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**洛阳玻璃股份有限公司**

**LUOYANG GLASS COMPANY LIMITED \***

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

(Stock code: 01108)

## **FIRST QUARTERLY REPORT 2018**

### **I. IMPORTANT NOTICE**

- 1.1 The board of directors (the “**Board**”), the supervisory committee, the directors (the “**Directors**”), supervisors and senior management members of the Company warrant that the information contained in this quarterly report is true, accurate, and complete without any false and misleading statements or material omissions, and severally and jointly accept legal responsibility for the above.
- 1.2 All Directors attended the Board meeting to consider this quarterly report of the Company.
- 1.3 Zhang Chong, Person-in-charge of the Company, Ma Yan, Person-in-charge of accounting, and Chen Jing, Person-in-charge of accounting institution (head of accounting department), warrant that the financial statements in this quarterly report are true, accurate and complete.
- 1.4 This first quarterly report of the Company is unaudited.

\* For identification purposes only

## II. BASIC INFORMATION OF THE COMPANY

### 2.1 Major Financial Data

*Unit: yuan    Currency: RMB*

	At the end of the reporting period	At the end of the previous year		Increase/decrease at the end of the reporting period as compared with the end of the previous year (%)
		After the adjustment	Before the adjustment	
Total assets	3,011,943,364.15	3,177,396,213.51	1,244,573,294.80	-5.21
Net assets attributable to shareholders of the Company	532,589,473.77	959,643,285.77	524,427,714.44	-44.50
	From beginning of the year to the end of the reporting period	From beginning of the previous year to the end of the reporting period of the previous year		
		After the adjustment	Before the adjustment	Year-on-year increase/decrease (%)
Net cash flows from operating activities	-27,530,182.16	-81,565,355.47	-29,306,072.80	N/A
	From beginning of the year to the end of the reporting period	From beginning of the previous year to the end of the reporting period of the previous year		
		After the adjustment	Before the adjustment	Year-on-year increase/decrease (%)
Operating income	242,130,605.33	271,907,622.96	76,356,597.31	-10.95
Net profit attributable to shareholders of the Company	4,066,624.86	12,309,262.42	1,158,297.48	-66.96
Net profit attributable to shareholders of the Company after deducting extraordinary profit or loss	-7,222,487.63	-1,508,949.54	-1,508,949.54	N/A
Weighted average return on net assets (%)	0.42	1.41	0.22	Decreased by 0.99 percentage points
Basic earnings per share (RMB/share)	0.0074	0.0225	0.0022	-67.11
Diluted earnings per share (RMB/share)	0.0074	0.0225	0.0022	-67.11

Explanation:

As for the significant asset restructuring of the Company, the delivery of assets and change of business registration for each of CNBM (Hefei) New Energy Company Limited (中建材(合肥)新能源有限公司) and CNBM (Tongcheng) New Energy Materials Company Limited (中國建材桐城新能源材料有限公司) have been completed in the reporting period. Therefore, the aforesaid two companies have been incorporated into the consolidation scope of the Company and accounted for as subsidiaries formed through business combination under common control in the consolidated financial statements, and the retrospective adjustments had been made to the comparative financial statements. All the following financial data at the beginning of the reporting period and for the same period of the previous year in this report are adjusted.

As at the end of the reporting period, the Company is going through the equity registration procedures in respect of the shares issued for acquisition of assets (the share capital has been increased by 22,578,940 shares, including 19,549,664 shares issued due to business combination under common control). In calculating the basic earnings per share, the earnings per share has been calculated based on the numbers of shares after the business combination under common control so as to correspond with the net profit attributable to the shareholders of the Company.

***Extraordinary Items and Amounts***

*Unit: yuan    Currency: RMB*

<b>Items</b>	<b>Amount for the reporting period</b>	<b>Explanation</b>
Government grants credited to current profit or loss (except for those which are closely related to the Company's ordinary business, in accordance with national policies and continuously received in certain standard amounts and quantities)	<b>1,125,395.66</b>	
Profit or loss from debt restructuring	<b>72,394.41</b>	
Net profit or loss for the period of subsidiaries formed by business combination under common control from the beginning of the period to the date of combination	<b>11,640,918.83</b>	
Other non-operating income and expenses excluding the aforesaid items	<b>300.00</b>	
Effect of minority interests (after tax)	<b>-1,428,680.58</b>	
Effect of income tax	<b>-121,224.83</b>	
<b>Total</b>	<b><u>11,289,103.49</u></b>	

