40	195,565,620.10	351,841,997.49	87,960,499.37
Income tax assets	561,290,763.27	140,322,690.82	-	-
Income tax assets	787,260,839.79	120,032,521.43	2,356,327,466.09	353,554,852.31
Income tax assets	1,756,309.49	267,478.09	1,765,968.98	291,384.88
Total	2,482,056,209.54	515,586,073.44	2,937,159,786.58	476,938,051.37

(2) Deferred tax liabilities before offsetting

Items	Closing balance		2023	
	Taxable temporary differences	Deferred tax liabilities	December 31	December 31
Income tax liabilities	10,121,075.86	1,518,161.38	11,319,781.23	1,697,967.18
Income tax liabilities	3,662,093,275.89	549,313,991.38	3,323,385,466.37	498,507,819.96
Income tax liabilities	559,152,761.99	139,788,190.50	-	-
Income tax liabilities	43,777,025.66	6,566,553.85	51,396,351.71	7,709,452.75
Income tax liabilities	623,194.84	93,557.34	-	-
Total	4,275,767,334.24	697,280,454.45	3,386,101,599.31	507,915,239.89

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Deferred Income Tax Assets/Deferred Income Tax Liabilities (CONTINUED)

(3) The net balances of deferred income tax assets or liabilities after offsetting

Items	Closing balance		2023	
	Offset amount of deferred income tax assets and liabilities at the end of the period	Deferred income tax assets or liabilities after offsetting	12/31	6/30
Deferred income tax assets	295,880,812.41	219,705,261.03	384,382,813.61	92,555,237.76
Deferred income tax liabilities	295,880,812.41	401,399,642.04	384,382,813.61	123,532,426.28

(4) Deductible losses and other temporary difference of unrecognised deferred income tax asset Items:

Items	Closing balance	2023
Unrealised foreign exchange losses	20,139,886.09	20,602,437.95
Unrealised gains on financial assets	7,038,669.37	6,580,096.24
Others	27,178,555.46	27,182,534.19

The unrecognised deferred income tax assets are mainly due to the fact that the company's taxable income is insufficient to offset the deductible losses and other temporary differences.

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. Deferred Income Tax Assets/Deferred Income Tax Liabilities (continued)

(5) *The deductible losses of unrecognised deferred income tax assets will expire in the following years:*

	Closing balance

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

20. Short-term Borrowings

	Closing balance	2023
Bank borrowings (RMB)	404,000,000.00	2,125,915,900.00
Bank borrowings (USD)	725,127,400.00	10,000,000.00
Bank borrowings (RMB) and bank borrowings (USD)	225,000,000.00	1,000,000.00
Accounts payable	356,240,500.00	548,855,177.00
Short-term financing lease liabilities	167,990,331.03	220,583,002.23
Other borrowings (RMB)	35,413,500.00	200,000,000.00
	1,913,771,731.03	3,095,354,079.23

As of December 31, 2023, the carrying amount of short-term borrowings is RMB1,913,771,731.03 (2022: RMB3,095,354,079.23), of which RMB1,913,771,731.03 (2022: RMB3,095,354,079.23) is denominated in RMB and RMB0 (2022: RMB0) is denominated in USD.

As of December 31, 2023, the carrying amount of short-term financing lease liabilities is RMB167,990,331.03 (2022: RMB220,583,002.23). The weighted average interest rate of short-term financing lease liabilities is 2.15% to 6.23% (2022: 0.79% to 4.70%).

21. Derivative financial liabilities

Items	Closing balance	2023
Forward exchange contracts	1,756,309.49	1,765,968.98
Forward exchange contracts (RMB)	-	120,410.62
Forward exchange contracts (USD)	1,467,183.00	-
Forward exchange contracts (RMB)	289,126.49	1,645,558.36
	1,756,309.49	1,765,968.98

As of December 31, 2023, the carrying amount of derivative financial liabilities is RMB1,756,309.49 (2022: RMB1,765,968.98), of which RMB1,756,309.49 (2022: RMB1,765,968.98) is denominated in RMB and RMB0 (2022: RMB0) is denominated in USD.

Notes to the Financial Statements

December 31, 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Bills Payables

Items	Closing balance	December 31, 2023
Bank bills payable	914,048,358.15	964,727,516.59
Total	914,048,358.15	964,727,516.59

23. Trade Payables

(1) Listing of trade payables:

Items	Closing balance	December 31, 2023
Accounts payable	2,068,611,497.98	2,530,380,248.71
Accounts payable - related companies	2,451,750,011.44	1,569,664,216.10
Total	4,520,361,509.42	4,100,044,464.81

(2) Ageing analysis of trade payables according to the posting date:

Items	Closing balance	December 31, 2023
1 year or less	4,305,978,438.00	3,936,658,210.32
1-2 years	135,303,998.22	118,245,621.47
2-3 years	50,463,474.94	34,081,184.42
over 3 years	28,615,598.26	11,059,448.60
Total	4,520,361,509.42	4,100,044,464.81

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Trade Payables (Continued)

(3) Significant trade payables with ageing over 1 year

	Closing balance	2023
Accounts payable	190,299,456.33	190,299,456.33
Accounts receivable	24,083,615.09	24,083,615.09
	214,383,071.42	214,383,071.42

24. Contract Liabilities

Listing of contract liabilities:

	Closing balance	2023
Accounts payable	129,107,796.79	115,048,763.64

(1) Accounts payable

Accounts payable are recognized when the related goods or services have been transferred to the customer and the customer is obligated to pay the consideration. Accounts payable are measured at the amount of consideration that is expected to be received in exchange for the goods or services. Accounts payable are classified as current liabilities if the company expects to settle the liability within 12 months after the reporting period. Accounts payable are classified as non-current liabilities if the company expects to settle the liability after 12 months after the reporting period.

As of December 31, 2023, the company's accounts payable are as follows:

25. Payroll Payable

(1) Listing of payroll payable

Items	2023	2022	2021	Closing balance
1. Salaries and wages	100,577,585.45	799,222,492.80	798,275,487.03	101,524,591.22
2. Social security and housing fund	2,220,115.77	69,430,349.26	67,835,077.52	3,815,387.51
	102,797,701.22	868,652,842.06	866,110,564.55	105,339,978.73

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

25. Payroll Payable (Continued)

(2) Listing of short-term remuneration

Items	31 December 2023	31 December 2022	31 December 2021	Closing balance
Short-term remuneration payable to employees	97,687,509.34	697,524,738.68	697,628,299.86	97,583,948.16
Short-term remuneration payable to directors	195,289.70	40,063,525.67	40,258,310.37	505.00
Short-term remuneration payable to supervisors	1,395,276.07	30,818,641.56	30,671,662.79	1,542,254.84
Short-term remuneration payable to other staff	1,118,723.39	26,408,191.91	26,184,584.24	1,342,331.06
Short-term remuneration payable to other staff - directors	223,678.86	3,913,714.92	3,937,677.60	199,716.18
Short-term remuneration payable to other staff - supervisors	52,873.82	496,734.73	549,400.95	207.60
Short-term remuneration payable to other staff - other staff	898,877.00	17,403,760.57	17,198,216.57	1,104,421.00
Long-term remuneration & bonus	400,633.34	13,411,826.32	12,518,997.44	1,293,462.22
Total	100,577,585.45	799,222,492.80	798,275,487.03	101,524,591.22

(3) Defined contribution plan

Items	31 December 2023	31 December 2022	31 December 2021	Closing balance
1. Defined contribution plan	2,153,016.84	67,280,139.76	65,739,996.86	3,693,159.74
2. Defined contribution plan	67,098.93	2,150,209.50	2,095,080.66	122,227.77
Total	2,220,115.77	69,430,349.26	67,835,077.52	3,815,387.51

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

25. Payroll Payable (Continued)

(3) Defined contribution plan (Continued)

The Company has established a defined contribution plan for its employees. The plan is a profit-sharing plan. The Company's contribution to the plan is based on the employee's salary. The contribution rate is 14.0% for employees with a salary of less than 100,000 yuan, 16.0% for employees with a salary of 100,000 to 200,000 yuan, and 17.0% for employees with a salary of more than 200,000 yuan. The employee's contribution rate is 0.5% for all employees. The Company's contribution to the plan is 67,280,139.76 yuan for the year ended December 31, 2023, and 2,150,209.50 yuan for the year ended December 31, 2022. The employee's contribution to the plan is 53,227,489.01 yuan for the year ended December 31, 2023, and 1,940,541.13 yuan for the year ended December 31, 2022. The Company's contribution to the plan is 16.0% for employees with a salary of 100,000 to 200,000 yuan, and 17.0% for employees with a salary of more than 200,000 yuan. The employee's contribution rate is 0.5% for all employees. The Company's contribution to the plan is 67,280,139.76 yuan for the year ended December 31, 2023, and 2,150,209.50 yuan for the year ended December 31, 2022. The employee's contribution to the plan is 53,227,489.01 yuan for the year ended December 31, 2023, and 1,940,541.13 yuan for the year ended December 31, 2022.

	December 31, 2023	December 31, 2022
Company's contribution	67,280,139.76	2,150,209.50
Employee's contribution	53,227,489.01	1,940,541.13
Total	120,507,628.77	4,090,750.63

26. Taxes Payable

Items	Closing balance	Beginning balance
Income tax payable	61,874,135.48	75,569,826.43
Corporate income tax payable	89,635,709.32	56,124,439.23
Individual income tax payable	12,282,897.97	24,882,030.58
City surcharge	13,600,531.04	7,906,954.03
Land use tax payable	6,073,864.23	7,725,486.36
Property tax payable	3,071,418.87	3,660,125.92
Education surcharge payable	2,662,134.55	3,335,827.14
Other taxes payable	990,312.15	1,005,832.53
Total	9,947,911.76	6,306,306.78
	200,138,915.37	186,516,829.00

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

27. Other Payables

Long-term:

Items	Closing balance	Beginning balance
Interest payable	30,801,288.06	16,887,442.02
Dividends payable	1,371,320.00	2,737,023.00
Other payables	102,636,299.84	635,866,393.10
	134,808,907.90	655,490,858.12

(1) Interest payable

Items	Closing balance	Beginning balance
Interest payable on bank loans	12,582,259.61	7,430,077.54
Interest payable on bank deposits	8,861,162.93	5,976,347.37
Interest payable on other financial assets	9,357,865.52	3,481,017.11
	30,801,288.06	16,887,442.02

(2) Dividends payables

Items	Closing balance	Beginning balance
Dividends payable	1,371,320.00	2,737,023.00
	1,371,320.00	2,737,023.00

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

27. Other Payables (Continued)

(3) Other payables

Classification	Closing balance	2022, January 1
Accounts payable (Note 1)	–	520,947,600.00
Accounts receivable	66,164,706.34	66,240,106.34
Prepaid expenses and other receivables (Note 2)	16,068,482.50	23,806,600.00
Other receivables	13,375,290.82	16,663,676.42
Other payables	7,027,820.18	8,208,410.34
	102,636,299.84	635,866,393.10

As of January 1, 2022, the closing balance of other payables is 635,866,393.10 thousand RMB, of which 520,947,600.00 thousand RMB is accounts payable, 66,240,106.34 thousand RMB is accounts receivable, 23,806,600.00 thousand RMB is prepaid expenses and other receivables, 16,663,676.42 thousand RMB is other receivables, and 8,208,410.34 thousand RMB is other payables.

1: As of January 1, 2022, the closing balance of accounts payable is 520,947,600.00 thousand RMB, of which 3,343,947,600.00 thousand RMB is due within one year, and 13,343,947,600.00 thousand RMB is due after one year. The aging analysis of accounts payable is as follows:

Due period	2022, January 1	2021, December 31
1 year or less	3,343,947,600.00	3,343,947,600.00
1-2 years	–	–
2-3 years	–	–
3-4 years	–	–
4-5 years	–	–
Over 5 years	–	–
Total	3,343,947,600.00	3,343,947,600.00

2: As of January 1, 2022, the closing balance of prepaid expenses and other receivables is 23,806,600.00 thousand RMB, of which 23,806,600.00 thousand RMB is due within one year, and 23,806,600.00 thousand RMB is due after one year.

28. Non-Current Liabilities Due Within One Year

	Closing balance	2022, January 1
Long-term debt due within one year (Note 30)	1,172,006,729.76	1,259,649,348.86
Long-term debt due within one year (Note 32)	37,546,569.77	690,608.03
Long-term debt due within one year (Note 34)	43,813,689.16	41,878,318.42
	1,253,366,988.69	1,302,218,275.31

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

29. Other Current Liabilities

	Closing balance	2022
Accounts payable	12,279,287.63	9,449,715.18
Other current liabilities	12,279,287.63	9,449,715.18

30. Long-Term Borrowings

(1) Categories of long-term borrowings

	Closing balance	2022
Long-term borrowings (Note 1)	1,132,096,897.57	2,026,519,348.86
Long-term borrowings (Note 2)	1,095,000,000.00	2,923,200,000.00
Trade payables	1,598,640,584.00	-
Long-term payables	3,306,400,000.00	-
Other long-term liabilities	695,000,000.00	199,000,000.00
Long-term payables	152,200,018.80	636,919,348.86
Long-term payables	-	622,730,000.00
Long-term payables	185,806,710.96	-
Long-term payables	832,000,000.00	-
Long-term payables	2,000,000.00	-
	6,655,130,751.81	3,889,070,000.00

Note 1: Long-term borrowings include long-term borrowings (Note 1), long-term payables (Note 1).

Note 2: Long-term borrowings include long-term borrowings (Note 2), long-term payables (Note 2), 12, 13, 14 and 16.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Long-Term Borrowings (Continued)

(2) Profile of maturity dates of long-term borrowings:

Item	Closing balance	Contractual maturity
1 to 2 years	165,181,496.37	1,624,907,500.00
2 to 5 years	5,191,002,141.44	2,264,162,500.00
over 5 years	1,298,947,114.00	
	6,655,130,751.81	3,889,070,000.00

(3) Other descriptions

The interest rates of long-term borrowings are floating rate (3.00% to 3.85%) (contractual rate: 3.35% to 4.10%).

31. Bonds Payables

(1) Bonds Payables

	Closing balance	Contractual maturity
Convertible bonds	3,755,915,215.98	3,588,678,749.97
	3,755,915,215.98	3,588,678,749.97

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

31. Bonds Payables (Continued)

(2) Changes in bonds payable

Name of bond	Issuing date	Term of the bond	Issue amount	Opening balance	Issued for the current year	Accrued interests at par value	Amortisation of premium/discount	Conversion for the current year	Redemption for the current year	Closing balance
FLAT Glass Group Co., Ltd. 2022 Corporate Bond	2022-05-20	6	4,000,000,000.00	3,588,678,749.97	-	16,919,589.79	184,196,956.45	40,900.65	-	3,755,915,215.98

The following table shows the changes in the carrying amount of the bonds payable during the reporting period:

Items	Liability component	Equity component	Total
Balance at the beginning of the reporting period	3,505,410,854.51	494,589,145.49	4,000,000,000.00
Issuance of new bonds	(20,225,168.72)	(2,853,630.95)	(23,078,799.67)
Amortisation of discount	3,485,185,685.79	491,735,514.54	3,976,921,200.33
Amortisation of premium	(7,430,136.99)	-	(7,430,136.99)
Redemption of bonds	110,951,786.24	-	110,951,786.24
Balance at the end of the reporting period	(28,585.07)	(3,933.88)	(32,518.95)
Balance at the beginning of the reporting period	3,588,678,749.97	491,731,580.66	4,080,410,330.63
Amortisation of discount	(16,919,589.79)	-	(16,919,589.79)
Amortisation of premium	184,196,956.45	-	184,196,956.45
Redemption of bonds	(40,900.65)	(5,163.23)	(46,063.88)
Balance at the end of the reporting period	3,755,915,215.98	491,726,417.43	4,247,641,633.41

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

32. Lease Liabilities

Classification	Closing balance	2022
Lease liabilities	575,787,267.82	12,616,801.58
Lease liabilities (Note 28)	37,546,569.77	690,608.03
Total	538,240,698.05	11,926,193.55

33. Deferred Revenue

Classification	2023	2022	Closing balance
Deferred revenue	58,535,568.54	10,000,000.00	12,059,550.23
Total	58,535,568.54	10,000,000.00	56,476,018.31

34. Long-term payables

Classification	Closing balance	2022
Long-term payables	137,660,340.97	179,538,659.39
Long-term payables (Note 28)	43,813,689.16	41,878,318.42
Total	93,846,651.81	137,660,340.97

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Provisions

Items	Closing balance	2023	2022
Provision for doubtful debts	5,098,771.16	6,457,941.49	6,457,941.49
Provision for employee benefits			
Provision for other contingencies			
Total	5,098,771.16	6,457,941.49	6,457,941.49

36. Share Capital and Treasury Stock

Share capital

	2023	2022	2021	2020	Closing balance
Authorized share capital					
Issued share capital					
Share premium					
Reserve for share repurchase					
Total	536,723,491.75	51,107,325.25		241.75	587,831,058.75

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

36. Share Capital and Treasury Stock (Continued)

Treasury stock

Description	31 December 2023		31 December 2022		Closing balance
	Number	Carrying value	Number	Carrying value	
At the beginning of the year	19,203,000	7,820,080.00	19,203,000	7,820,080.00	
Acquisition of treasury stock	23,806,600	23,806,600.00	204,429,301	204,429,301.00	
Disposal of treasury stock	(23,806,600)	(23,806,600.00)	(204,429,301)	(204,429,301.00)	
At the end of the year					
		23,806,600.00		7,820,080.00	15,986,520.00
		23,806,600.00		7,820,080.00	15,986,520.00

- 1: The change in the number of treasury shares is as follows:
- | Year | Number | Carrying value |
|------|---------------|------------------|
| 2022 | 204,429,301 | 204,429,301.00 |
| 2023 | 23,806,600 | 23,806,600.00 |
| 2022 | (204,429,301) | (204,429,301.00) |
| 2023 | (23,806,600) | (23,806,600.00) |
| 2022 | 19,203,000 | 7,820,080.00 |
| 2023 | 19,203,000 | 7,820,080.00 |
- 2: The change in the carrying value of treasury shares is as follows:
- | Year | Number | Carrying value |
|------|---------------|------------------|
| 2022 | 204,429,301 | 204,429,301.00 |
| 2023 | 23,806,600 | 23,806,600.00 |
| 2022 | (204,429,301) | (204,429,301.00) |
| 2023 | (23,806,600) | (23,806,600.00) |
| 2022 | 19,203,000 | 7,820,080.00 |
| 2023 | 19,203,000 | 7,820,080.00 |
- 3: The change in the carrying value of treasury shares is as follows:
- | Year | Number | Carrying value |
|------|-------------|----------------|
| 2020 | 4,665,320 | 4,665,320.00 |
| 2021 | 1,893,360 | 1,893,360.00 |
| 2022 | 1,261,400 | 1,261,400.00 |
| 2023 | 29,335 | 29,335.00 |
| 2020 | (4,665,320) | (4,665,320.00) |
| 2021 | (1,893,360) | (1,893,360.00) |
| 2022 | (1,261,400) | (1,261,400.00) |
| 2023 | (29,335) | (29,335.00) |

37. Other equity instruments

Description	31 December 2023		31 December 2022		Closing balance	
	Number	Carrying value	Number	Carrying value	Number	Carrying value
At the beginning of the year	39,999,260	491,726,417.43	39,999,260	491,726,417.43		
Issuance of equity instruments	420	5,163.23	420	5,163.23		
At the end of the year						
		39,999,680.00		491,731,580.66	39,999,260.00	491,726,417.43

4: The change in the carrying value of other equity instruments is as follows: () 31.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

38. Capital reserve

Items	2023 January 1	2023 December 31	2022 December 31	Closing balance
Capital reserve (January 1, 2023)	4,780,150,027.67	5,914,345,773.25	5,914,345,773.25	10,694,495,800.92
Share-based payment (January 1, 2023)	84,599,223.50	19,038,370.84	19,038,370.84	103,637,594.34
Total	4,864,749,251.17	5,933,384,144.09	5,933,384,144.09	10,798,133,395.26

39. Other Comprehensive Income

Items	2023 January 1	2023 December 31	2022 December 31	2021 December 31	2020 December 31	Closing balance
Other comprehensive income	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Other comprehensive income	42,350,277.12	(31,001,033.29)	(31,001,033.29)	-	-	11,349,243.83
Other comprehensive income	45,465,544.78	(20,208,141.20)	(20,208,141.20)	-	-	25,257,403.58
Other comprehensive income	(3,115,267.66)	(10,792,892.09)	(10,792,892.09)	-	-	(13,908,159.75)
Total	42,350,277.12	(31,001,033.29)	(31,001,033.29)	-	-	11,349,243.83

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

40. Special Reserve

Items	2023			Closing balance
	2023	2022	2021	
Special Reserve	28,583,407.89	23,831,612.79	2,585,793.53	49,829,227.15
Total	28,583,407.89	23,831,612.79	2,585,793.53	49,829,227.15

41. Surplus Reserve

Items	2023			Closing balance
	2023	2022	2021	
Surplus Reserve	268,361,745.88	25,553,783.50	-	293,915,529.38
Total	268,361,745.88	25,553,783.50	-	293,915,529.38

As of the reporting date, the Special Reserve is used for the purpose of providing a special reserve for the company's future development. The Surplus Reserve is used for the purpose of providing a surplus reserve for the company's future development. The company's financial statements are prepared in accordance with the accounting standards and practices of the People's Republic of China.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

42. Undistributed Profit

Items	Amount for the current year		2022
	Yuan	US Dollars	
Attributable to the parent company	7,823,754,058.70	6,194,759,167.82	
Attributable to subsidiaries	2,759,690,819.78	2,122,780,428.43	
Attributable to the parent company (Note 1)	25,553,783.50	89.13	
Attributable to subsidiaries (Note 2)	559,615,055.36	493,785,448.42	
Total	9,998,276,039.62	7,823,754,058.70	

1: The amount of undistributed profit attributable to the parent company in 2023 is 7,823,754,058.70 Yuan (2022: 6,194,759,167.82 US Dollars). The amount of undistributed profit attributable to subsidiaries in 2023 is 2,759,690,819.78 Yuan (2022: 2,122,780,428.43 US Dollars). The amount of undistributed profit attributable to the parent company in 2023 is 25,553,783.50 Yuan (2022: 89.13 US Dollars). The amount of undistributed profit attributable to subsidiaries in 2023 is 559,615,055.36 Yuan (2022: 493,785,448.42 US Dollars).

2: The amount of undistributed profit attributable to the parent company in 2023 is 25,553,783.50 Yuan (2022: 89.13 US Dollars). The amount of undistributed profit attributable to subsidiaries in 2023 is 559,615,055.36 Yuan (2022: 493,785,448.42 US Dollars).

3: The amount of undistributed profit attributable to the parent company in 2023 is 25,553,783.50 Yuan (2022: 89.13 US Dollars). The amount of undistributed profit attributable to subsidiaries in 2023 is 559,615,055.36 Yuan (2022: 493,785,448.42 US Dollars).

43. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

Items	Amount for the year		2022
	Revenue	Cost	
Operating revenue	21,365,204,291.35	16,745,253,742.23	15,401,681,636.47
Operating cost	158,504,231.07	85,467,498.31	59,161,590.89
Total	21,523,708,522.42	16,830,721,240.54	15,460,843,227.36

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Operating Revenue and Operating Cost (Continued)

(2) Breakdowns of operating revenue and operating cost

Items	Amount for the year	
	Operating revenue	Operating cost
Operating revenue		
Revenue from sales of products	19,676,531,705.61	15,260,010,550.61
Revenue from sales of services	328,383,288.15	290,560,652.88
Revenue from sales of real estate	582,707,703.55	519,852,974.98
Revenue from sales of intangible assets	342,204,685.60	354,566,859.90
Revenue from sales of financial assets	435,376,908.44	320,262,703.86
Revenue from sales of other assets	158,504,231.07	85,467,498.31
Total	21,523,708,522.42	16,830,721,240.54
Operating cost		
Cost of sales of products	17,200,202,835.78	13,655,283,343.48
Cost of sales of services	3,740,599,329.79	2,725,870,546.27
Cost of sales of real estate	229,407,085.64	188,850,118.62
Cost of sales of intangible assets	336,042,409.04	245,264,476.61
Cost of sales of financial assets	17,456,862.17	15,452,755.56
Cost of sales of other assets		
Total	21,523,708,522.42	16,830,721,240.54
Operating revenue		
Revenue from sales of products	21,365,952,557.26	16,679,786,358.65
Revenue from sales of services	157,755,965.16	150,934,881.89
Revenue from sales of real estate		
Revenue from sales of intangible assets		
Revenue from sales of financial assets		
Revenue from sales of other assets		
Total	21,523,708,522.42	16,830,721,240.54

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

43. Operating Revenue and Operating Cost (Continued)

(2) Breakdowns of operating revenue and operating cost (Continued)

Items	2023	
	Amount in RMB	Amount in US\$
Operating Revenue		
Sales Revenue	13,681,797,758.21	10,491,982,451.08
Construction Revenue	349,913,721.40	287,077,721.08
Leasing Revenue	595,576,936.84	511,726,345.20
Service Revenue	334,991,997.59	402,993,984.76
Other Revenue	439,401,222.43	334,899,114.03
Government Subsidy	59,161,590.89	19,511,263.46
Total	15,460,843,227.36	12,048,190,879.61
Operating Cost		
Cost of Sales	12,085,756,436.22	9,523,238,154.31
Construction Cost (Construction)	2,896,259,491.82	2,145,357,427.62
Leasing Cost	209,666,541.16	167,105,058.48
Service Cost	249,784,605.31	196,555,814.72
Other Cost	19,376,152.85	15,934,424.48
Total	15,460,843,227.36	12,048,190,879.61
Operating Profit		
Operating Profit	15,343,894,628.56	11,929,076,938.17
Other Profit	116,948,598.80	119,113,941.44
Total	15,460,843,227.36	12,048,190,879.61

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

45. Selling Expenses

Items	Amount for the year	2023 2022
Advertising expenses	87,904,224.29	91,984,450.42
Business entertainment expenses	16,411,506.84	12,999,444.79
Business travel expenses	3,131,339.70	8,584,968.76
Business gifts expenses	430,240.74	114,911.16
Business printing expenses	11,873,995.88	5,194,203.62
Business telephone expenses	119,751,307.45	118,877,978.75

46. Administrative Expenses

Items	Amount for the year	2023 2022
Salaries and wages	107,853,598.87	123,458,626.26
Employee benefits	19,038,370.84	31,948,589.20
Depreciation and amortization	33,532,066.57	29,741,951.34
Office expenses	18,005,720.22	19,388,648.41
Lease expenses	16,541,702.66	15,153,435.26
Transportation expenses	20,887,966.08	12,750,521.83
Travel expenses	16,202,809.71	8,966,938.36
Business entertainment expenses	15,009,588.78	6,229,289.14
Business gifts expenses	12,181,856.30	3,842,943.92
Business printing expenses	3,800,000.00	3,650,000.00
Business telephone expenses	3,894,186.56	2,793,086.58
Business travel expenses	3,079,552.99	1,694,894.51
Business advertising expenses	14,742,255.95	1,594,066.17
Business entertainment expenses	1,077,289.30	1,155,383.95
Business gifts expenses	758,683.38	846,750.13
Business printing expenses	15,595,087.32	14,326,819.43
Business telephone expenses	302,200,735.53	277,541,944.49

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Research and Development Expenses

Items	Amount for the year	Amount for the year in million RMB
Research and development expenses	376,382,945.64	345,461,477.21
Amortization of intangible assets	158,455,919.87	125,721,278.69
Depreciation of fixed assets	42,726,759.05	26,021,773.83
Others	19,184,868.14	26,025,655.78
	596,750,492.70	523,230,185.51

48. Finance Expenses

Items	Amount for the year	Amount for the year in million RMB
Interest expenses	590,660,016.42	338,235,144.15
Interest income	6,908,797.18	597,879.42
Losses on disposal of financial assets	102,641,259.91	59,295,478.89
Losses on disposal of long-term equity investments	19,436,796.06	5,036,337.83
Others (income)	(24,562,805.00)	(43,541,382.61)
	482,892,747.57	240,434,620.48

49. Other Revenues

Sources of other revenues	Amount for the year	Amount for the year in million RMB
Government grants	12,059,550.23	12,710,376.58
Others	63,736,606.18	64,742,011.50
	91,145,149.64	77,452,388.08
	166,941,306.05	77,452,388.08

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Investment Income

Sources of investment income	Amount for the year	Amount in million Japanese yen
Interest income (net of interest expense) on cash and cash equivalents	9,519,008.87	(6,351,420.00)
Dividend income	18,159,670.48	7,566,505.74
Losses on disposal of investment securities	43,957.37	11,649,410.34
Other income	27,722,636.72	12,864,496.08

51. Gains (losses) from Changes in Fair Value

Sources of gains (losses) from changes in fair value	Amount for the year	Amount in million Japanese yen
Changes in fair value of investment securities (net of changes in fair value of investment securities)	125,618.46	(183,149.62)
Losses on disposal of investment securities	(1,467,183.00)	(1,645,558.36)
Other income	1,974,418.87	(1,645,558.36)
Net gain	632,854.33	(1,828,707.98)

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. Credit Impairment Losses

Items	Amount for the year	Amount in million US dollars
Trade receivables	(186,821.26)	(8,854,216.80)
Other receivables	(77,626,284.27)	(30,220,242.38)
Total	(77,813,105.53)	(39,074,459.18)

53. Asset Impairment Losses

Items	Amount for the year	Amount in million US dollars
Property, plant and equipment	(30,401,058.91)	(3,094,217.86)
Intangible assets	(21,887,623.72)	-
Total	(52,288,682.63)	(3,094,217.86)

54. Losses on Disposal of Asset

Item	Amount for the year	Amount in million US dollars
Losses on disposal of property, plant and equipment	(7,086,732.47)	(8,899,606.56)

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Non-Operating Income

Item	Amount for the year	Amount in million RMB
Others	4,101,236.71	1,435,472.21

56. Non-Operating Expense

Items	Amount for the year	Amount in million RMB
Depreciation and amortization	2,306,135.30	3,602,826.89
Others	1,342,047.61	172,066.69
Total	3,648,182.91	3,774,893.58

57. Income Tax Expense

Items	Amount for the year	Amount in million RMB
Income tax expense	183,188,626.86	133,310,894.32
Deferred income tax expense	(45,124,539.10)	(34,139,159.24)
Income tax expense	150,717,192.49	(69,076,400.01)
Total	288,781,280.25	30,095,335.07

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

57. Income Tax Expense (Continued)

The following table shows the components of income tax expense for the year:

Items	Amount for the year	2022
Current income tax expense	3,051,808,159.77	2,152,875,763.50
Deferred income tax expense	457,771,223.97	322,931,364.53
Income tax expense on equity investments	24,677,376.69	28,126,207.94
Income tax expense on investment properties	30,420,594.00	17,462,706.65
Income tax expense on other assets	(45,124,539.10)	(34,139,159.24)
Income tax expense on other liabilities	(105,453,884.59)	(238,451,049.41)
Income tax expense on other income	(817,238.95)	(2,808,143.58)
Income tax expense on other expenses	793,257.33	117,553.82
Income tax expense on other income	(73,485,509.10)	(63,144,145.64)
Income tax expense on other expenses	288,781,280.25	30,095,335.07

58. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share

The following table shows the calculation of basic earnings per share and diluted earnings per share for the year:

Items	Amount for the year	2022
Profit attributable to equity holders of the parent	2,759,690,819.78	2,122,780,428.43
Less: Profit attributable to non-controlling interests	526,456.00	763,600.00
Profit attributable to equity holders of the parent	2,759,164,363.78	2,122,016,828.43

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

58. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Continued)

For the year ended December 31, 2023, the calculation of basic earnings per share and diluted earnings per share is as follows:

Items	Amount for the year	Amount for the year
Profit attributable to owners of the parent	2,146,893,967.00	2,146,893,254.00
Minority interest	83,039,221.00	(3,319,941.00)
Profit attributable to owners of the parent after minority interest	2,229,933,188.00	2,143,573,313.00

For the year ended December 31, 2022, the calculation of basic earnings per share and diluted earnings per share is as follows:

Items	Amount for the year	Amount for the year
Profit attributable to owners of the parent	2,759,164,363.78	2,122,016,828.43
Minority interest	526,456.00	763,600.00
Profit attributable to owners of the parent after minority interest	2,759,690,819.78	2,122,780,428.43

Notes to the Financial Statements

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(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

58. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Continued)

Weighted average number of shares outstanding during the year:

Items	Amount for the year	Weighted average number of shares outstanding during the year
Weighted average number of shares outstanding during the year	2,229,933,188.00	2,143,573,313.00
Weighted average number of shares outstanding during the year	1,810,650.00	2,641,966.00
Weighted average number of shares outstanding during the year	2,231,743,838.00	2,146,215,279.00

59. Notes to Items in the Cash Flow Statement

(1) Other cash received and related to business activities

Items	Amount for the year	Weighted average number of shares outstanding during the year
Other cash received and related to business activities	69,362,106.18	110,546,811.50
Other cash received and related to business activities	102,641,259.91	59,295,478.89
Other cash received and related to business activities	44,020,527.70	6,080,813.69
Other cash received and related to business activities	4,101,236.71	1,435,472.21
Other cash received and related to business activities	220,125,130.50	177,358,576.29

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

59. Notes to Items in the Cash Flow Statement (Continued)

(2) Other cash paid and related to operating activities

Items	Amount for the year	Amount in U.S. dollars
Interest on bank loans	638,902,935.88	565,400,205.19
Interest on other financial assets	35,010,850.00	40,987,243.66
Interest on other financial liabilities	2,306,135.30	3,602,826.89
Interest on bank deposits	19,436,796.06	5,036,337.83
Interest on other financial liabilities	1,563,533.23	6,618,886.37
Total	697,220,250.47	621,645,499.94

(3) Other cash received and related to investment activities

Items	Amount for the year	Amount in U.S. dollars
Proceeds from the disposal of subsidiaries and other entities	70,752,819.52	39,597,589.45
Proceeds from the disposal of financial assets	29,728,500.00	9,701,500.00
Total	100,481,319.52	49,299,089.45

(4) Other cash paid and related to investment activities

Items	Amount for the year	Amount in U.S. dollars
Proceeds from the disposal of subsidiaries and other entities	85,300,405.27	30,618,228.77
Proceeds from the disposal of financial assets	31,769,000.00	26,163,414.87
Total	117,069,405.27	56,781,643.64

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Notes to Items in the Cash Flow Statement (CONTINUED)

(5) Other cash received and related to fundraising activities

Items	Amount for the year	Amount in million RMB
Interest income on bank deposits	1,948,032,884.86	1,659,478,591.77
Other cash received	1,948,032,884.86	1,659,478,591.77

(6) Other cash paid and related to fundraising activities

Items	Amount for the year	Amount in million RMB
Interest expense on bank deposits	2,457,485,287.63	1,540,582,744.11
Other cash paid	37,764,363.78	-
Other cash paid	2,495,249,651.41	1,540,582,744.11

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

60. Supplementary Information for Cash Flow Statement

(1) Supplementary information for cash flow statement

Supplementary information	Amount for the year	2023 2022
(1) Operating activities		
Net income	2,763,026,879.52	2,122,780,428.43
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	52,288,682.63	3,094,217.86
Provision for doubtful accounts	77,813,105.53	39,074,459.18
Provision for inventory obsolescence	13,321,387.96	1,431,470.40
Provision for bad debt	1,214,690,437.13	805,494,206.43
Provision for employee share-based compensation	13,151,006.84	5,004,335.20
Provision for income tax	592,372,531.84	498,092,486.99
Provision for other non-current assets	11,567,529.02	2,719,052.46
Change in:		
L Receivables	7,086,732.47	8,899,606.56
L Prepaid expenses	(632,854.33)	1,828,707.98
L Accounts payable	598,487,324.56	393,254,203.27
L Other non-current liabilities	(27,722,636.72)	(12,864,496.08)
L Other non-current assets	(127,150,023.27)	(88,392,572.46)
L Cash	277,867,215.76	19,316,172.45
L Other non-current assets (continued)	364,476,449.61	(122,941,654.17)
L Other non-current assets	(3,767,313,485.98)	(4,735,708,423.46)
L Other non-current assets	(126,959,824.58)	1,203,370,256.79
L Other non-current assets	(12,059,550.23)	(12,710,376.58)
L Other non-current assets	23,831,612.79	13,206,977.30
L Other non-current assets	19,038,370.84	31,948,589.20
L Other non-current assets	1,967,180,891.39	176,897,647.75
(2) Investing activities		
Net cash provided by investing activities	5,479,316,299.60	2,319,081,464.51
L Acquisition of subsidiaries	2,319,081,464.51	2,101,730,679.46
Acquisition of subsidiaries	3,160,234,835.09	217,350,785.05