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

*Unit: Share*

Total number of shareholders 58,178, including 58,132 holders of A Shares and 46 holders of H Shares

### Shareholdings of the top 10 shareholders

Name of shareholders (full name)	Number of shares held as at the end of the reporting period	Shareholding percentage (%)	Number of shares subject to trading moratorium	Status of shares	Pledged or frozen Number	Nature of shareholder
HKSCC NOMINEES LIMITED	248,680,699	47.21	0	Unknown	0	Overseas legal person
China Luoyang Float Glass (Group) Company Limited	105,018,242	19.94	15,000,000	Pledged	41,000,000	State-owned legal person
(CNBM) Bengbu Design & Research Institute for Glass Industry Co., Ltd.	69,000,000	13.10	0	Nil	0	State-owned legal person
Beijing Taiji Huaqing Information System Co., Ltd.	1,000,000	0.19	0	Unknown	0	Unknown
Hong Kong Securities Clearing Company Limited	481,434	0.09	0	Unknown	0	Overseas legal person
CHUK YEE MEN LIZA	374,000	0.07	0	Unknown	0	Overseas legal person
Jin Ruiming (金瑞明)	315,394	0.06	0	Unknown	0	Domestic natural person
Liu Bibo(劉碧波)	300,000	0.06	0	Unknown	0	Domestic natural person
Beijing Taiji Huaqing Peicheng Software Technology Co., Ltd.	300,000	0.06	0	Unknown	0	Unknown
Zhao Shengqi(趙生奇)	284,100	0.05	0	Unknown	0	Domestic natural person

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

Name of shareholders	Number of circulating shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
HKSCC NOMINEES LIMITED	248,680,699	Overseas listed foreign shares	248,680,699
China Luoyang Float Glass (Group) Company Limited	90,018,242	Ordinary shares denominated in RMB	90,018,242
(CNBM) Bengbu Design & Research Institute for Glass Industry Co., Ltd.	69,000,000	Ordinary shares denominated in RMB	69,000,000
Beijing Taiji Huaqing Information System Co., Ltd.	1,000,000	Ordinary shares denominated in RMB	1,000,000
Hong Kong Securities Clearing Company Limited	481,434	Ordinary shares denominated in RMB	481,434
CHUK YEE MEN LIZA	374,000	Overseas listed foreign shares	374,000
Jin Ruiming(金瑞明)	315,394	Ordinary shares denominated in RMB	315,394
Liu Bibo(劉碧波)	300,000	Ordinary shares denominated in RMB	300,000
Beijing Taiji Huaqing Peicheng Software Technology Co., Ltd.	300,000	Ordinary shares denominated in RMB	300,000
Zhao Shengqi(趙生奇)	284,100	Ordinary shares denominated in RMB	284,100

Explanation on connected relationship or parties acting in concert among the aforesaid shareholders

China Luoyang Float Glass (Group) Company Limited and (CNBM) Bengbu Design & Research Institute for Glass Industry Co., Ltd. are connected parties acting in concert as defined by Regulations for Disclosure of Changes in Shareholding of Listed Companies (《上市公司股東持股變動信息披露管理辦法》) among the top ten shareholders of the Company. The Company is not aware of any parties acting in concert or any connected relationship among other shareholders of circulating shares.

Explanations on preferential shareholders with voting rights restored and the number of shares held

None

- Notes:**
1. Shares held by HKSCC NOMINEES LIMITED are held on behalf of various customers.
  2. The ordinary shares dominated in Renminbi held by Hong Kong Securities Clearing Company Limited are held on behalf of overseas investors who held these shares via Northbound Trading in the Shanghai-Hong Kong Stock Connect.

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

☐ Applicable      ☒ Not applicable

**III. SIGNIFICANT EVENTS**

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

Item	Amount at the end of the period	Amount at the beginning of the period	Changes (%)	Explanation
Bills receivable	<b>173,295,082.75</b>	350,660,473.07	-50.58	Decrease in the bills received during the reporting period
Prepayments	<b>30,320,357.58</b>	19,454,303.05	55.85	Increase in the prepayment made to suppliers during the reporting period
Inventories	<b>201,744,747.88</b>	154,822,339.07	30.31	Increase in the inventories in the reporting period
Construction in progress	<b>191,143,151.78</b>	120,932,797.62	58.06	Increase in the project investments during the reporting period
Bills payable	<b>91,362,400.00</b>	61,142,491.22	49.43	Increase in the bill financing during the reporting period
Receipts in advance	<b>24,528,776.20</b>	12,477,817.10	96.58	Increase in the payment in advance for goods during the reporting period
Other payables	<b>765,076,114.96</b>	372,958,435.60	105.14	Increase in the consideration payable in respect of asset restructuring during the reporting period