Notes to the Financial Statements

December 31, 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

60. Supplementary Information for Cash Flow Statement (Continued)

(2) Component of cash and cash equivalents

Items	Closing balance	Beginning balance
1. Cash	5,479,316,299.60	2,319,081,464.51
2. Cash equivalents:		
Money market fund	18,273.37	15,002.78
Bank deposits	5,479,298,026.23	2,319,066,461.73
Other cash equivalents	-	-
2. Total cash equivalents	-	-
2. Total cash and cash equivalents	5,479,316,299.60	2,319,081,464.51

61. Assets with Restricted Ownership or Use Rights

Items	Book value at the end of the year	Reasons for restriction
Property, plant and equipment	1,137,071,368.20	Property, plant and equipment owned by subsidiaries, which are restricted by mortgage.
Investment properties	80,199,303.43	Investment properties owned by subsidiaries, which are restricted by mortgage.
Intangible assets	15,939,290.23	Intangible assets owned by subsidiaries, which are restricted by mortgage.
Prepaid expenses	1,948,240,881.71	Prepaid expenses owned by subsidiaries, which are restricted by mortgage.
Accounts receivable	93,287,049.55	Accounts receivable owned by subsidiaries, which are restricted by mortgage.
Other receivables	456,694,315.25	Other receivables owned by subsidiaries, which are restricted by mortgage.
Total	3,731,432,208.37	

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

62. Foreign Currency Monetary Items

Items	Foreign currency amounts	Closing balance	
		Translation exchange rate	RMB amounts
Monetary items denominated in US dollars	149,815,378.64	7.0827	1,061,097,382.26
Monetary items denominated in Hong Kong dollars	3,772,519.23	7.8592	29,648,983.12
Monetary items denominated in Japanese yen	93,417,456.00	0.0502	4,690,770.89
Monetary items denominated in Australian dollars	190,112,564.44	0.9062	172,283,808.15
Monetary items denominated in New Zealand dollars	273,376.91	4.8484	1,325,440.61
Monetary items denominated in other currencies	3,870.78	9.0411	34,996.11
			1,269,081,381.14
Monetary items denominated in US dollars	96,637,756.09	7.0827	684,456,235.08
Monetary items denominated in Hong Kong dollars	796,683.93	7.8592	6,261,298.34
			690,717,533.42
Monetary items denominated in US dollars	3,970.00	0.9062	3,597.69
			3,597.69
Monetary items denominated in US dollars	3,068,753.69	7.0827	21,735,061.79
Monetary items denominated in Hong Kong dollars	220,600.00	7.8592	1,733,739.52
			23,468,801.31
Monetary items denominated in US dollars	819,876.89	7.0827	5,806,942.05
			5,806,942.05
Monetary items denominated in US dollars	88,000,000.00	7.0827	623,277,600.00
Monetary items denominated in Hong Kong dollars	187,200,000.00	0.9062	169,644,384.00
			792,921,984.00

Notes to the Financial Statements

31 December 2023

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

63. Operating Lease Arrangement

At 31 December 2023, the Group has operating lease arrangements with a carrying amount of 8,112,882.00 (2022: 7,399,338.74). The Group has no lease liabilities for operating lease arrangements.

	Closing balance	2022
Operating lease liabilities:		
1. Operating lease liabilities	8,473,727.28	7,522,661.08
2. Operating lease liabilities	3,963,645.46	7,769,305.70
3. Operating lease liabilities	762,756.49	3,237,210.71
4. Operating lease liabilities	800,894.31	-
5. Operating lease liabilities	305,796.01	-
	14,306,819.55	18,529,177.49

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As of the end of the reporting period, the Company's financial instruments include cash and cash equivalents, accounts receivable, accounts payable, other receivables, other payables, loans receivable, loans payable, and financial assets and liabilities at fair value. The Company's financial instruments are primarily denominated in the functional currency of the Company, and the Company's financial instruments are primarily denominated in the functional currency of the Company.

Items	Closing balance	2023/12/31
Cash and cash equivalents	6,616,387,667.80	2,932,152,844.19
Accounts receivable	230,000,000.00	2,000,000.00
Other receivables	623,194.84	-
Loans receivable	1,593,420,392.78	2,505,753,674.34
Accounts payable	3,685,519,572.47	2,811,090,070.19
Other payables	2,006,375,691.99	784,825,969.52
Loans payable	110,981,841.18	101,299,773.96
	14,243,308,361.06	9,137,122,332.20
Financial assets at fair value	1,756,309.49	1,765,968.98
Financial liabilities at fair value	914,048,358.15	964,727,516.59
Derivatives	4,520,361,509.42	4,100,044,464.81
Other financial assets	104,007,619.84	638,603,416.10
Other financial liabilities (contingent liabilities)	3,768,497,475.59	3,596,108,827.51
Other financial liabilities (contingent liabilities)	575,787,267.82	12,616,801.58
Other financial liabilities (contingent liabilities)	9,759,128,241.05	8,253,530,792.57
	19,643,586,781.36	17,567,397,788.14

The Company's financial instruments are primarily denominated in the functional currency of the Company, and the Company's financial instruments are primarily denominated in the functional currency of the Company.

The Company's financial instruments are primarily denominated in the functional currency of the Company, and the Company's financial instruments are primarily denominated in the functional currency of the Company.

Notes to the Financial Statements

31 December 2023

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

1. Risk Management Objectives and Policies

The Group's risk management objectives are to identify and assess the risks that it faces, to set appropriate risk limits and to ensure that the risks are managed within those limits. The Group's risk management policies are designed to ensure that the Group's risk management objectives are achieved. The Group's risk management policies are set out in the Risk Management Policy Statement, which is available on the Group's website.

1.1 Market risk

The Group's market risk arises from its operations and is primarily due to its investments in equity securities. The Group's market risk is managed through the use of derivatives and other financial instruments. The Group's market risk management policies are set out in the Risk Management Policy Statement, which is available on the Group's website.

1.1.1 Interest rate risk

The Group's interest rate risk arises from its operations and is primarily due to its investments in equity securities. The Group's interest rate risk is managed through the use of derivatives and other financial instruments. The Group's interest rate risk management policies are set out in the Risk Management Policy Statement, which is available on the Group's website.

At 31 December 2023, the Group's interest rate risk is primarily due to its investments in equity securities. The Group's interest rate risk is managed through the use of derivatives and other financial instruments. The Group's interest rate risk management policies are set out in the Risk Management Policy Statement, which is available on the Group's website.

Items	Closing balance	Interest rate risk
Equity securities	1,269,081,381.14	678,593,517.48
Debt securities	690,717,533.42	662,057,627.04
Other financial instruments	3,597.69	3,546.28
Derivatives	23,468,801.31	39,676,495.18
Other	5,806,942.05	2,046,428.53
Total	792,921,984.00	950,326,348.86

The Group's interest rate risk is primarily due to its investments in equity securities. The Group's interest rate risk is managed through the use of derivatives and other financial instruments. The Group's interest rate risk management policies are set out in the Risk Management Policy Statement, which is available on the Group's website.

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk Management Objectives and Policies (CONTINUED)

1.1 Market risk (CONTINUED)

1.1.1 Exchange rate risk (CONTINUED)

As at 31 December 2023, the Group's exchange rate risk

is primarily attributable to the Group's net investment in subsidiaries denominated in US dollars. The Group's net investment in subsidiaries denominated in US dollars is approximately HK\$1,000 million (2022: HK\$1,000 million). The Group's net investment in subsidiaries denominated in US dollars is primarily attributable to the Group's net investment in subsidiaries denominated in US dollars. The Group's net investment in subsidiaries denominated in US dollars is primarily attributable to the Group's net investment in subsidiaries denominated in US dollars. The Group's net investment in subsidiaries denominated in US dollars is primarily attributable to the Group's net investment in subsidiaries denominated in US dollars.

Items	Changes in the exchange rates	Amount for the year		Impact on Shareholder's equity	
		Impact on profit before tax	Impact on Shareholder's equity	2023	2022
Investment in subsidiaries	US dollar ↑ 5%	31,614,723.17	31,614,723.17	7,758,275.68	(7,758,275.68)
	US dollar ↓ 5%	(31,614,723.17)	(31,614,723.17)	(7,758,275.68)	7,758,275.68
	US dollar ↑ 5%	1,708,827.10	1,708,827.10	712,709.87	712,709.87
	US dollar ↓ 5%	(1,708,827.10)	(1,708,827.10)	(712,709.87)	(712,709.87)
	US dollar ↑ 5%	234,538.54	66,272.06	246,982.45	246,982.45
	US dollar ↓ 5%	(234,538.54)	(66,272.06)	(246,982.45)	(246,982.45)
	US dollar ↑ 5%	17,096,589.49	17,096,589.49	167,740.60	167,740.60
	US dollar ↓ 5%	(17,096,589.49)	(17,096,589.49)	(167,740.60)	(167,740.60)
	US dollar ↑ 5%	1,749.81	1,749.81	1,641.73	1,641.73
	US dollar ↓ 5%	(1,749.81)	(1,749.81)	(1,641.73)	(1,641.73)
Other financial assets	US dollar ↑ 5%	66,272.03	66,272.03	85,271.90	85,271.90
	US dollar ↓ 5%	(66,272.03)	(66,272.03)	(85,271.90)	(85,271.90)
Investment in associates	US dollar ↑ 5%	23,121,977.51	23,121,977.51	23,970,912.46	23,970,912.46
	US dollar ↓ 5%	(23,121,977.51)	(23,121,977.51)	(23,970,912.46)	(23,970,912.46)
	US dollar ↑ 5%	-	-	3,287.59	3,287.59
	US dollar ↓ 5%	-	-	(3,287.59)	(3,287.59)

Notes to the Financial Statements

31 December 2023

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

1. Risk Management Objectives and Policies (continued)

1.1 Market risk (continued)

1.1.2 Interest rate risk

The Group's interest rate risk arises from its financial assets and liabilities that are denominated in US dollars. The Group's interest rate risk is managed through the use of interest rate derivatives. The Group's interest rate risk is managed through the use of interest rate derivatives. The Group's interest rate risk is managed through the use of interest rate derivatives.

The Group's interest rate risk is managed through the use of interest rate derivatives. The Group's interest rate risk is managed through the use of interest rate derivatives. The Group's interest rate risk is managed through the use of interest rate derivatives.

	Closing balance	
Interest rate derivatives	45,910,401.35	45,938,801.19
Interest rate derivatives	45,910,401.35	45,938,801.19

The Group's interest rate risk is managed through the use of interest rate derivatives. The Group's interest rate risk is managed through the use of interest rate derivatives. The Group's interest rate risk is managed through the use of interest rate derivatives.

The Group's interest rate risk is managed through the use of interest rate derivatives. The Group's interest rate risk is managed through the use of interest rate derivatives. The Group's interest rate risk is managed through the use of interest rate derivatives.

Notes to the Financial Statements

31 December 2023

(VII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk Management Objectives and Policies (CONTINUED)

1.3 Liquidity risk (CONTINUED)

The Group's liquidity risk management is to ensure that it is able to meet its financial obligations as they fall due. The Group monitors its liquidity risk by using a maturity analysis of its financial instruments. The maturity analysis is as follows:

Closing balance	Within three months	Three months to one year	One to two years	Two to five years	Over five years
Trade receivables	660,879,872.63	1,282,117,451.45	-	-	-
Prepayments	253,312,098.46	660,736,259.69	-	-	-
Other receivables	4,520,361,509.42	-	-	-	-
Due from subsidiaries (including related companies)	104,007,619.84	-	-	-	-
Due from associates	158,869,805.26	1,093,064,239.13	2,693,610,223.48	3,333,393,006.03	1,250,897,380.78
Due from joint ventures	-	32,417,396.51	67,430,136.99	4,559,802,739.72	-
Due from financial institutions	9,782,076.13	29,346,228.38	39,128,304.50	116,222,868.60	745,912,208.76
Due from other financial institutions	5,707,212,981.74	3,097,681,575.16	2,800,168,664.97	8,009,418,614.35	1,996,809,589.54

2. Capital Management

The Group's capital management objectives are to ensure that it has sufficient capital to meet its financial obligations and to maximize the value of the Group. The Group monitors its capital management by using a maturity analysis of its financial instruments. The maturity analysis is as follows:

The Group's capital management objectives are to ensure that it has sufficient capital to meet its financial obligations and to maximize the value of the Group. The Group monitors its capital management by using a maturity analysis of its financial instruments. The maturity analysis is as follows:

The Group's capital management objectives are to ensure that it has sufficient capital to meet its financial obligations and to maximize the value of the Group. The Group monitors its capital management by using a maturity analysis of its financial instruments. The maturity analysis is as follows:

The Group's capital management objectives are to ensure that it has sufficient capital to meet its financial obligations and to maximize the value of the Group. The Group monitors its capital management by using a maturity analysis of its financial instruments. The maturity analysis is as follows:

(VIII) DISCLOSURE OF FAIR VALUE

1. Fair Value of the Closure Balance of Assets and Liabilities Measured at Fair Value

Items	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
December 31, 2023				
I. Continuous fair value				
() Investment securities			230,000,000.00	230,000,000.00
() Investment properties			2,006,375,691.99	2,006,375,691.99
() Derivatives		623,194.84		623,194.84
() Other financial assets		1,756,309.49		1,756,309.49
December 31, 2022				
I. Continuous fair value				
() Investment securities			2,000,000.00	2,000,000.00
() Investment properties			784,825,969.52	784,825,969.52
() Derivatives		1,765,968.98		1,765,968.98

2. The Basis for Determining the Market Value of the Item Continuing Measured at Level 1 fair Value

The market value of the item continuing measured at Level 1 fair value is determined based on the market price of the item at the reporting date.

3. Valuation Techniques and Qualitative and Quantitative Information on Important Parameters Adopted for the Second Level of Continuous and Non-continuous Fair Value Measurement

Items	Fair value as at 31 December 2023	Valuation technique	Qualitative and Quantitative Information on Important Parameters
Investment securities	623,194.84	Market price	Market price
Investment properties	1,756,309.49	Market price	Market price

Notes to the Financial Statements

31 December 2023

(VIII) DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Valuation Techniques and Qualitative and Quantitative Information on Important Parameters Adopted for the Third Level of Fair Value Measurement Items

Item	Fair value as at 31 December 2023	Valuation techniques used	Important parameters used	Sensitivity analysis
Investment securities	230,000,000.00	Discounted cash flow	Discount rate	3.5%-3.9%
Financial assets	2,006,375,691.99	Discounted cash flow	Discount rate	1.89%

Continuous level-3 fair value measurement items, the reconciliation information between the book values at the beginning and the end of the period and the sensitivity analysis of unobservable parameters

Item	1 January 2023	Total gains or losses for current year		Purchase, issuance, sales and settlement				31 December 2023	Assets held at the end of the reporting period are included in profit or loss for the change of unrealized gains or losses for current year
		Included in profit or loss	Included in other comprehensive income	Purchase/increase	Issuance	Sales	Settlement/decrease		
Investment securities	2,000,000.00	43,957.37		230,000,000.00			2,043,957.37	230,000,000.00	
Financial assets	784,825,969.52		(10,792,892.09)	11,702,874,834.69			10,470,532,220.13	2,006,375,691.99	

5. Fair Value of Financial Assets and Financial Liabilities Not Measured at Fair Value

Investment securities, financial assets, financial liabilities, and other financial instruments are measured at fair value at the end of the reporting period.

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Related parties with controlling relationship

There are no related parties with controlling relationship.

2. The Group's subsidiaries

There are no subsidiaries ().

3. Associates of the Group

There are no associates of the Group.

Name of enterprise	Relationship with the Group

4. Related Party Transactions

Enterprise name	Relationship with the connected party

5. Related Party Transaction

(1) Sales of goods

Related party	Content of the related party transaction	Amount for the year	
		-	8,559.20

* Information omitted

Notes to the Financial Statements

31 December 2023

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

5. Related Party Transaction (Continued)

(2) Purchase of goods/accepting labor service

Related party	Content of the related party transaction	Amount for the year	Amount at the end of the year
FLAT GLASS GROUP CO., LTD.	Accepting labor service	395,233,618.55	311,486,939.34
FLAT GLASS GROUP CO., LTD.	Accepting labor service	339,499,473.40	301,806,368.11
		734,733,091.95	613,293,307.45

(3) Related rental income

Related party	Content of the related party transaction	Amount for the year	Amount at the end of the year
FLAT GLASS GROUP CO., LTD.	Rental income	322,924.48	

(4) Related rental expense

Related party	Content of the related party transaction	Amount for the year	Amount at the end of the year
FLAT GLASS GROUP CO., LTD.*	Rental expense	8,499,629.28	8,499,629.28
FLAT GLASS GROUP CO., LTD.*	Rental expense	1,651,376.15	1,651,376.16
		10,151,005.43	10,151,005.44

* FLAT GLASS GROUP CO., LTD. is a related party.

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

5. Related Party Transaction (continued)

(5) Remuneration of key management personnel

Item	Amount for the year	2022
Remuneration of key management personnel	9,607,586.02	8,282,035.80

6. Amounts Due to/from Related Parties

Items	Related parties	Closing balance	2022
Accounts receivable	FLAT GLASS GROUP CO., LTD.	3,902,913.28	3,521,885.74
Accounts receivable	FLAT GLASS GROUP CO., LTD.	1,500,000.00	1,500,000.00
Accounts receivable	FLAT GLASS GROUP CO., LTD. *	412,844.04	412,844.04
Accounts payable	FLAT GLASS GROUP CO., LTD.	63,608,501.48	61,814,588.62
Accounts payable	FLAT GLASS GROUP CO., LTD. *	270,616.47	134,441.53
Accounts payable	FLAT GLASS GROUP CO., LTD.	63,879,117.95	61,949,030.15
Accounts payable	FLAT GLASS GROUP CO., LTD.	-	25,604.55
Accounts payable	FLAT GLASS GROUP CO., LTD.	400,000.00	300,000.00

Notes to the Financial Statements

31 December 2023

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

7. Directors' Remuneration

2023

Name	Remuneration	Salaries and other benefits (Note 1)	Bonus (Note 3)	Post-employment benefits (Note 2)	Total
Chairman of the Board	-	-	-	-	-
Executive Director	-	1,171,946.78	36,000.00	38,821.17	1,246,767.95
Independent Non-Executive Director	-	844,244.28	36,000.00	-	880,244.28
Executive Director	-	1,032,197.41	36,000.00	69,639.90	1,137,837.31
Executive Director	-	617,358.25	36,000.00	38,821.17	692,179.42
Executive Director	-	613,770.65	36,000.00	34,323.70	684,094.35
Executive Director	-	-	-	-	-
Executive Director	100,000.00	-	-	-	100,000.00
Executive Director	100,000.00	-	-	-	100,000.00
Executive Director	188,080.47	-	-	-	188,080.47
Total	388,080.47	4,279,517.37	180,000.00	181,605.94	5,029,203.78

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

7. Directors' Remuneration (continued)

2022

Name	Basic salary	Performance bonus		Share-based payment	Total
		(RMB '000)	(RMB '000)			(RMB '000)
Mr. Wang Yuhua	-	1,026,156.60	141,874.00	40,072.79	1,208,103.39
Mr. Wang Yuhua	-	761,417.08	115,914.00	-	877,331.08
Mr. Wang Yuhua	-	589,632.60	60,595.00	40,072.79	690,300.39
Mr. Wang Yuhua	-	587,291.88	62,974.00	32,362.80	682,628.68
Mr. Wang Yuhua	-	-	-	-	-
Mr. Wang Yuhua	100,000.00	-	-	-	100,000.00
Mr. Wang Yuhua	100,000.00	-	-	-	100,000.00
Mr. Wang Yuhua	192,109.54	-	-	-	192,109.54
Total	392,109.54	2,964,498.16	381,357.00	112,508.38	3,850,473.08

1: Mr. Wang Yuhua is the Chairman of the Board of Directors, Chairman of the Board of Supervisors, and Chairman of the Board of Directors of the subsidiary, Jiangsu Flat Glass Co., Ltd.