Item	Amount from the beginning of the year to the end of the reporting period	Amount for the same period last year	Changes (%)	Explanation
Taxes and surcharges	5,001,738.26	2,818,208.66	77.48	Addition of the land-use tax and property tax during the reporting period
Selling expenses	6,537,832.56	9,628,134.03	-32.10	Year-on-year decrease in the sales, resulting in the decrease in transportation costs accordingly during the reporting period
Finance expenses	18,109,021.29	11,678,750.48	55.06	Increase in the interest on borrowings and the discount interest expenses during the reporting period
Other income	2,000,440.48		100.00	Classification of the government grants relating to the corporate daily activities into the other income in accordance with the Enterprise Accounting Standard No.16 – Government Grants during the reporting period
Non-operating income	81,694.41	3,689,705.21	-97.79	Classification of the government grants relating to the corporate daily activities into the other income in accordance with the Enterprise Accounting Standard No.16 – Government Grants during the reporting period, while it was presented under the non-operating income for the same period last year
Net cash flows from operating activities	-27,530,182.16	-81,565,355.47	N/A	Year-on-year increase in cash received for sale of commodities and provision of services during the reporting period
Net cash flow from investment activities	-40,105,523.39	22,700,214.74	-276.67	Increase in the project investment expenditure during the reporting period
Net cash flow from financing activities	-2,202,352.40	-48,184,795.34	N/A	Year-on-year decrease in the net financing expenses during the reporting period

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

On 13 April 2018, the transfer of all assets involved in the significant asset restructuring of the Company has been completed. And the registration formalities for the 33,030,516 new shares (all being the circulating shares subject to trading moratorium) involved in the issuance of shares for acquisition of assets was completed with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited on 18 April 2018. Upon completion of the issuance, the Company has a total share capital of 559,797,391 shares. Details are set out in the relevant announcements disclosed on the websites of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) and the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on 19 April 2018.

### **3.3 Overdue undertakings not fully performed during the reporting period**

☐ Applicable      ☒ Not applicable

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

☐ Applicable      ☒ Not applicable



## IV. APPENDIX

### 4.1 Financial Statements

#### Consolidated Balance Sheet

31 March 2018

Prepared by: Luoyang Glass Company Limited\*

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

Item	Balance as at the end of the period	Balance as at the beginning of the year
<b>Current assets:</b>		
Bank balance and cash	167,411,523.68	200,396,960.48
Bills receivables	173,295,082.75	350,660,473.07
Accounts receivable	356,701,158.78	395,519,910.26
Prepayments	30,320,357.58	19,454,303.05
Interest receivable		
Dividend receivable		
Other receivables	76,489,691.96	90,306,130.88
Purchases of resold financial assets		
Inventories	201,744,747.88	154,822,339.07
Assets classified as held-for-sale		
Non-current assets due within one year		
Other current assets	12,305,493.47	11,018,154.44
<b>Total current assets</b>	<b>1,018,268,056.10</b>	<b>1,222,178,271.25</b>

Item	Balance as at the end of the period	Balance as at the beginning of the year
<b>Non-current assets:</b>		
Available-for-sale financial assets		
Held-to-maturity investment		
Long-term receivables	55,000,000.00	55,000,000.00
Long-term equity investment		
Investment properties		
Fixed assets	1,474,619,603.51	1,499,428,320.55
Construction in progress	191,143,151.78	120,932,797.62
Engineering materials	13,980.58	13,980.58
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	261,663,858.44	263,450,177.77
Development expenditures		
Goodwill		
Long-term deferred expenses	4,831,623.35	5,539,138.34
Deferred income tax assets	2,402,527.01	2,487,094.77
Other non-current assets	4,000,563.38	8,366,432.63
<b>Total non-current assets</b>	<b>1,993,675,308.05</b>	<b>1,955,217,942.26</b>
<b>Total assets</b>	<b>3,011,943,364.15</b>	<b>3,177,396,213.51</b>

Item	Balance as at the end of the period	Balance as at the beginning of the year
<b>Current liabilities:</b>		
Short-term borrowings	586,984,000.00	637,509,000.00
Bills payables	91,362,400.00	61,142,491.22
Accounts payable	476,292,085.79	509,867,824.75
Receipts in advance	24,528,776.20	12,477,817.10
Disposal of repurchased financial assets		
Handling charges and commissions payable		
Employee compensation payable	14,406,213.01	18,942,486.90
Taxes payable	22,411,652.67	26,762,929.20
Interest payable	3,653,950.71	2,951,483.41
Dividend payable		
Other payables	765,076,114.96	372,958,435.60
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	111,552,068.94	136,946,248.22
Other current liabilities		
<b>Total current liabilities</b>	<b>2,096,267,262.28</b>	<b>1,779,558,716.40</b>
<b>Non-current liabilities:</b>		
Long-term borrowings	275,228,924.98	280,796,745.65
Deferred income	107,857,703.12	108,193,683.26
Deferred income tax liabilities		
Other non-current liabilities		
<b>Total non-current liabilities</b>	<b>383,086,628.10</b>	<b>388,990,428.91</b>
<b>Total Liabilities</b>	<b>2,479,353,890.38</b>	<b>2,168,549,145.31</b>

Item	Balance as at the end of the period	Balance as at the beginning of the year
<b>Owners' equity</b>		
Share capital	526,766,875.00	526,766,875.00
Other equity instruments		
Including: Preferential shares		
Perpetual bonds		
Capital reserve	1,297,282,271.53	1,728,402,708.39
Less: Treasury stock		
Other comprehensive income		
Special reserve		
Surplus reserve	51,365,509.04	51,365,509.04
General risk provisions		
Undistributed profit	-1,342,825,181.80	-1,346,891,806.66
Total owners' equity attributable to owners of the Company	532,589,473.77	959,643,285.77
Minority interests		49,203,782.43
<b>Total owners' equity</b>	<b>532,589,473.77</b>	<b>1,008,847,068.20</b>
<b>Total liabilities and owners' equity</b>	<b>3,011,943,364.15</b>	<b>3,177,396,213.51</b>
<i>Legal representative:</i> <b>Zhang Chong</b>	<i>Person in charge of accounting:</i> <b>Ma Yan</b>	<i>Person in charge of accounting department:</i> <b>Chen Jing</b>

**Balance Sheet of the Company***31 March 2018*

Prepared by: Luoyang Glass Company Limited\*

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

<b>Item</b>	<b>Balance as at the end of the period</b>	<b>Balance as at the beginning of the year</b>
<b>Current Assets:</b>		
Bank balance and cash	<b>62,557,849.29</b>	52,744,789.07
Bills receivables	<b>6,937,047.67</b>	7,469,611.05
Accounts receivable	<b>201,822,633.45</b>	204,327,727.83
Prepayments	<b>65,564.41</b>	30,238.87
Interest receivable		
Dividend receivable		
Other receivables	<b>16,949,615.72</b>	31,131,296.66
Inventories		
Assets classified as held-for-sale		
Non-current assets due within one year		
Other current assets	<u><b>132,296.67</b></u>	<u>489,663.39</u>
<b>Total current assets</b>	<u><b>288,465,007.21</b></u>	<u><b>296,193,326.87</b></u>

<b>Item</b>	<b>Balance as at the end of the period</b>	<b>Balance as at the beginning of the year</b>
<b>Non-current assets:</b>		
Available-for-sale financial assets		
Held-to-maturity investment		
Long-term receivables	<b>55,000,000.00</b>	55,000,000.00
Long-term equity investment	<b>1,420,739,493.86</b>	868,986,593.99
Investment properties		
Fixed assets	<b>2,420,789.36</b>	2,508,762.95
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	<b>63,228,943.23</b>	63,612,709.86
Development expenditures		
Goodwill		
Long-term deferred expenses	<b>135,000.00</b>	162,000.00
Deferred income tax assets		
Other non-current assets		
	<hr/>	<hr/>
<b>Total non-current assets</b>	<b><u>1,541,524,226.45</u></b>	<b><u>990,270,066.80</u></b>
<b>Total assets</b>	<b><u>1,829,989,233.66</u></b>	<b><u>1,286,463,393.67</u></b>