2: Mr. Wang Yuhua is the Chairman of the Board of Directors, Chairman of the Board of Supervisors, and Chairman of the Board of Directors of the subsidiary, Jiangsu Flat Glass Co., Ltd.

3: Mr. Wang Yuhua is the Chairman of the Board of Directors of the subsidiary, Jiangsu Flat Glass Co., Ltd.

Notes to the Financial Statements

31 December 2023

(IX) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

7. Directors' Remuneration (continued)

The remuneration of directors for the year ended 31 December 2023 (including directors who have resigned during the year) is disclosed in the following table:

	Total of this year	2022
Salaries and allowances	3,247,224.97	3,723,452.26
Director's fees	147,282.29	209,245.54
Retirement benefits	108,000.00	533,423.00
Total	3,502,507.26	4,466,120.80

continued:

	Number of this year	2022
Less than \$1,000,000	-	-
\$1,000,000 to \$1,500,000	5	5
\$1,500,000 to \$2,000,000	-	-

(X) SHARE-BASED PAYMENTS

1. Details of share-based payments

(1) Restricted A Share Incentive Scheme

	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
Number of shares	11	15	11	16	29	29	29	29	29	29
Weighted average	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Value	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000
Cost of shares	28,658,000.00	28,658,000.00	28,658,000.00	28,658,000.00	28,658,000.00	28,658,000.00	28,658,000.00	28,658,000.00	28,658,000.00	28,658,000.00
Share-based payment expense	12	12	12	12	12	12	12	12	12	12
Share-based payment expense	24	24	24	24	24	24	24	24	24	24
Share-based payment expense	36	36	36	36	36	36	36	36	36	36
Share-based payment expense	48	48	48	48	48	48	48	48	48	48
Share-based payment expense	60	60	60	60	60	60	60	60	60	60

	2019	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Number of shares	25	25	25	25	25	25	25	25	25	25	25
Weighted average	14.23	14.23	14.23	14.23	14.23	14.23	14.23	14.23	14.23	14.23	14.23
Value	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Cost of shares	9,961,000.00	9,961,000.00	9,961,000.00	9,961,000.00	9,961,000.00	9,961,000.00	9,961,000.00	9,961,000.00	9,961,000.00	9,961,000.00	9,961,000.00
Share-based payment expense	3	3	3	3	3	3	3	3	3	3	3
Share-based payment expense	12	12	12	12	12	12	12	12	12	12	12
Share-based payment expense	24	24	24	24	24	24	24	24	24	24	24
Share-based payment expense	36	36	36	36	36	36	36	36	36	36	36
Share-based payment expense	48	48	48	48	48	48	48	48	48	48	48
Share-based payment expense	60	60	60	60	60	60	60	60	60	60	60

Notes to the Financial Statements

31 December 2023

(X) SHARE-BASED PAYMENTS (CONTINUED)

1. Details of share-based payments (CONTINUED)

(1) Restricted A Share Incentive Scheme (CONTINUED)

	2020	2021	2022	2023
Number of shares granted	9,200,000	9,200,000	9,200,000	9,200,000
Number of shares vested	2,300,000	2,300,000	2,300,000	2,300,000
Number of shares cancelled	1,000,000	1,000,000	1,000,000	1,000,000
Number of shares outstanding	5,900,000	5,900,000	5,900,000	5,900,000
Number of shares to be granted	9,200,000	9,200,000	9,200,000	9,200,000
Number of shares to be vested	2,300,000	2,300,000	2,300,000	2,300,000
Number of shares to be cancelled	1,000,000	1,000,000	1,000,000	1,000,000
Number of shares to be outstanding	5,900,000	5,900,000	5,900,000	5,900,000

	2020	2021	2022	2023
Number of shares granted	1,400,000	1,400,000	1,400,000	1,400,000
Number of shares vested	350,000	350,000	350,000	350,000
Number of shares cancelled	600,000	600,000	600,000	600,000
Number of shares outstanding	450,000	450,000	450,000	450,000
Number of shares to be granted	1,400,000	1,400,000	1,400,000	1,400,000
Number of shares to be vested	350,000	350,000	350,000	350,000
Number of shares to be cancelled	600,000	600,000	600,000	600,000
Number of shares to be outstanding	450,000	450,000	450,000	450,000

	2020	2021	2022	2023
Number of shares granted	2,300,000	2,300,000	2,300,000	2,300,000
Number of shares vested	575,000	575,000	575,000	575,000
Number of shares cancelled	1,000,000	1,000,000	1,000,000	1,000,000
Number of shares outstanding	725,000	725,000	725,000	725,000
Number of shares to be granted	2,300,000	2,300,000	2,300,000	2,300,000
Number of shares to be vested	575,000	575,000	575,000	575,000
Number of shares to be cancelled	1,000,000	1,000,000	1,000,000	1,000,000
Number of shares to be outstanding	725,000	725,000	725,000	725,000

	2020	2021	2022	2023
Number of shares granted	1,400,000	1,400,000	1,400,000	1,400,000
Number of shares vested	350,000	350,000	350,000	350,000
Number of shares cancelled	600,000	600,000	600,000	600,000
Number of shares outstanding	450,000	450,000	450,000	450,000
Number of shares to be granted	1,400,000	1,400,000	1,400,000	1,400,000
Number of shares to be vested	350,000	350,000	350,000	350,000
Number of shares to be cancelled	600,000	600,000	600,000	600,000
Number of shares to be outstanding	450,000	450,000	450,000	450,000

	2020	2021	2022	2023
Number of shares granted	800,000	800,000	800,000	800,000
Number of shares vested	200,000	200,000	200,000	200,000
Number of shares cancelled	300,000	300,000	300,000	300,000
Number of shares outstanding	300,000	300,000	300,000	300,000
Number of shares to be granted	800,000	800,000	800,000	800,000
Number of shares to be vested	200,000	200,000	200,000	200,000
Number of shares to be cancelled	300,000	300,000	300,000	300,000
Number of shares to be outstanding	300,000	300,000	300,000	300,000

(X) SHARE-BASED PAYMENTS (continued)

1. Details of share-based payments (continued)

(2) Share Option Scheme

As at 31 December 2021, the Company has the following share options outstanding under the Share Option Scheme:

2021

2021

17

2021, 2021

2021

2021

12 2021

2021

2021, 2021, 19

2021

2021, 2021, 19

2021 5,341,072 288

44.02

5,

5,245,472 283 k-

12, 24, 36, 48, 60

k-

	Share option incentive scheme 2021	2020
	4,196,377.60	3,320,000.00
	—	—
	(1,049,094.40)	(1,060,000.00)
	3,147,283.20	2,260,000.00
	RMB44.02	7.29
	Approximately 2.9 years	1.6

Notes to the Financial Statements

31 December 2023

(X) SHARE-BASED PAYMENTS (continued)

2. Equity settled share-based payments

	Share option incentive scheme 2021	Share option incentive scheme 2020
	Black-Scholes Model	
	When the optionee reaches the exercise period in the stock option scheme, and meets the appraisal conditions of the Company's results and personal performance, the corresponding equity instrument is the equity instrument of the exercisable right	
	Nil	
	18,128,750.73	85,508,843.62
	7,401,103.39	11,637,267.45

(X) SHARE-BASED PAYMENTS (continued)

2. Equity settled share-based payments (continued)

On 12 December 2021, the Board of Directors of the Company approved the Share Option Incentive Scheme 2021. The details of the Share Option Incentive Scheme 2021 are as follows:

	Share option incentive scheme 2021
Exercise price	RMB44.02/share RMB42.89/share

Notes to the Financial Statements

31 December 2023

(XIII) OTHER SIGNIFICANT MATTERS

1. Segment Report

The Group has adopted the following segments for the purpose of financial reporting:

1. PV glass segment: This segment is engaged in the production and sales of PV glass.

2. Household glass segment: This segment is engaged in the production and sales of household glass.

3. Architectural glass segment: This segment is engaged in the production and sales of architectural glass.

4. Float glass segment: This segment is engaged in the production and sales of float glass.

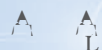
5. Mining products segment: This segment is engaged in the production and sales of mining products.

6. Other business segment: This segment is engaged in other businesses.

7. Mutual offset among segments: This segment represents the mutual offset among segments.

(1) Segment report information

	Amount for the year							Total
	PV glass	Household glass	Architectural glass	Float glass	Mining products	Other business	Mutual offset among segments	
Revenue	19,676,531,705.61	328,383,288.15	582,707,703.55	342,204,685.60	435,376,908.44	158,504,231.07	-	21,523,708,522.42
Cost of sales	15,260,010,550.61	290,560,652.88	519,852,974.98	354,566,859.90	320,262,703.86	85,467,498.31	-	16,830,721,240.54
Profit	4,416,521,155.00	37,822,635.27	62,854,728.57	(12,362,174.30)	115,114,204.58	73,036,732.76	-	4,692,987,281.88
Assets								
Liabilities								198,145,169.13
Assets								119,751,307.45
Liabilities								302,200,735.53
Assets								596,750,492.70
Liabilities								482,892,747.57
Assets								590,660,016.42
Liabilities								102,641,259.91
Assets								166,941,306.05
Liabilities								27,722,636.72
Assets								18,159,670.48
Liabilities								632,854.33
Assets								(77,813,105.53)
Liabilities								(52,288,682.63)
Assets								(7,086,732.47)
Liabilities								3,051,355,105.97
Assets								4,101,236.71
Liabilities								3,648,182.91
Assets								3,051,808,159.77
Liabilities								288,781,280.25
Assets								2,763,026,879.52



(XIII) OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment Report (CONTINUED)

(1) Segment report information (CONTINUED)

	2023		2022		2021		2020	
	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD
Revenue	13,681,797,758.21	349,913,721.40	595,576,936.84	334,991,997.59	439,401,222.43	59,161,590.89	-	15,460,843,227.36
Cost of sales	10,491,982,451.08	287,077,721.08	511,726,345.20	402,993,984.76	334,899,114.03	19,511,263.46	-	12,048,190,879.61
Profit	3,189,815,307.13	62,836,000.32	83,850,591.64	(68,001,987.17)	104,502,108.40	39,650,327.43	-	3,412,652,347.75
△ Other income								
L: Depreciation and amortization								134,772,326.23
L: Impairment loss								118,877,978.75
△ Financial income								277,541,944.49
L: Interest income								523,230,185.51
L: Dividend income								240,434,620.48
L: Gain on disposal of subsidiaries								338,235,144.15
L: Gain on disposal of long-term equity investments								59,295,478.89
△ Government subsidies								77,452,388.08
L: Government subsidies								12,864,496.08
L: Government subsidies								
L: Government subsidies								7,566,505.74
L: Government subsidies								(1,828,707.98)
L: Government subsidies								(39,074,459.18)
△ Other income								(3,094,217.86)
L: Other income								(8,899,606.56)
L: Other income								2,155,215,184.87
△ Other income								1,435,472.21
L: Other income								3,774,893.58
L: Other income								2,152,875,763.50
L: Other income								30,095,335.07
L: Other income								2,122,780,428.43

Notes to the Financial Statements

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(XIII) OTHER SIGNIFICANT MATTERS (其他重要事項)

1. Segment Report (分部報告)

(2) Income by geographical area

Items	Amount for the year	2022
China (Continental)	17,200,202,835.78	12,085,756,436.22
China (Hong Kong)	3,740,599,329.79	2,896,259,491.82
Other regions	229,407,085.64	209,666,541.16
China (Total)	336,042,409.04	249,784,605.31
Other regions (Total)	17,456,862.17	19,376,152.85
Total	21,523,708,522.42	15,460,843,227.36

(3) Non-current assets by location

Items (Note)	Closing balance	2022
China	24,230,780,063.35	18,107,901,929.91
Other regions	1,698,540,913.87	1,799,972,669.41
Total	25,929,320,977.22	19,907,874,599.32

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(XIII) OTHER SIGNIFICANT MATTERS (continued)

1. Segment Report (continued)

(4) Reliance on major customers

In 2023, the sales of the Company to its top 3 customers were 16%, 13% and 10% (2022: 15%, 14% and 9%) respectively. In 2023, the sales of the Company to its top 5 customers were 30%.

2. Net profit for the year had deducted the following items

Items	Amount for the year	Amount for the year
Provision for doubtful debts (continued)	801,372,702.30	679,722,872.95
Provision for doubtful debts	67,280,139.76	55,168,030.14
Provision for doubtful debts	868,652,842.06	734,890,903.09
Allowance for doubtful debts	3,800,000.00	3,650,000.00
Provision for doubtful debts (continued)	1,845,102,892.79	1,312,741,551.48
Provision for doubtful debts (continued)	21,532,230.38	13,971,345.55
Loss on disposal of property, plant and equipment	14,141,417,266.87	10,625,317,831.86
Loss on disposal of property, plant and equipment	30,401,058.91	3,094,217.86
Loss on disposal of property, plant and equipment	21,887,623.72	

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS

1. Cash at Bank and on Hand

Items	Foreign currency amounts	Closing balance	
		Translation exchange rate	RMB amounts
Cash on hand:	17,656.37	1.0000	17,656.37
Cash at bank:	—	—	1,239,455,155.87
in RMB:	1,925,350.88	7.0827	13,636,682.66
in HKD:	384,514.38	7.8592	3,021,975.41
in USD:	273,376.91	4.8484	1,325,440.61
in EUR:	3,262,224.00	0.0502	163,806.05
in GBP:	164,019.66	0.9062	148,637.90
in JPY:	3,870.78	9.0411	34,996.11
in other currencies:	—	—	83,946,570.92
	20,240,149.03	7.0827	143,354,903.53
	12.00	0.0502	0.60
			<u>1,485,105,826.03</u>

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Cash at Bank and on Hand (continued)

Items	2023		
	December 31, 2023	December 31, 2022	December 31, 2021
Cash at bank:			12,539.79
Cash on hand:			900,283,030.69
Accounts receivable:	1,856,809.98	6.9646	12,931,938.78
Accounts payable:	548,637.17	7.4229	4,072,478.85
Prepaid expenses:	282,743.53	4.7138	1,332,796.45
Other receivables:	3,269,399.00	0.0524	171,179.19
Other payables:	164,019.66	0.8933	146,513.84
Other assets:	3,911.63	8.3941	32,834.61
Other liabilities:			305,883,669.00
Other income:	17,240,027.33	6.9646	120,069,894.34
Other expenses:	12.00	0.0524	0.63
Total			1,344,936,876.17

As of December 31, 2023, the cash at bank and on hand of the parent company is 227,301,475.05 (RMB425,953,563.97), which is mainly composed of cash at bank and cash on hand.

Notes to the Financial Statements

December 31, 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Derivative Financial Assets

Items	Closing balance	2022
Derivative financial assets	617,987.00	617,987.00
Less: Derivative financial liabilities ()	617,987.00	617,987.00
Net amount	617,987.00	617,987.00

At the end of the year, the Group had no derivative financial assets pledged.

3. Bills Receivable

(1) Bills receivable listed by category

Items	Closing balance	2022
Bank bills receivable	268,423,741.58	625,126,359.77
Commercial bills receivable	81,812,146.03	356,359,595.90
Less: Bills receivable pledged	1,439,893.77	2,751,928.89
Net amount	348,795,993.84	978,734,026.78

(2) At the end of the year, the Group had no bills receivable pledged.

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

3. Bills Receivable (Continued)

(5) Disclosed by classification of bad debt provision method (Continued)

Classification	31 December 2023		31 December 2022		k
	Amount	Accrual percentage (%)	Amount	Accrual percentage (%)	
Trade receivables					
Low risk	825,126,359.77	84.07	-	-	825,126,359.77
High risk	156,359,595.90	15.93	2,751,928.89	1.76	153,607,667.01
Total	981,485,955.67	100.00	2,751,928.89	0.28	978,734,026.78

As of 31 December 2023, the closing balance of bills receivable is as follows:

Name of portfolio	Book balance	Closing balance		Amount	Accrual percentage (%)
		Credit loss provision	Accrual percentage (%)		
Low risk	268,423,741.58	-	-	825,126,359.77	-
High risk	81,812,146.03	1,439,893.77	1.76	156,359,595.90	1.76
Total	350,235,887.61	1,439,893.77	0.41	981,485,955.67	0.28

As of 31 December 2022, the closing balance of bills receivable is as follows:

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

3. Bills Receivable (Continued)

(6) Bad debt provision

Classification	Closing balance				Closing balance
	2023	2022	2023	2022	
Trade receivables	2,751,928.89	1,439,893.77	2,751,928.89		1,439,893.77
Other receivables	2,751,928.89	1,439,893.77	2,751,928.89		1,439,893.77

4. Trade Receivables

(1) Disclosed by ageing:

The following table shows the ageing of trade receivables as at the end of the reporting period:

Ageing	Closing balance			2023	2022	Ageing percentage (%)
	Trade receivables	Credit loss provision	Accrual percentage (%)			
1 month or less	1,014,270,332.29	20,173,440.87	1.99	880,185,491.92	16,325,960.49	1.85
1-2 months	9,315,203.92	6,433,342.26	69.06	19,278,644.76	16,176,710.82	83.91
2-3 months	13,488,437.14	13,488,437.14	100.00	6,574,232.05	6,574,232.05	100.00
3 months or more	6,136,680.33	6,136,680.33	100.00	1,480,429.88	1,480,429.88	100.00
	1,043,210,653.68	46,231,900.60	4.43	907,518,798.61	40,557,333.24	4.47

(2) Disclosed by classification of credit loss provision method:

The following table shows the classification of credit loss provision method as at the end of the reporting period:

Classification	Closing balance		2023	2022
	Trade receivables	Credit loss provision		
Trade receivables	1,043,210,653.68	46,231,900.60	907,518,798.61	40,557,333.24

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Trade Receivables (Continued)

(2) Disclosed by classification of credit loss provision method: (Continued)

Credit risk rating	Closing balance				Total
	Within 1 year	1-2 years	2-3 years	Over 3 years	
Low risk	-	-	-	-	-
Low	128,320,423.32	2,605,714.12	-	-	130,926,137.44
Low	-	-	-	-	-
Low	1.76%	1.76%	1.76%	1.76%	
Low	859,741,075.43	-	-	-	859,741,075.43
Low	15,131,442.93	-	-	-	15,131,442.93
Low	14.72%	83.91%	100.00%	100.00%	
Low	24,820,398.22	1,716,268.13	8,544,207.57	-	35,080,873.92
Low	3,653,562.62	1,440,120.59	8,544,207.57	-	13,637,890.78
Low	100.00%	100.00%	100.00%	100.00%	
Low	1,388,435.32	4,993,221.67	4,944,229.57	6,136,680.33	17,462,566.89
Low	1,388,435.32	4,993,221.67	4,944,229.57	6,136,680.33	17,462,566.89
Low risk	1,014,270,332.29	9,315,203.92	13,488,437.14	6,136,680.33	1,043,210,653.68
Low	20,173,440.87	6,433,342.26	13,488,437.14	6,136,680.33	46,231,900.60
Low risk	994,096,891.42	2,881,861.66	-	-	996,978,753.08

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

4. Trade Receivables (Continued)

(2) Disclosed by classification of credit loss provision method: (Continued)

	2023	2022	2021	2020	2019
Trade receivables	183,373,505.19				183,373,505.19
Loss allowance					
Trade receivables, net	183,373,505.19				183,373,505.19
Loss allowance ratio	1.76%	1.76%	1.76%	1.76%	1.76%
Trade receivables	665,468,857.76				665,468,857.76
Loss allowance	11,712,251.91				11,712,251.91
Trade receivables, net	653,756,605.85				653,756,605.85
Loss allowance ratio	14.72%	83.91%	100.00%	100.00%	100.00%
Trade receivables	31,343,128.97	19,278,644.76	6,570,314.71		57,192,088.44
Loss allowance	4,613,708.58	16,176,710.82	6,570,314.71		27,360,734.11
Trade receivables, net	26,729,420.39	3,101,933.94			29,831,354.33
Loss allowance ratio	100.00%	100.00%	100.00%	100.00%	100.00%
Trade receivables			3,917.34	1,480,429.88	1,484,347.22
Loss allowance			3,917.34	1,480,429.88	1,484,347.22
Trade receivables, net					
Trade receivables	880,185,491.92	19,278,644.76	6,574,232.05	1,480,429.88	907,518,798.61
Loss allowance	16,325,960.49	16,176,710.82	6,574,232.05	1,480,429.88	40,557,333.24
Trade receivables, net	863,859,531.43	3,101,933.94			866,961,465.37

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Trade Receivables (CONTINUED)

(3) Changes in credit loss provision of trade receivables

	Lifetime ECL
At 1 January 2023	40,557,333.24
Changes during the year:	
Provision for credit losses	6,454,052.77
Reversal of provision for credit losses (net of recoveries)	(779,485.41)
At 31 December 2023	46,231,900.60

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

At 31 December 2023, the closing balances of the top five trade receivables were as follows:

Company A	730,653,810.70 (percentage of total: 533,045,942.11),
Company B	70.04% (percentage of total: 58.74%)
Company C	12,859,507.07 (percentage of total: 6,979,847.36).

(5) At the end of the year, the Company had no trade receivable derecognised due to the transfer of financial assets.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

5. Financing receivables

Item	Closing balance	2023/12/31
... k	643,668,950.76	352,288,693.13

As of December 31, 2023, the Company's financing receivables consist of bank acceptance bills, bank deposits, and other receivables. The carrying amount of bank acceptance bills is RMB 352,288,693.13, which is equal to the fair value. The carrying amount of bank deposits is RMB 291,380,257.63, which is equal to the fair value. The carrying amount of other receivables is RMB 0.00, which is equal to the fair value.

As of December 31, 2023, the Company's financing receivables are classified as financial assets measured at fair value through profit or loss. The carrying amount of bank acceptance bills is RMB 352,288,693.13, which is equal to the fair value. The carrying amount of bank deposits is RMB 291,380,257.63, which is equal to the fair value. The carrying amount of other receivables is RMB 0.00, which is equal to the fair value.

(1) Changes in fair value

Items	Closing balance	2023/12/31
Bank acceptance bills	648,637,037.18	353,374,896.75
Bank deposits	643,668,950.76	352,288,693.13
Other receivables	(4,968,086.42)	(1,086,203.62)

(2) At the end of the year, the Company had no bank acceptance bills pledged.

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

5. Financing receivables (Continued)

- (3) Bank acceptance bills that have been endorsed or discounted by the Company at the end of the year but not yet due at the balance sheet date

Items	Amounts derecognised at the end of the year	Amounts recognised at the end of the year
Bank acceptance bills	870,464,568.88	665,903,655.19
Bank bills	422,813,285.94	55,072,317.90
Total	1,293,277,854.82	720,975,973.09

6. Advance Payments

- (1) The ageing analysis of advance payments is as follows:

Ageing	Closing balance		Ageing structure	
	Amount	Percentage (%)	Amount	(%)
Within 1 year	218,671,364.58	98.66	220,349,799.53	98.55
1-2 years	812,947.03	0.37	1,017,929.93	0.46
2-3 years	5,200.00	0.00	1,023,094.14	0.46
Over 3 years	2,161,987.34	0.97	1,200,340.00	0.53
Total	221,651,498.95	100.00	223,591,163.60	100.00

As at 31 December 2023, the closing balance of advance payments is RMB221,651,498.95, of which RMB220,349,799.53 (98.55%) is due within 1 year, RMB1,017,929.93 (0.46%) is due between 1 and 2 years, RMB1,023,094.14 (0.46%) is due between 2 and 3 years, and RMB1,200,340.00 (0.53%) is due over 3 years.

- (2) Details of top five advance payments with the closing balances classified by the payees:

As at 31 December 2023, the closing balance of advance payments is RMB221,651,498.95, of which the top five payees account for RMB178,656,459.06 (80.60%), and as at 31 December 2022, the closing balance of advance payments is RMB183,814,871.88, of which the top five payees account for RMB151,147,811.88 (82.21%).

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

7. Other Receivables

Items	Closing balance	2023 book value
Other receivables	5,061,996,708.25	1,796,012,370.71
Total	5,061,996,708.25	1,796,012,370.71

(1) Disclosed by ageing

Ageing	Other receivables	Closing balance		2023 book value	2022 book value	Change percentage (%)
		Bad debt provision	Accrual percentage (%)			
Within 1 year	5,044,396,670.83	-	-	1,242,985,411.22	1,242,985,411.22	-
1-2 years	38,785.16	-	-	536,594,117.93	536,594,117.93	-
2-3 years	246,000.00	-	-	50,900.00	50,900.00	-
Over 3 years	17,315,252.26	-	-	16,381,941.56	16,381,941.56	-
Total	5,061,996,708.25	-	-	1,796,012,370.71	1,796,012,370.71	-

(2) Other receivables listed by classification by nature

Nature of other receivables	Closing balance book value	2023 book value
Accounts receivable	5,055,699,951.73	1,794,558,135.25
Accounts payable	5,336,000.00	336,000.00
Prepaid expenses	55,000.00	265,000.00
Other receivables	551,000.00	595,150.00
Total	354,756.52	258,085.46
Total	5,061,996,708.25	1,796,012,370.71

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

7. Other Receivables (continued)

(3) Impairment of other receivables

As at 31 December 2023, the closing balance of other receivables is fully impaired, and the impairment loss is RMB1,000,000,000.

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

Name	Relationship with the Company	Amount	Percentage of the total closing balance of other receivables (%)	Closing balance of credit loss provision
安徽福莱特光伏材料有限公司*	Subsidiary	2,781,552,874.88	54.95	2,781,552,874.88
福莱特(香港)有限公司*	Subsidiary	1,164,551,652.26	23.01	1,164,551,652.26
鳳陽福莱特新能源科技有限公司*	Subsidiary	636,392,459.25	12.57	636,392,459.25
浙江福莱特新能源有限公司*	Subsidiary	325,000,000.00	6.42	325,000,000.00
安徽三力礦業有限責任公司*	Subsidiary	90,000,000.00	1.78	90,000,000.00
		4,997,496,986.39	98.73	4,997,496,986.39

(5) Other receivables had been actually written-off during the period

During the period, the amount of other receivables actually written-off is RMB1,000,000,000.

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

(1) Inventories category

Items	Closing balance		Book value
	Book balance	Impairment provision	
Raw materials	161,682,018.11	—	161,682,018.11
Work-in-progress	48,280,775.64	9,720,207.85	38,560,567.79
Finished goods	15,289,279.67	—	15,289,279.67
Low value consumables	179,198,609.26	9,004,412.10	170,194,197.16
Total	404,450,682.68	18,724,619.95	385,726,062.73
	RMB千元	RMB千元	RMB千元
Raw materials	185,295,480.32	—	185,295,480.32
Work-in-progress	72,448,565.86	3,346,733.88	69,101,831.98
Finished goods	15,111,094.90	—	15,111,094.90
Low value consumables	285,743,781.37	4,521,184.57	281,222,596.80
Total	558,598,922.45	7,867,918.45	550,731,004.00

(2) Inventory impairment provision

Items	Closing balance			
	2023	2022	2021	2020
Raw materials	4,521,184.57	7,652,755.25	3,169,527.72	—
Work-in-progress	3,346,733.88	8,917,989.68	—	2,544,515.71
Finished goods	—	—	—	—
Low value consumables	7,867,918.45	16,570,744.93	3,169,527.72	2,544,515.71
Total	15,735,836.90	27,141,489.86	6,339,055.44	5,089,031.42

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

9. Other Current Assets

Items	Closing balance	2022
Prepaid expenses	-	28,862,936.84
Other receivables	-	2,052,555.56
Other current assets	-	30,915,492.40

10. Long-term Equity Investments

Invested unit	Invested amount	Invested amount	Invested amount	Closing balance	
	(RMB)	(RMB)	(RMB)	(RMB)	
Investment in subsidiaries:					
FLAT GLASS GROUP CO., LTD.	10,000,000.00	-	-	10,000,000.00	
FLAT GLASS GROUP (HONG KONG) CO., LTD.	150,000,000.00	-	-	150,000,000.00	
FLAT GLASS GROUP (CHINA) CO., LTD.	70,000,000.00	-	-	70,000,000.00	
FLAT GLASS GROUP (INDONESIA) CO., LTD.	1,030,000,000.00	-	-	1,030,000,000.00	
Investment in associates:					
FLAT GLASS GROUP (HONG KONG) INVESTMENT CO., LTD.	66,137,343.00	-	-	66,137,343.00	
Investment in joint ventures:					
FLAT GLASS GROUP (CHINA) INVESTMENT CO., LTD.	10,000,000.00	-	-	10,000,000.00	
Investment in other entities:					
FLAT GLASS GROUP (CHINA) INVESTMENT CO., LTD.	7,000,000.00	-	-	7,000,000.00	
Investment in other entities	-	59,130,000.00	-	59,130,000.00	
Investment in other entities	740,000,000.00	-	(740,000,000.00)	-	
Investment in other entities	2,065,000,000.00	-	(2,065,000,000.00)	-	
Investment in other entities	100,000.00	-	-	100,000.00	
Investment in other entities	-	-	-	-	
Investment in other entities	10,000,000.00	-	-	10,000,000.00	
Investment in other entities	-	1,000,000.00	-	1,000,000.00	
Investment in other entities	-	328,000,000.00	-	328,000,000.00	
Investment in other entities	-	86,030,000.00	-	86,030,000.00	
Investment in other entities:					
FLAT GLASS GROUP (CHINA) INVESTMENT CO., LTD.	13,199,229.86	-	6,763,400.00	19,962,629.86	
Investment in other entities	4,500,000.00	-	-	4,500,000.00	
Total	4,175,936,572.86	474,160,000.00	6,763,400.00	(2,805,000,000.00)	1,851,859,972.86

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

10. Long-term Equity Investments (Continued)

At the end of 2021, the Company held 30% equity investment in the subsidiary, which is measured at cost. At the end of 2022, the Company held 30% equity investment in the subsidiary, which is measured at cost. At the end of 2023, the Company held 30% equity investment in the subsidiary, which is measured at cost.

11. Investment Properties

(1) Investment properties with cost measurement model

Items	House and buildings
I. Book value	
1. Land	
2. Buildings	511,823,829.42
(1) Buildings	499,100,342.42
(2) Buildings under construction	12,723,487.00
3. Investment properties	511,823,829.42
II. Accumulated amortisation	
1. Land	
2. Buildings	15,446,809.61
(1) Buildings	11,889,917.56
(2) Buildings under construction	3,556,892.05
3. Investment properties	15,446,809.61
III. Book value	
1. Land	
2. Buildings	496,377,019.81

Notes to the Financial Statements

31 March 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

11. Investment Properties (CONTINUED)

(1) Investment properties with cost measurement model (CONTINUED)

At 31 March 2023, the carrying amount of investment properties measured at cost is HK\$712,096,610.51 (31 March 2022: HK\$712,096,610.51).

At 31 March 2023, the carrying amount of investment properties measured at cost is HK\$712,096,610.51 (31 March 2022: HK\$712,096,610.51). The carrying amount of investment properties measured at cost is HK\$712,096,610.51 (31 March 2022: HK\$712,096,610.51).

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

12. Fixed assets

(1) Fixed assets

Items	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
I. Book value					
1. Land use rights	1,178,975,731.33	2,736,195,640.62	40,384,918.37	40,788,679.79	3,996,344,970.11
2. Buildings	210,725,232.98	228,867,199.60	5,186,539.98	5,641,447.68	450,420,420.24
(1) Buildings	190,509,844.41	9,057,603.55	5,186,539.98	4,773,222.14	209,527,210.08
(2) Buildings under construction	20,215,388.57	219,809,596.05		868,225.54	240,893,210.16
3. Intangible assets	(13,133,919.00)	(37,757,075.26)	(2,145,053.27)	(1,619,459.35)	(54,655,506.88)
(1) Intangible assets	(410,432.00)	(37,722,847.42)	(2,145,053.27)	(1,619,459.35)	(41,897,792.04)
(2) Intangible assets under development		(34,227.84)			(34,227.84)
(3) Intangible assets under development	(12,723,487.00)				(12,723,487.00)
4. Investment properties	1,376,567,045.31	2,927,305,764.96	43,426,405.08	44,810,668.12	4,392,109,883.47
II. Accumulated depreciation					
1. Land use rights	297,515,066.70	824,413,462.17	24,736,889.17	29,604,407.89	1,176,269,825.93
2. Buildings	56,324,544.72	231,742,932.29	5,755,200.10	3,032,050.04	296,854,727.15
(1) Buildings	56,324,544.72	231,742,932.29	5,755,200.10	3,032,050.04	296,854,727.15
3. Intangible assets	(3,694,985.40)	(22,729,986.82)	(1,721,315.74)	(1,151,498.03)	(29,297,785.99)
(1) Intangible assets	(138,093.35)	(22,729,986.82)	(1,721,315.74)	(1,151,498.03)	(25,740,893.94)
(2) Intangible assets under development	(3,556,892.05)				(3,556,892.05)
4. Investment properties	350,144,626.02	1,033,426,407.64	28,770,773.53	31,484,959.90	1,443,826,767.09
III. Impairment provision					
1. Land use rights		13,530,781.71	275,923.26	74,387.87	13,881,092.84
2. Buildings		10,318,986.43		42,981.16	10,361,967.59
(1) Buildings		10,318,986.43		42,981.16	10,361,967.59
3. Intangible assets		(327,239.01)			(327,239.01)
(1) Intangible assets		(327,239.01)			(327,239.01)
4. Investment properties		23,522,529.13	275,923.26	117,369.03	23,915,821.42
IV. Book value					
1. Land use rights	1,026,422,419.29	1,870,356,828.19	14,379,708.29	13,208,339.19	2,924,367,294.96
2. Buildings	881,460,664.63	1,898,251,396.74	15,372,105.94	11,109,884.03	2,806,194,051.34

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

12. Fixed assets (continued)

(1) Fixed assets (continued)

At the end of the year, the Company's fixed assets with book value of 162,961,583.83 (including land use rights: 1,177,954,933.01) are pledged to the bank as security for the bank loans.

At the end of the year, 18,000,000 square meters of land use rights are pledged to the bank.

(2) At the end of year, the Company's temporarily idle fixed assets:

Items	Book value	Accumulated depreciation	Impairment provision	Book value
Construction in progress	35,470,798.62	22,127,074.81	12,781,144.04	562,579.77
Construction materials	27,104,095.51	16,269,529.29	10,834,504.58	61.64
Others	62,574,894.13	38,396,604.10	23,615,648.62	562,641.41

(3) At the end of year, the fixed assets of the Company without property right certificate

Item	Book value	Reasons for failing to complete the title certificate
Construction in progress	506,228,709.86	Not completed due to the delay of the land use rights certificate

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

13. Construction in Progress

(1) Listed by category

Items	Closing balance	2023
Construction in progress	138,915,973.12	164,248,308.91
Construction in progress	11,048,728.72	147,467,381.81
Total	149,964,701.84	311,715,690.72

As of December 31, 2023, the carrying amount of construction in progress is 79,196,956.04 (December 31, 2022: 18,602,073.80). The carrying amount is based on the cost of construction in progress.

(2) Construction in progress

Items	Book balance	Closing balance Impairment provision	Net book amount
Construction in progress	79,196,956.04	-	79,196,956.04
Construction in progress	59,719,017.08	-	59,719,017.08
Total	138,915,973.12	-	138,915,973.12

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

13. Construction in Progress (Continued)

(2) Construction in progress (Continued)

Items	2023 RMB'000	2022 RMB'000
Construction in progress	92,870,989.95	92,870,989.95
Construction in progress	750,000	
Construction in progress	17,341,295.01	17,341,295.01
Construction in progress	54,036,023.95	54,036,023.95
	164,248,308.91	164,248,308.91

(3) The Company did not note any indicators of impairment; therefore there is no provision for impairment losses for construction in progress.

14. Intangible Assets

Items	Land use rights	Emission rights	Energy use rights	Software	Total
I. Original book value					
1. Land use rights	266,519,817.32	51,555,653.89	144,731,091.46	7,595,886.72	470,402,449.39
2. Emission rights					
(1) Emission rights					
3. Energy use rights	266,519,817.32	51,555,653.89	144,731,091.46	7,595,886.72	470,402,449.39
II. Accumulated amortisation					
1. Land use rights	47,880,913.82	27,669,616.57		4,265,271.15	79,815,801.54
2. Emission rights	5,345,891.23	6,769,723.75		640,018.02	12,755,633.00
(1) Emission rights	5,345,891.23	6,769,723.75		640,018.02	12,755,633.00
3. Energy use rights	53,226,805.05	34,439,340.32		4,905,289.17	92,571,434.54
III. Book value					
1. Land use rights	213,293,012.27	17,116,313.57	144,731,091.46	2,690,597.55	377,831,014.85
2. Emission rights	218,638,903.50	23,886,037.32	144,731,091.46	3,330,615.57	390,586,647.85

As at 31 December 2023, the carrying amount of land use rights is RMB210,153,509.35 (2022: RMB205,065,790.77) (Note 13).

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

15. Long-term deferred expenses

Items	2023		2022		Closing balance
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	
Research and development expenses		19,159,973.74	2,444,072.38		16,715,901.36
Other long-term deferred expenses	7,149,939.45	21,481,299.56	2,666,380.09		25,964,858.92
	7,149,939.45	40,641,273.30	5,110,452.47		42,680,760.28

16. Deferred income tax assets or deferred income tax liabilities

(1) Deferred income tax assets before offsetting

Items	Closing balance		2023	2022
	Deductible temporary difference	Deferred income tax assets		
Research and development expenses				
Other long-term deferred expenses				

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

17. Other Non-current Assets

	Closing balance	Year-end balance
Investment properties (Note 1)	9,405,500,730.85	6,598,167,528.88
Investment in subsidiaries	59,833,429.87	417,603,497.43
Long-term receivables	3,000,000.00	
Other non-current assets		
Total	9,468,334,160.72	7,015,771,026.31

Investment properties are measured at fair value less costs to sell. The fair value is determined by using the market comparison method.

18. Short-term Borrowings

Classification	Closing balance	Year-end balance
Bank borrowings (Note 1)	354,000,000.00	750,000,000.00
Trade payables	15,000,000.00	10,000,000.00
Accounts payable (Note 1 and Note 2)	150,000,000.00	530,000,000.00
Accounts receivable	38,220,929.29	192,350,831.00
Other payables (Note 1)	35,413,500.00	100,000,000.00
Other short-term borrowings	250,000,000.00	10,000,000.00
Total	842,634,429.29	1,582,350,831.00

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

18. Short-term Borrowings (Continued)

1: The amount of short-term borrowings with a maturity date of less than 12 months is (¥) 48.

2: The amount of short-term borrowings with a maturity date of less than 12 months is (¥) 165,000,000.00 (Closing balance at the end of the previous period: 530,000,000.00).

The amount of short-term borrowings with a maturity date of less than 12 months is (¥) 165,000,000.00 (Closing balance at the end of the previous period: 530,000,000.00). The interest rate is 2.15% to 5.60% (Closing balance at the end of the previous period: 0.79% to 4.00%).

19. Derivative financial liabilities

Items	Closing balance	Change from the previous period
Interest rate swap	1,487,532.00	1,487,532.00
Interest rate swap (Closing balance at the end of the previous period)	1,467,183.00	20,349.00
Interest rate swap (Closing balance at the end of the previous period)	20,349.00	—
Total	1,487,532.00	20,349.00

The amount of derivative financial liabilities is (¥) 1,487,532.00 (Closing balance at the end of the previous period: 1,467,183.00).

20. Bills Payables

Classification	Closing balance	Change from the previous period
Bank bills payable	29,047,323.68	706,215,273.27
Commercial bills payable	—	50,000,000.00
Total	29,047,323.68	756,215,273.27

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

21. Trade Payables

(1) Listing of trade payables:

Classification	Closing balance	Year-end balance
Trade payables	467,011,862.25	987,380,903.63
Accounts payable	234,532,858.85	236,785,151.92
Total	701,544,721.10	1,224,166,055.55

(2) Ageing analysis of trade payable based on the posting date:

Items	Closing balance	Year-end balance
1 year or less	613,522,817.20	1,159,365,027.36
1-2 years	40,080,848.76	48,755,480.24
2-3 years	36,746,973.59	10,898,219.51
3 years or more	11,194,081.55	5,147,328.44
Total	701,544,721.10	1,224,166,055.55

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

23. Payroll Payable

(1) Listing of payroll payable

Items	2023			Closing balance
	December 31	September 30	June 30	
1. Payroll payable	38,663,004.32	292,293,999.72	292,081,566.58	38,875,437.46
2. Payroll payable - related parties	1,962,735.18	23,374,540.07	22,177,913.68	3,159,361.57
Total	40,625,739.50	315,668,539.79	314,259,480.26	42,034,799.03

(2) Listing of short-term remuneration

Classification	2023			Closing balance
	December 31	September 30	June 30	
Short-term remuneration	36,834,260.72	255,915,491.56	255,991,932.18	36,757,820.10
Short-term remuneration - related parties	-	13,676,984.75	13,676,984.75	-
Short-term remuneration - non-related parties	1,122,628.61	7,986,640.35	7,896,074.28	1,213,194.68
Short-term remuneration - related parties	898,854.94	7,049,099.35	6,879,214.73	1,068,739.56
Short-term remuneration - non-related parties	170,899.85	441,221.47	467,666.20	144,455.12
Short-term remuneration - related parties	52,873.82	496,319.53	549,193.35	-
Short-term remuneration - non-related parties	706,114.99	8,912,596.68	8,761,770.69	856,940.98
Short-term remuneration & L	-	5,802,286.38	5,754,804.68	47,481.70
Total	38,663,004.32	292,293,999.72	292,081,566.58	38,875,437.46

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

23. Payroll Payable (continued)

(3) Listing of defined contribution plan

Classification	31 December 2022	31 December 2022	31 December 2023	Closing balance
1. Defined contribution plan	1,895,044.62	22,911,768.10	21,756,408.30	3,050,404.42
2. Defined contribution plan	67,690.56	462,771.97	421,505.38	108,957.15
	1,962,735.18	23,374,540.07	22,177,913.68	3,159,361.57

The defined contribution plan is a multi-employer defined contribution plan. The plan assets are held in a trust separate from the parent company. The plan assets are invested in domestic and foreign securities. The plan assets are valued at fair value. The plan assets are measured at fair value using the market approach. The plan assets are measured at fair value using the market approach. The plan assets are measured at fair value using the market approach.

The defined contribution plan is a multi-employer defined contribution plan. The plan assets are held in a trust separate from the parent company. The plan assets are invested in domestic and foreign securities. The plan assets are valued at fair value. The plan assets are measured at fair value using the market approach. The plan assets are measured at fair value using the market approach. The plan assets are measured at fair value using the market approach.

24. Taxes Payable

Classification	Closing balance	31 December 2023
Income tax payable	12,977,131.38	24,062,047.29
Corporate income tax payable	6,851,215.72	3,824,727.67
Income tax payable	719,471.20	761,646.22
Income tax payable	1,668.64	1,760.39
Income tax payable	1,191.89	1,257.42
Income tax payable	12,311,079.83	
Income tax payable	6,932.17	
Income tax payable	3,858,334.40	1,554,947.79
	36,727,025.23	30,206,386.78

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

25. Other Payables

Long-term payables:

Items	Closing balance	Opening balance
Interest payables	15,362,664.29	13,081,277.67
Dividend payables	1,371,320.00	2,737,023.00
Others	1,069,789,420.42	1,395,441,797.86
	1,086,523,404.71	1,411,260,098.53

(1) Interest payables

Items	Closing balance	Opening balance
Interest payables on bank deposits	12,582,259.61	7,430,077.54
Interest payables on bank loans	1,464,880.83	4,175,391.12
Interest payables on other financial assets	1,315,523.85	1,475,809.01
	15,362,664.29	13,081,277.67

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

25. Other Payables (continued)

(2) Interest payables

Items	Closing balance	2022
Interest payable	1,371,320.00	2,737,023.00
Total	1,371,320.00	2,737,023.00

(3) Other payables

Classification	Closing balance	2022
Accounts payable	1,034,616,412.65	831,467,216.24
Accounts payable (related parties) (Note 27)	-	520,947,600.00
Accounts payable (related parties) (Note 27)	16,068,482.50	23,806,600.00
Accounts payable	11,417,206.34	11,042,106.34
Accounts payable	4,161,609.41	4,830,346.66
Accounts payable	3,525,709.52	3,347,928.62
Total	1,069,789,420.42	1,395,441,797.86

As at 31 December 2023, the amount of accounts payable (related parties) is RMB16,068,482.50 (2022: RMB23,806,600.00).

26. Non-current liabilities due within one year

Item	Closing balance	2022
Long-term debt	0.00	82.50

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

27. Long-Term Borrowings

(1) Categories of long-term borrowings

	Closing balance	2023/12/31
Long-term bank borrowings	130,000,000.00	1,389,600,000.00
Long-term bonds	249,500,000.00	-
Long-term borrowings from financial institutions	1,657,500,000.00	1,187,800,000.00
Long-term borrowings from related parties ()	1,095,000,000.00	499,000,000.00
Long-term borrowings from others	298,000,000.00	199,000,000.00
Less: Long-term borrowings to be repaid within one year	1,000,000.00	-
Less: Long-term borrowings to be repaid within one year	-	-
Less: Long-term borrowings to be repaid within one year	237,800,000.00	500,330,000.00
Less: Long-term borrowings to be repaid within one year	52,000,000.00	-
Less: Long-term borrowings to be repaid within one year	2,000,000.00	-
Total	3,137,200,000.00	2,775,070,000.00

Long-term borrowings are measured at amortized cost. The effective interest rate is 4.8%.

(2) Profile of maturity dates of long-term borrowings:

Items	Closing balance	2023/12/31
1 to 2 years	-	1,030,907,500.00
2 to 5 years	2,787,200,000.00	1,744,162,500.00
Over 5 years	350,000,000.00	-
Total	3,137,200,000.00	2,775,070,000.00

(3) Other descriptions

The interest rate of long-term borrowings is 3.00% to 3.70%.

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

28. Deferred Revenue

Classification	31 December 2022		31 December 2023		Closing balance
	Original contract amount	Contract amount less revenue recognized	Original contract amount	Contract amount less revenue recognized	
Contract revenue	8,833,570.90	10,000,000.00	3,939,281.20	14,894,289.70	

29. Other Comprehensive Income

Items	31 December 2022		31 December 2023		Closing balance
	Original contract amount	Contract amount less revenue recognized	Original contract amount	Contract amount less revenue recognized	
Share of other comprehensive income of subsidiaries					-
Share of other comprehensive income of associates					
Share of other comprehensive income of joint ventures					
Share of other comprehensive income of equity-accounted investees					
Share of other comprehensive income of subsidiaries	(1,086,203.62)	(3,881,882.80)	(3,881,882.80)	(4,968,086.42)	
Share of other comprehensive income of associates	(1,086,203.62)	(3,881,882.80)	(3,881,882.80)	(4,968,086.42)	
Share of other comprehensive income of joint ventures	(1,086,203.62)	(3,881,882.80)	(3,881,882.80)	(4,968,086.42)	

30. Undistributed Profit

Items	Amount for the year	31 December
Share of undistributed profit of subsidiaries	2,740,753,929.56	2,894,223,275.67
Share of undistributed profit of associates	244,486,277.45	340,316,191.44
Share of undistributed profit of joint ventures	25,553,783.50	89.13
Share of undistributed profit of equity-accounted investees	559,615,055.36	493,785,448.42
Share of undistributed profit of subsidiaries	2,400,071,368.15	2,740,753,929.56

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

31. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

Items	Amount for the year		2023	
	Revenue	Cost	Operating revenue	Operating cost
Operating revenue	5,098,394,466.16	4,186,778,464.89	4,696,198,489.80	3,911,349,394.51
Operating cost	307,651,732.91	227,448,326.93	467,593,814.63	396,438,844.13
Total	5,406,046,199.07	4,414,226,791.82	5,163,792,304.43	4,307,788,238.64

(2) Disaggregation of operating revenue

Items	Amount for the year	
	Operating revenue	Operating cost

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

32. Taxes and Surcharges

Items	Amount for the year	2023 2022
Income tax	9,644,709.41	4,896,716.45
Corporate income tax	4,717,507.07	3,758,616.34
Income tax on investment income	851,427.07	1,808,456.40
Income tax on dividends	7,073,711.45	21,124.68
Income tax on interest income	5,052,651.02	15,089.04
Income tax on other income	9,296.04	(4,908,985.16)
Land use tax	260,208.77	552,576.54
Total	27,609,510.83	6,143,594.29

33. Selling Expenses

Items	Amount for the year	2023 2022
Advertising and promotion expenses	4,084,074.49	39,444,623.71
Business entertainment expenses	15,044,130.11	11,944,255.99
Business travel expenses	417,248.19	108,401.85
Business gifts	9,984,964.11	4,511,596.91
Total	29,530,416.90	56,008,878.46

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

34. Administrative Expenses

Items	Amount for the year	Amount for the year
Salaries and wages	55,163,092.72	66,886,281.67
Staff welfare expenses	19,038,370.84	31,948,589.20
Depreciation of fixed assets	5,727,421.90	10,720,713.88
Amortization of intangible assets	11,660,364.56	9,798,936.85
Research and development expenses	15,085,912.60	8,162,394.31
Business expenses	4,078,797.73	6,875,773.43
Transportation expenses	7,770,646.49	4,411,205.92
Travel expenses	2,630,159.04	2,630,159.04
Advertising expenses	2,758,549.09	1,972,728.12
Business entertainment expenses	9,115,294.75	1,693,280.34
Office expenses	1,350,000.00	1,300,000.00
Depreciation of right-of-use assets	14,393,261.68	831,347.72
Lease expenses	2,246,354.75	782,972.96
Professional fees	373,802.01	374,535.87
Interest expenses	146,884.73	220,957.49
Other expenses	4,880,725.91	4,063,189.45
	156,419,638.80	152,673,066.25

35. Research and Development Expenses

Items	Amount for the year	Amount for the year
Salaries and wages	101,891,679.90	102,166,302.68
Staff welfare expenses	71,948,556.49	61,798,816.08
Depreciation of fixed assets	8,795,696.62	8,479,732.97
Amortization of intangible assets	9,710,952.51	9,626,469.45
	192,346,885.52	182,071,321.18

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

36. Finance Expenses

Items	Amount for the year	2023 2022
Interest expenses	374,504,064.64	243,702,867.66
Loss on disposal of financial assets	38,260,748.16	39,915,635.70
Loss on disposal of investment properties	1,869,205.88	3,214,088.24
Loss on disposal of investment securities	(25,738,498.52)	(93,108,601.87)
Total	312,374,023.84	113,892,718.33

37. Other Revenues

Sources of other revenues	Amount for the year	2023 2022
Income from disposal of investment securities	3,939,281.20	4,590,107.26
Income from disposal of investment properties	11,377,430.62	29,240,449.35
Income from disposal of financial assets	28,663,160.74	1,000,000.00
Total	43,979,872.56	33,830,556.61

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

38. Investment (Loss) Income

Items	Amount for the year	Amount for the year
Income from investments in equity instruments	11,209,220.00	11,209,220.00
Losses from investments in equity instruments	6,763,400.00	6,277,401.74
Income from investments in debt instruments	43,957.37	4,606,113.99
Losses from investments in debt instruments	(23,447,125.12)	(23,447,125.12)
Income from investments in financial assets at fair value through profit or loss	(5,430,547.75)	10,883,515.73

39. Losses on changes in fair value

Source of losses from changes in fair value	Amount for the year	Amount for the year
Losses on changes in fair value of financial assets at fair value through profit or loss	(869,545.00)	(869,545.00)
Losses on changes in fair value of financial assets at fair value through other comprehensive income	(1,467,183.00)	(1,467,183.00)
Losses on changes in fair value of financial assets at fair value through profit or loss	597,638.00	597,638.00
Losses on changes in fair value of financial assets at fair value through profit or loss	(869,545.00)	(869,545.00)

40. Credit Impairment Losses

Items	Amount for the year	Amount for the year
Losses on credit impairment of financial assets at amortized cost	1,312,035.12	(685,492.76)
Losses on credit impairment of financial assets at amortized cost	(6,454,052.77)	(16,055,816.15)
Losses on credit impairment of financial assets at amortized cost	(5,142,017.65)	(16,741,308.91)

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

41. Asset Impairment Losses

Items	Amount for the year	Amount at the end of the year
Property, plant and equipment	(13,401,217.21)	(824,680.43)
Goodwill	(10,361,967.59)	
Total	(23,763,184.80)	(824,680.43)

42. Gains (losses) on Disposal of Asset

Item	Amount for the year	Amount at the end of the year
Gain (loss) on disposal of asset	(7,035,011.30)	515,053.81

43. Non-operating Income

Item	Amount for the year	Amount at the end of the year
Non-operating income	122,580.58	685,390.38

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

44. Non-operating Expenses

Items	Amount for the year	2022
Interest income	1,956,747.10	2,125,838.80
Income from disposal of non-current assets	—	8,051.18
Others	1,956,747.10	2,133,889.98

45. Income Tax Expense

Items	Amount for the year	2022
Income tax expense	12,324,461.45	12,324,461.45
Deferred income tax expense	(327,448.36)	(6,691,984.00)
Others	16,961,040.36	37,804,917.05
Income tax expense	28,958,053.45	31,112,933.05

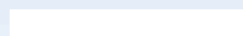
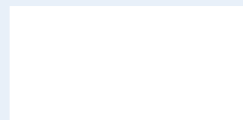
Income tax expense is calculated based on the following tax rates:

	Amount for the year	2022
Income tax expense	273,444,330.90	371,429,124.49
Income tax expense on income from operations at the statutory rate of 15% (2022: 15%)	41,016,649.64	55,714,368.67
Income tax expense on income from operations at preferential rates	25,483,641.11	15,599,715.91
Income tax expense on income from operations at other rates	—	—
Deferred income tax expense	(327,448.36)	(6,691,984.00)
Income tax expense on income from operations	(14,594,960.11)	(11,960,766.40)
Income tax expense on income from other operations	(22,619,828.83)	(21,548,401.13)
Income tax expense	28,958,053.45	31,112,933.05

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

46. Notes to Items of Cash Flow Statement

(1) Cash received relating to other operating activities



Notes to the Financial Statements

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(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (continued)

46. Notes to Items of Cash Flow Statement (continued)

(3) Cash received relating to other investment activities

Items	Amount for the year	Amount in US dollars
Dividends received from subsidiaries	70,740,652.19	39,597,589.45
Dividends received from associates	800,000.00	3,500.00
Dividends received from other subsidiaries	3,671,424,095.93	5,241,068,233.49
Others	3,742,964,748.12	5,280,669,322.94

(4) Cash paid relating to other investment activities

Items	Amount for the year	Amount in US dollars
Dividends paid to subsidiaries	6,958,346,239.50	8,278,808,835.03
Dividends paid to other subsidiaries	85,300,402.31	30,618,224.96
Others	2,395,000.00	5,326,400.00
Others	7,046,041,641.81	8,314,753,459.99

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

46. Notes to Items of Cash Flow Statement (CONTINUED)

(5) Cash received relating to other financing activities

Items	Amount for the year	
Issuance of long-term debt	1,097,891,625.20	481,009,918.05

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

47. Supplementary Information for Cash Flow Statement

(1) Supplementary information for cash flow statement

Supplementary information	Amount for the year	Amount in million RMB
(1) Operating activities		
Net cash provided by operating activities	244,486,277.45	340,316,191.44
Operating activities involving disposal of subsidiaries	23,763,184.80	824,680.43
Operating activities involving acquisition of subsidiaries	5,142,017.65	16,741,308.91
Operating activities involving disposal of long-term equity investments	296,854,727.15	244,268,126.62
Operating activities involving acquisition of long-term equity investments	12,755,633.00	10,928,626.98
Operating activities involving disposal of other long-term assets	11,889,917.56	-
Operating activities involving acquisition of other long-term assets	5,110,452.47	866,710.47
Operating activities involving disposal of financial assets	7,035,011.30	(515,053.81)
Operating activities involving acquisition of financial assets	869,545.00	-
Operating activities involving disposal of financial liabilities	371,457,390.52	160,169,742.93
Operating activities involving acquisition of financial liabilities	5,430,547.75	(10,883,515.73)
Operating activities involving disposal of other financial assets and liabilities	-	-
Operating activities involving acquisition of other financial assets and liabilities	16,961,040.36	37,804,917.05
Operating activities involving disposal of other long-term assets and financial assets	151,603,724.06	(231,957,195.34)
Operating activities involving acquisition of other long-term assets and financial assets	(685,849,036.05)	(1,655,418,681.08)
Operating activities involving disposal of other long-term assets and financial liabilities	(739,210,659.48)	355,627,739.16
Operating activities involving acquisition of other long-term assets and financial liabilities	(3,939,281.20)	(4,590,107.26)
Operating activities involving disposal of other long-term assets and other financial assets and liabilities	19,038,370.84	31,948,589.20
Operating activities involving acquisition of other long-term assets and other financial assets and liabilities	(256,601,136.82)	(703,867,920.03)
(2) Investing activities		
Net cash used in investing activities	1,257,804,350.98	918,983,312.20
Investing activities involving disposal of subsidiaries	918,983,312.20	445,104,022.54
Investing activities involving acquisition of subsidiaries	338,821,038.78	473,879,289.66

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

47. Supplementary Information for Cash Flow Statement (Continued)

(2) Component of cash and cash equivalents

Items	Closing balance	Beginning balance
Cash	1,257,804,350.98	918,983,312.20
Accounts receivable	17,656.37	12,539.79
Accounts payable	1,257,786,694.61	918,970,772.41
Prepaid expenses	-	-
Other receivables	-	-
Other payables	1,257,804,350.98	918,983,312.20

48. Assets with Restricted Ownership or Use Rights

Items	Closing balance of book value	Beginning balance
Property, plant and equipment	227,301,475.05	227,301,475.05
Intangible assets	162,961,583.83	162,961,583.83
Investment properties	79,196,956.04	79,196,956.04
Other assets	205,065,790.77	205,065,790.77
	674,525,805.69	674,525,805.69

49. Related Parties and Related Party Transaction

(1) The Company's other related parties

As of December 31, 2023, the Company has no other related parties.

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(2) Related party transactions

1) Transactions with related parties

Item	Accounting	Amount for the year	Amount at the end of the reporting period
Interest income	110	129,252,981.38	356,758,205.34
Interest expense	110	219,212,324.77	314,822,978.26
Income from related parties	110	128,587,695.39	149,768,376.38
Income from related parties	110	66,506,269.38	100,785,869.35
Income from related parties	110	1,822,007.47	9,489,982.93
Income from related parties	110	1,357,757.70	37,798,855.04
Income from related parties	110	—	8,559.20
Income from related parties	110	77,173,014.53	—
Income from related parties	110	894,983.99	—
Income from related parties	110	666,646.95	—
Total		625,473,681.56	969,432,826.50

2) Transactions with related parties

Item	Accounting	Amount for the year	Amount at the end of the reporting period
Interest income	110	134,298,657.98	334,857,087.24
Interest expense	110	124,579,345.95	223,509,979.98
Income from related parties	110	167,752,440.41	243,553,462.29
Income from related parties	110	257,913,608.88	212,685,098.53
Income from related parties	110	67,626,971.51	80,722,117.84
Income from related parties	110	—	30,876,621.31
Income from related parties	110	5,625,275.23	3,975,261.86
Income from related parties	110	1,700,335.37	1,377,726.85
Total		759,496,635.33	1,131,557,355.90

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(3) Related leases

Leases receivable:

		Amount for the year Recognised rental incomes	Amount for the year Recognised rental incomes
Leases receivable	2023		
Leases receivable	2022	6,035,622.84	6,035,622.84
Leases receivable	2021	322,924.48	322,924.48
		6,358,547.32	6,035,622.84

Leases payable:

		Amount for the year Recognised rental expenses	Amount for the year Recognised rental expenses
Leases payable	2023		
Leases payable	2022	8,499,629.28	8,499,629.28

(4) Sale of fixed assets

		Amount for the year	Amount for the year
Fixed assets	2023		
Fixed assets	2022	99,309.73	277,663.56
Fixed assets	2021	-	410.88
Fixed assets	2020	2,279,014.50	2,279,014.50
Fixed assets	2019	58,773.81	58,773.81
Fixed assets	2018	5,183,651.57	5,183,651.57
		7,620,749.61	278,074.44

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(5) Procurement of fixed assets and engineering materials

Item	Amount for the year	2022
Procurement of fixed assets	2,062,373.51	2,046,626.56
Procurement of engineering materials	217,777.77	-
Procurement of other fixed assets and engineering materials	3,333,471.93	-
Total	5,613,623.21	2,046,626.56

(6) Amounts due to/from related parties

Item	Closing balance	2022
Amounts due to related parties	82,885,203.30	-
Amounts due to FLAT GLASS GROUP CO., LTD.	20,157,948.96	40,298,080.95
Amounts due to other related parties	12,774,278.55	19,884,494.79
Amounts due from related parties	6,339,915.09	1,713,049.36
Amounts due from FLAT GLASS GROUP CO., LTD.	4,458,775.09	4,113,021.66
Amounts due from other related parties	1,705,034.50	96,165,624.98
Amounts due to other related parties	1,049,982.60	21,199,233.46
Amounts due from other related parties	803,380.89	-
Amounts due to other related parties	751,618.45	-
Total	130,926,137.43	183,373,505.20
Amounts due to related parties	115,626,849.59	-
Amounts due to FLAT GLASS GROUP CO., LTD.	3,630,715.71	2,128,096.24
Amounts due to other related parties	2,126,567.34	2,126,567.34
Amounts due from related parties	50,373.93	-
Total	121,434,506.57	4,254,663.58

		Closing balance	
	A	2,781,552,874.88	
	(B)	1,164,551,652.26	1,144,467,141.56
		636,392,459.25	406,000,000.00
		325,000,000.00	
		90,000,000.00	
		25,438,744.37	1,138,993.69
		4abl ,8.,	

Other receivab

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(6) Amounts due to/from related parties (CONTINUED)

Account	Account	Closing balance	Opening balance
Accounts receivable	Accounts receivable	28,208,580.24	91,188,647.33
Accounts payable	Accounts payable & other payables	12,206,790.44	6,283,744.31
Other receivables	Other receivables	8,299,495.23	16,146,812.79
Other payables	Other payables	6,081,004.43	509,950.00
Prepaid expenses	Prepaid expenses	4,394,740.93	1,908,266.72
Other receivables	Other receivables	1,650,000.00	200,000.00
Other payables	Other payables	300,202.42	21,839,444.08
Other receivables	Other receivables	290,882.81	2,143,921.86
Other payables	Other payables	270,616.47	27,600.57
Other receivables	Other receivables	-	149,743,753.24
		61,702,312.97	289,992,140.90

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(7) Borrowings to related parties

Related parties	2023	2022	2021	2020	Year end amount	Interest rate
During the year						
▲ Flat Glass Group Co., Ltd.	2,781,552,874.88	-	-	-	2,781,552,874.88	-
▲ Flat Glass Group Co., Ltd.	-	-	-	2020 01 02 - 2023 12 31	100,000,000.00	-
▲ Flat Glass Group Co., Ltd.	-	-	-	2018 07 01 - 2023 12 31	500,000,000.00	-
▲ Flat Glass Group Co., Ltd.	-	-	-	2020 12 31 - 2023 12 31	1,444,025,000.00	-
▲ Flat Glass Group Co., Ltd.	5,302,834,143.30	2,197,873,456.93	-	-	7,198,407,904.53	-
Flat Glass Group Co., Ltd.	335,430,824.36	709,087,520.90	-	-	83,443,303.46	-
Flat Glass Group Co., Ltd. & Flat Glass Group Co., Ltd.	189,440,330.24	114,911,118.10	-	-	78,124,522.86	-
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	1,389,710.70	-	-	-	17,154,252.26	-
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	1,384,800.00	-	2021 03 10	2024 03 09	84,992,400.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	2,885,000.00	-	2021 03 10	2024 04 13	177,067,500.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	1,154,000.00	-	2021 02 26	2024 02 25	70,827,000.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	1,154,000.00	-	2021 07 19	2024 07 18	70,827,000.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	2,308,000.00	-	2021 09 01	2024 08 31	141,654,000.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	2,308,000.00	-	2021 10 27	2024 10 21	141,654,000.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	2,885,000.00	-	2021 11 30	2024 10 21	177,067,500.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	2,308,000.00	-	2022 03 14	2024 03 13	141,654,000.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	2,308,000.00	-	2022 04 13	2024 04 12	141,654,000.00	2.5%
Flat Glass Group Co., Ltd. (Flat Glass Group Co., Ltd.)	27,474,220.97	-	2021 03 10	2024 04 12	27,474,220.97	2.5%
Flat Glass Group Co., Ltd.	500,000,000.00	410,000,000.00	-	-	90,000,000.00	-
Flat Glass Group Co., Ltd.	3,380,000.00	-	-	-	6,280,000.00	-
Flat Glass Group Co., Ltd. & Flat Glass Group Co., Ltd.	230,392,459.25	-	-	-	636,392,459.25	-
Flat Glass Group Co., Ltd.	-	239,552,000.00	-	-	-	-
Flat Glass Group Co., Ltd. & Flat Glass Group Co., Ltd.	24,299,750.68	-	-	-	25,438,744.37	-
Flat Glass Group Co., Ltd.	-	-	-	-	500,000.00	-
Flat Glass Group Co., Ltd.	-	-	-	-	500,000.00	-
Flat Glass Group Co., Ltd.	10,000.00	-	-	-	10,000.00	-
Flat Glass Group Co., Ltd.	325,000,000.00	-	-	-	325,000,000.00	-

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(7) Borrowings to related parties (CONTINUED)

Related parties	2023 12 31	2022 12 31	Contract date	Term	Year end amount	Interest rate
During last year						
▲		236,335,030.00			-	
▲			2021 01 01	2023 12 31	100,000,000.00	4.75%
▲			2021 01 01	2023 12 31	500,000,000.00	4.75%
▲			2021 01 01	2023 12 31	1,444,025,000.00	4.75%
	5,649,506,841.34	2,656,059,623.18			4,093,447,218.16	
	976,000,000.00	1,281,371,699.07			457,100,000.00	
&	167,661,000.00	508,619,881.24			3,595,310.72	
()	443,524.03				16,201,941.56	
()	7,066,800.00		2021 03 10	2023 03 09	83,575,200.00	2.5%
()	14,722,500.00		2021 03 10	2023 04 13	174,115,000.00	2.5%
()	5,889,000.00		2021 02 26	2023 02 28	69,646,000.00	2.5%
()	5,889,000.00		2021 07 19	2023 07 18	69,646,000.00	2.5%
()	11,778,000.00		2021 09 01	2023 08 31	139,292,000.00	2.5%
()	11,778,000.00		2021 10 27	2023 10 26	139,292,000.00	2.5%
()	14,722,500.00		2021 11 30	2023 11 29	174,115,000.00	2.5%
()	139,292,000.00		2022 03 14	2023 03 13	139,292,000.00	2.5%
()	139,292,000.00		2022 04 13	2023 03 14	139,292,000.00	2.5%
	1,400,000.00				2,900,000.00	
		16,000.00			-	
	636,000,000.00	230,000,000.00			406,000,000.00	
	568,018,000.00	328,466,000.00			239,552,000.00	
	1,138,993.69				1,138,993.69	
	500,000.00				500,000.00	

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(8) Borrowings from related parties

Related parties	2023	2022	Year end amount
During the year			
— (Interest)		92,582,360.09	416,703,442.65
— Interest		11,000,000.00	-
— Interest	91,702,400.00		164,000,000.00
— Interest			10,000,000.00
— & —	24,581,156.50	50,000,000.00	-
—	150,000,000.00	18,000,000.00	335,464,970.00
— Interest	60,448,000.00	52,000,000.00	8,448,000.00
— Interest	100,000,000.00		100,000,000.00
During last year			
— (Interest)			509,285,802.74
— Interest	8,044,799.47		11,000,000.00
— Interest	111,297,600.00	39,000,000.00	72,297,600.00
— & —	25,418,843.50		25,418,843.50
—	203,464,970.00		203,464,970.00
— Interest	10,000,000.00		10,000,000.00

(9) Interest income

Related party	Content of the related party transaction	Amount for the year	
— (Interest)	— Interest	27,474,220.97	27,590,844.58

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(10) Receiving guarantees from related parties

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2023
During the year					
▲		20,000,000.00	2022 07 28	2023 07 28	
▲		200,000,000.00	2022 07 29	2023 07 27	
▲		98,000,000.00	2023 04 30	2023 10 29	
▲		500,000.00	2021 11 17	2023 06 20	
▲		500,000.00	2021 11 17	2023 12 20	
▲		500,000.00	2021 11 17	2024 06 20	
▲		197,500,000.00	2021 11 17	2024 11 16	
▲		500,000.00	2021 11 19	2023 06 20	
▲		500,000.00	2021 11 19	2023 12 20	
▲		500,000.00	2021 11 19	2024 06 20	
▲		197,500,000.00	2021 11 19	2024 11 16	
▲		10,000,000.00	2022 11 30	2023 06 15	
▲		10,000,000.00	2022 11 30	2023 12 15	
▲		20,000,000.00	2022 11 30	2024 06 15	
▲		20,000,000.00	2022 11 30	2024 12 15	
▲		20,000,000.00	2022 11 30	2025 06 15	
▲		20,000,000.00	2022 11 30	2025 11 29	
▲		100,000,000.00	2023 01 01	2023-06-08	
▲		100,000,000.00	2023 01 01	2023-06-08	
▲		111,000,000.00	2023 01 11	2023-02-15	
▲		199,000,000.00	2023 02 08	2023-08-07	



(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(10) Receiving guarantees from related parties (CONTINUED)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2023
▲ FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	200,000,000.00	2023-04-18	2026-04-20	200,000,000.00
▲ FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	200,000,000.00	2023-06-07	2026-06-07	200,000,000.00
▲ FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	199,000,000.00	2023-06-12	2026-06-15	199,000,000.00
▲ FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	199,000,000.00	2023-06-13	2026-06-13	199,000,000.00
▲ FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	200,000,000.00	2023-06-20	2026-06-16	200,000,000.00
▲ FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	175,000,000.00	2023-11-30	2030-10-29	175,000,000.00
▲ FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	175,000,000.00	2023-11-30	2030-10-29	175,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000,000.00	2022-04-18	2023-01-27	100,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	9,000,000.00	2022-07-19	2023-01-16	9,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	12,000,000.00	2022-07-29	2023-01-30	12,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	9,000,000.00	2022-08-09	2023-02-06	9,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	9,000,000.00	2022-08-19	2023-02-14	9,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	11,000,000.00	2022-08-29	2023-02-21	11,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	10,000,000.00	2022-10-28	2023-04-24	10,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	150,000,000.00	2022-11-08	2023-07-01	150,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	30,000,000.00	2023-01-18	2023-08-22	30,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000,000.00	2023-01-28	2023-08-22	100,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000,000.00	2023-02-01	2023-07-04	100,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	15,000,000.00	2023-02-24	2023-08-23	15,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	5,000,000.00	2023-03-03	2023-08-29	5,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	10,000,000.00	2023-03-09	2023-09-04	10,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	10,000,000.00	2023-03-24	2023-09-19	10,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	10,000,000.00	2023-04-04	2023-10-07	10,000,000.00
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000,000.00	2023-04-11	2023-04-30	100,000,000.00

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31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(10) Receiving guarantees from related parties (CONTINUED)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2023
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	5,220,000.00	2023-06-27	2023-12-22	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	150,000,000.00	2023-8-22	2024-8-21	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	80,000,000.00	2020-12-28	2023-12-22	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	150,000,000.00	2022-10-08	2025-10-07	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	90,000,000.00	2020-11-16	2023-11-15	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2021-12-07	2023-06-03	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2021-12-07	2023-12-03	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2021-12-07	2024-06-03	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	119,500,000.00	2021-12-07	2024-12-03	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	500,000.00	2023-01-19	2023-07-18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	500,000.00	2023-01-19	2024-01-18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	500,000.00	2023-01-19	2024-07-18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	500,000.00	2023-01-19	2025-01-18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	500,000.00	2023-01-19	2025-07-18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	97,500,000.00	2023-01-19	2026-01-18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2023-02-28	2023-08-26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2023-02-28	2024-02-26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2023-02-28	2024-08-26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2023-02-28	2025-02-26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2023-02-28	2025-08-26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	139,500,000.00	2023-02-28	2026-02-26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	50,000,000.00	2023-03-10	2026-03-09	

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(10) Receiving guarantees from related parties (CONTINUED)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2023
During last year					
▲		50,000,000.00	2021 10 29	2022 10 28	
▲		100,000,000.00	2022 07 28	2022 12 13	
▲		180,000,000.00	2022 07 28	2022 12 30	
▲		20,000,000.00	2022 07 28	2023 07 28	
▲		200,000,000.00	2022 07 29	2023 07 27	
▲		500,000.00	2021 11 17	2022 06 20	
▲		500,000.00	2021 11 17	2022 12 20	
▲		500,000.00	2021 11 17	2023 06 20	
▲		500,000.00	2021 11 17	2023 12 20	
▲		500,000.00	2021 11 17	2024 06 20	
▲		197,500,000.00	2021 11 17	2024 11 16	
▲		500,000.00	2021 11 19	2022 06 20	
▲		500,000.00	2021 11 19	2022 12 20	
▲		500,000.00	2021 11 19	2023 06 20	
▲		500,000.00	2021 11 19	2023 12 20	
▲		500,000.00	2021 11 19	2024 06 20	
▲		197,500,000.00	2021 11 19	2024 11 16	
▲		10,000,000.00	2022 11 30	2023 06 15	
▲		10,000,000.00	2022 11 30	2023 12 15	
▲		20,000,000.00	2022 11 30	2024 06 15	
▲		20,000,000.00	2022 11 30	2024 12 15	
▲		20,000,000.00	2022 11 30	2025 06 15	
▲		20,000,000.00	2022 11 30	2025 11 29	
▲		31,878,500.00	2021 11 26	2022 07 18	

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31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(10) Receiving guarantees from related parties (CONTINUED)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2023
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	127,514,000.00	2021 11 26	2022 11 01	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	99,000,000.00	2021 06 17	2022 04 27	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2021 07 20	2022 01 17	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	2,000,000.00	2021 07 30	2022 01 26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	2,000,000.00	2021 08 09	2022 02 07	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2021 08 19	2022 02 09	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2021 09 09	2022 03 07	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2021 09 18	2022 03 16	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	4,000,000.00	2021 09 29	2022 03 28	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2021 10 19	2022 04 18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	4,000,000.00	2021 10 29	2022 04 26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2021 11 19	2022 05 09	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2021 12 09	2022 06 06	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2021 12 16	2022 06 13	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	4,000,000.00	2022 01 07	2022 06 27	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2022 01 18	2022 07 18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	4,000,000.00	2022 01 27	2022 07 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2022 02 08	2022 08 08	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2022 02 18	2022 08 16	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	4,000,000.00	2022 02 25	2022 08 23	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2022 03 09	2022 09 05	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2022 03 18	2022 09 13	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	4,000,000.00	2022 03 30	2022 09 26	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2022 04 08	2022 10 08	



(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(10) Receiving guarantees from related parties (CONTINUED)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2023
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	3,000,000.00	2022 04 18	2022 10 12	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	7,000,000.00	2022 04 29	2022 10 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000,000.00	2022 04 18	2023 01 27	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	20,000,000.00	2022 05 30	2022 11 23	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	9,000,000.00	2022 07 19	2023 01 16	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	12,000,000.00	2022 07 29	2023 01 30	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	9,000,000.00	2022 08 09	2023 02 06	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	9,000,000.00	2022 08 19	2023 02 14	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	11,000,000.00	2022 08 29	2023 02 21	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	10,000,000.00	2022 10 28	2023 04 24	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	150,000,000.00	2022 11 08	2023 07 01	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	80,000,000.00	2020 12 28	2023 12 27	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	150,000,000.00	2022 10 08	2025 10 07	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	90,000,000.00	2020 11 16	2023 11 15	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2021 12 07	2022 06 06	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2021 12 07	2022 12 05	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2021 12 07	2023 06 03	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2021 12 07	2023 12 03	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	100,000.00	2021 12 07	2024 06 03	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	119,500,000.00	2021 12 07	2024 12 03	

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(11) Providing guarantees to related parties

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
During the year					
		11,000,000.00	2023 05 31	2024 05 31	
		200,000,000.00	2022 07 29	2023 07 28	
		50,000,000.00	2022 11 01	2023 10 28	
		90,000,000.00	2022 12 29	2023 12 28	
		50,000,000.00	2023 10 31	2024 04 30	
		100,000.00	2021 03 04	2023 03 03	
		100,000.00	2021 03 04	2023 09 03	
		49,500,000.00	2021 03 04	2024 03 03	
		100,000.00	2023 03 21	2024 03 19	
		100,000.00	2023 03 21	2024 09 19	
		100,000.00	2023 03 21	2025 03 19	
		100,000.00	2023 03 21	2025 09 19	
		179,500,000.00	2023 03 21	2026 03 19	
		75,000,000.00	2022 01 07	2023 01 07	
		100,000,000.00	2022 12 06	2023 12 05	
		75,000,000.00	2023 01 10	2024 01 10	
		60,000,000.00	2022 11 16	2023 04 27	
		60,000,000.00	2022 11 16	2023 10 27	
		80,000,000.00	2022 11 16	2024 04 27	
		80,000,000.00	2022 11 16	2024 10 27	
		80,000,000.00	2022 11 16	2025 04 27	
		80,000,000.00	2022 11 16	2025 10 27	
		80,000,000.00	2022 11 16	2026 04 27	
		80,000,000.00	2022 11 16	2026 10 27	

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

49. Related Parties and Related Party Transactions (Continued)

(11) Providing guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
	▲	100,000,000.00	2022 11 16	2027 04 27	
	▲	100,000,000.00	2022 11 16	2027 10 27	
	▲	1,000,000.00	2021 06 28	2023 06 20	
	▲	1,000,000.00	2021 06 28	2023 12 20	
	▲	155,000,000.00	2021 06 28	2024 06 24	
	▲	100,000.00	2021 06 15	2023 06 15	
	▲	100,000.00	2021 06 15	2023 12 15	
	▲	229,500,000.00	2021 06 15	2024 12 15	
	▲	2,000,000.00	2023 03 16	2024 02 15	
	▲	46,000,000.00	2023 03 16	2024 09 11	
	▲	1,000,000.00	2023 03 22	2024 06 20	
	▲	1,000,000.00	2023 03 22	2024 12 20	
	▲	1,000,000.00	2023 03 22	2025 06 20	
	▲	1,000,000.00	2023 03 22	2025 12 20	
	▲	44,000,000.00	2023 03 22	2026 03 16	
	▲	1,000,000.00	2023 03 22	2024 06 20	
	▲	1,000,000.00	2023 03 22	2024 12 20	
	▲	1,000,000.00	2023 03 22	2025 06 20	
	▲	1,000,000.00	2023 03 22	2025 12 20	
	▲	39,000,000.00	2023 03 22	2026 03 16	
	▲	1,000,000.00	2023 03 28	2024 06 20	
	▲	47,000,000.00	2023 03 28	2024 09 19	
	▲	140,000,000.00	2023 06 29	2025 12 15	
	▲	60,000,000.00	2023 06 29	2026 06 15	
	▲	155,000,000.00	2023 06 29	2026 12 15	

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(11) Providing guarantees to related parties (CONTINUED)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	114,915,900.00	2022 01 28	2023 01 27	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	69,400,000.00	2023 03 20	2024 03 20	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	143,556,000.00	2023 11 21	2024 11 21	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	138,800,000.00	2023 03 10	2024 03 10	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	169,644,384.00	2023 06 05	2026 06 05	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	42,496,200.00	2023 06 05	2026 06 05	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD. & FLAT GLASS GROUP CO., LTD.	6,000,000.00	2022 12 30	2023 12 29	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	10,000,000.00	2023 09 27	2024 05 24	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	50,000,000.00	2023 12 19	2024 12 18	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2024 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2025 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2025 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2026 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2026 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2027 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2027 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2028 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2028 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2029 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2029 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2030 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2030 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	44,500,000.00	2023 05 25	2031 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	47,500,000.00	2023 05 25	2031 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	47,500,000.00	2023 05 25	2032 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	41,000,000.00	2023 05 25	2032 11 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	41,000,000.00	2023 05 25	2033 05 25	
FLAT GLASS GROUP CO., LTD.	FLAT GLASS GROUP CO., LTD.	920,894,228.00	2023 12 14	2033 12 20	

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(11) Providing guarantees to related parties (CONTINUED)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
During last year					
		10,000,000.00	2022-03-18	2023-03-17	
		50,000,000.00	2021-10-29	2022-10-28	
		110,000,000.00	2021-12-09	2022-06-02	
		200,000,000.00	2022-07-29	2023-07-28	
		50,000,000.00	2022-11-01	2023-10-28	
		90,000,000.00	2022-12-29	2023-12-28	
		100,000.00	2021-03-04	2022-03-03	
		50,000,000.00	2021-03-04	2022-06-02	
		100,000.00	2021-03-04	2022-09-05	
		100,000.00	2021-03-04	2023-03-03	
		100,000.00	2021-03-04	2023-09-03	
		49,500,000.00	2021-03-04	2024-03-03	
		75,000,000.00	2021-02-03	2022-02-03	
		100,000,000.00	2021-11-23	2022-11-22	
		10,000,000.00	2021-08-31	2022-08-24	
		75,000,000.00	2022-01-07	2023-01-07	
		100,000,000.00	2022-02-17	2022-08-16	
		200,000,000.00	2022-02-23	2022-08-22	
		109,000,000.00	2022-04-19	2023-04-18	
		100,000,000.00	2022-12-06	2023-12-05	
		60,000,000.00	2022-11-16	2023-04-27	
		60,000,000.00	2022-11-16	2023-10-27	
		80,000,000.00	2022-11-16	2024-04-27	
		80,000,000.00	2022-11-16	2024-10-27	
		80,000,000.00	2022-11-16	2025-04-27	
		80,000,000.00	2022-11-16	2025-10-27	
		80,000,000.00	2022-11-16	2026-04-27	
		80,000,000.00	2022-11-16	2026-10-27	

Notes to the Financial Statements

31 December 2023

(XIV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

49. Related Parties and Related Party Transactions (CONTINUED)

(11) Providing guarantees to related parties (CONTINUED)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2022
	▲	100,000,000.00	2022 11 16	2027 04 27	
	▲	100,000,000.00	2022 11 16	2027 10 27	
	▲	1,000,000.00	2021 06 28	2022 06 20	
	▲	1,000,000.00	2021 06 28	2022 12 20	
	▲	1,000,000.00	2021 06 28	2023 06 20	
	▲	1,000,000.00	2021 06 28	2023 12 20	
	▲	155,000,000.00	2021 06 28	2024 06 24	
	▲	100,000.00	2021 06 15	2022 06 15	
	▲	100,000.00	2021 06 15	2022 12 15	
	▲	100,000.00	2021 06 15	2023 06 15	
	▲	100,000.00	2021 06 15	2023 12 15	
	▲	229,500,000.00	2021 06 15	2024 12 15	
	— ()	104,356,650.00	2022 01 28	2023 01 27	
	— ()	3,373,350.00	2022 01 28	2022 08 25	
	— ()	7,099,200.00	2022 01 28	2022 10 24	
	— &	6,000,000.00	2022 12 30	2023 12 29	



Supplementary Information

1. DETAILS OF EXTRA-ORDINARY PROFIT OR LOSS

Table 1 shows the details of extra-ordinary profit or loss for the year ended March 31, 2023 and for the year ended March 31, 2022. The amount of extra-ordinary profit or loss for the year ended March 31, 2023 is 65,427,674.48 yen (approximately 654 million yen), and the amount of extra-ordinary profit or loss for the year ended March 31, 2022 is 83,190.28 yen (approximately 832 million yen).

Items	During the year
Loss on disposal of property, plant and equipment	(7,086,732.47)
Gain on disposal of property, plant and equipment (including gain on disposal of investment securities)	74,278,994.61
Gain on disposal of investment securities	10,195,820.57
Gain on disposal of investment securities	453,053.80
Gain on disposal of investment securities	77,841,136.51
Gain on disposal of investment securities	(12,330,271.75)
Gain on disposal of investment securities	83,190.28
Gain on disposal of investment securities	65,427,674.48

The amount of extra-ordinary profit or loss for the year ended March 31, 2023 is 65,427,674.48 yen (approximately 654 million yen), and the amount of extra-ordinary profit or loss for the year ended March 31, 2022 is 83,190.28 yen (approximately 832 million yen).

Supplementary Information

2. RETURN ON NET ASSETS AND EARNINGS PER SHARE

Return on net assets and earnings per share are calculated as follows:

	2023 (Million Yen)	2022 (Million Yen)	2021 (Million Yen)
Profit in the reporting period	1,240	1,210	990
Weighted average net assets	100,000	100,000	100,000
Weighted average return on net assets (%)	1.24	1.21	0.99
Profit in the reporting period	1,240	1,210	990
Weighted average number of shares outstanding	100,000,000	100,000,000	100,000,000
Basic earnings per share	1.24	1.21	0.99
Profit in the reporting period	1,240	1,210	990
Weighted average number of shares outstanding (including potential dilution)	100,000,000	100,000,000	100,000,000
Diluted earnings per share	1.24	1.21	0.99

Profit in the reporting period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
During the year			
Profit in the reporting period	15	1.24	1.24
Weighted average return on net assets (%)	15	1.21	1.21
During last year			
Profit in the reporting period	16	0.99	0.99
Weighted average return on net assets (%)	16	0.97	0.97

3. THE GROUP'S SUMMARY OF PERFORMANCE, ASSETS AND LIABILITIES IN THE PAST FIVE ACCOUNTING YEARS

Items	2023	2022	2021	2020	2019
I. Total operating income	21,523,708,522.42	15,460,843,227.36	8,713,228,065.59	6,260,417,792.26	4,806,804,020.96
L: Total operating income	16,830,721,240.54	12,048,190,879.61	5,620,391,966.94	3,600,864,085.34	3,517,642,435.22
Operating income	198,145,169.13	134,772,326.23	48,466,185.37	61,083,688.80	35,026,838.85
Income from operations	119,751,307.45	118,877,978.75	85,724,646.32	47,632,079.18	27,205,988.86
Income from other operations	302,200,735.53	277,541,944.49	221,778,736.93	172,349,032.43	121,498,560.29
Income from other operations	596,750,492.70	523,230,185.51	408,417,461.35	284,717,812.81	204,151,559.30
Income from other operations	482,892,747.57	240,434,620.48	52,518,443.24	141,528,692.18	53,129,460.34
Income from other operations	590,660,016.42	338,235,144.15	90,252,414.76	80,273,151.69	65,388,264.94
Income from other operations	102,641,259.91	59,295,478.89	37,314,406.92	16,412,291.81	17,902,429.34
A: Total operating income	166,941,306.05	77,452,388.08	58,331,820.26	25,471,233.82	30,189,426.63
Income from operations	27,722,636.72	12,864,496.08	31,886,225.40	5,675,836.26	6,908,081.15
Income from other operations	18,159,670.48	7,566,505.74	5,558,487.56	2,614,841.66	-
Income from other operations	()	632,854.33	(1,828,707.98)	1,245,626.59	(5,234,350.32)
Income from other operations	()	(77,813,105.53)	(39,074,459.18)	(29,914,991.88)	(12,816,559.04)
Income from other operations	()	(52,288,682.63)	(3,094,217.86)	(10,202,178.73)	(14,697,934.51)
Income from other operations	()	(7,086,732.47)	(8,899,606.56)	3,599,005.34	(6,541,402.98)
II. Operating profit	3,051,355,105.97	2,155,215,184.87	2,381,717,186.99	1,864,918,290.28	845,956,439.03
A: Total operating profit	4,101,236.71	1,435,472.21	2,674,782.95	12,889,216.85	16,897,963.68
L: Total operating profit	3,648,182.91	3,774,893.58	4,176,927.50	3,899,465.44	184,158.59
III. Total profit	3,051,808,159.77	2,152,875,763.50	2,380,215,042.44	1,873,908,041.69	862,670,244.12
L: Total profit	288,781,280.25	30,095,335.07	260,295,716.01	245,124,254.06	145,426,535.45
IV. Net profit	2,763,026,879.52	2,122,780,428.43	2,119,919,326.43	1,628,783,787.63	717,243,708.67
L: Net profit	2,759,690,819.78	2,122,780,428.43	2,119,919,326.43	1,628,783,787.63	717,243,708.67
A: Net profit	3,336,059.74	-	-	-	-
V. Other comprehensive income, net of tax	(31,001,033.29)	49,963,457.84	13,594,620.59	(32,274,518.98)	10,620,833.40
L: Other comprehensive income, net of tax	(31,001,033.29)	49,963,457.84	13,594,620.59	(32,274,518.98)	10,620,833.40
A: Other comprehensive income, net of tax	()	-	(1,913,160.00)	(3,217,914.84)	-
L: Other comprehensive income, net of tax	()	-	(1,913,160.00)	(3,217,914.84)	-
A: Other comprehensive income, net of tax	(31,001,033.29)	49,963,457.84	15,507,780.59	(29,056,604.14)	10,620,833.40
L: Other comprehensive income, net of tax	(20,208,141.20)	50,150,986.60	12,470,952.05	(23,092,036.70)	10,620,833.40
A: Other comprehensive income, net of tax	(10,792,892.09)	(187,528.76)	3,036,828.54	(5,964,567.44)	-
L: Other comprehensive income, net of tax	-	-	-	-	-
VI. Total comprehensive income	2,732,025,846.23	2,172,743,886.27	2,133,513,947.02	1,596,509,268.65	727,864,542.07
L: Total comprehensive income	2,728,689,786.49	2,172,743,886.27	2,133,513,947.02	1,596,509,268.65	727,864,542.07
A: Total comprehensive income	3,336,059.74	-	-	-	-
VII. Earnings per share:					
L: Earnings per share	1.24	0.99	0.99	0.83	0.37
A: Earnings per share	1.24	0.99	0.99	0.81	0.37

Supplementary Information

3. THE GROUP'S SUMMARY OF PERFORMANCE, ASSETS AND LIABILITIES IN THE PAST FIVE ACCOUNTING YEARS (CONTINUED)

Items	31 December 2023	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Assets	42,981,997,983.52	32,381,722,606.05	20,082,917,100.50	12,265,800,375.02	9,392,280,569.91
Liabilities	20,691,087,532.36	18,349,275,392.88	8,272,748,027.71	5,031,057,735.17	4,879,392,181.91
Net assets	75,836,059.74				
Equity	22,215,074,391.42	14,032,447,213.17	11,810,169,072.79	7,234,742,639.85	4,512,888,388.00