Item	Balance as at the end of the period	Balance as at the beginning of the year
<b>Current liabilities</b>		
Short-term borrowings	266,984,000.00	347,509,000.00
Bills payable	80,000,000.00	
Accounts payable	4,940,794.34	5,062,801.26
Receipts in advance	18,766,774.79	7,813,062.37
Employee compensation payable	5,470,972.55	8,089,982.67
Taxes payable	629,726.41	566,122.59
Interest payable		472,432.69
Dividend payable		
Other payables	950,403,015.67	465,380,879.74
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	404,406.94	404,406.94
Other current liabilities		
<b>Total current liabilities</b>	<b>1,327,599,690.70</b>	<b>835,298,688.26</b>
<b>Non-current liabilities:</b>		
Long-term borrowings	432,121.98	606,605.65
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
<b>Total non-current liabilities</b>	<b>432,121.98</b>	<b>606,605.65</b>
<b>Total Liabilities</b>	<b>1,328,031,812.68</b>	<b>835,905,293.91</b>

Item	Balance as at the end of the period	Balance as at the beginning of the year
<b>Owners' equity:</b>		
Share capital	526,766,875.00	526,766,875.00
Other equity instruments		
Including: Preferential shares		
Perpetual bonds		
Capital reserve	1,268,692,769.04	1,268,692,769.04
Less: Treasury stock		
Other comprehensive income		
Special reserve		
Surplus reserve	51,365,509.04	51,365,509.04
Undistributed profit	<u>-1,344,867,732.10</u>	<u>-1,396,267,053.32</u>
<b>Total owners' equity</b>	<b><u>501,957,420.98</u></b>	<b><u>450,558,099.76</u></b>
<b>Total liabilities and owners' equity</b>	<b><u>1,829,989,233.66</u></b>	<b><u>1,286,463,393.67</u></b>

*Legal  
representative:*  
**Zhang Chong**

*Person in charge of  
accounting:*  
**Ma Yan**

*Person in charge of  
accounting department:*  
**Chen Jing**



## Consolidated Income Statement

January to March 2018

Prepared by: Luoyang Glass Company Limited\*

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

Item	Amount for the current period	Amount for the corresponding period last year
<b>I. Total operating revenue</b>	<b>242,130,605.33</b>	271,907,622.96
Including: Operating revenue	<b>242,130,605.33</b>	271,907,622.96
<b>II. Total operating costs</b>	<b>235,507,241.57</b>	256,110,461.34
Including: Operating costs	<b>173,834,540.49</b>	200,877,473.80
Taxes and surcharges	<b>5,001,738.26</b>	2,818,208.66
Selling expenses	<b>6,537,832.56</b>	9,628,134.03
Administrative expenses	<b>32,829,065.98</b>	31,107,894.37
Financial expenses	<b>18,109,021.29</b>	11,678,750.48
Impairment losses of assets	<b>-804,957.01</b>	
Add: Gains from changes in fair value (loss is represented by “-”)		
Investment income (loss is represented by “-”)		
Including: Gains from investment in associates and joint ventures		
Gain on disposal of assets (loss is represented by “-”)		
Exchange gain (loss is represented by “-”)		
Other income	<b>2,000,440.48</b>	

Item	Amount for the current period	Amount for the corresponding period last year
<b>III. Operating profit (loss is represented by “-”)</b>	<b>8,623,804.24</b>	15,797,161.62
Add: Non-operating income	<b>81,694.41</b>	3,689,705.21
Less: Non-operating expense		223,934.62
<b>IV. Total profit (total loss is represented by “-”)</b>	<b>8,705,498.65</b>	19,262,932.21
Less: Income tax expenses	<b>3,210,193.21</b>	4,996,700.48
<b>V. Net profit (net loss is represented by “-”)</b>	<b>5,495,305.44</b>	14,266,231.73
(I) Classified on a going concern basis		
1. Net profit from continuing operation (Net loss is represented by “-”)	<b>5,495,305.44</b>	14,266,231.73
2. Net profit from discontinued operation (Net loss is represented by “-”)		
(II) Classified by ownership		
1. Profit or loss attributable to minority interests	<b>1,428,680.58</b>	1,956,969.31
2. Net profit attributable to the shareholders of the Company	<b>4,066,624.86</b>	12,309,262.42

Item	Amount for the current period	Amount for the corresponding period last year
<b>VI. Other comprehensive income, net of tax</b>		
<b>VII. Total comprehensive income</b>	<b>5,495,305.44</b>	14,266,231.73
Total comprehensive income attributable to owners of the Company	<b>4,066,624.86</b>	12,309,262.42
Total comprehensive income attributable to minority interests	<b>1,428,680.58</b>	1,956,969.31
<b>VIII. Earnings per share:</b>		
(I) Basic earnings per share ( <i>RMB/share</i> )	<b>0.0074</b>	0.0225
(II) Diluted earnings per share ( <i>RMB/share</i> )	<b>0.0074</b>	0.0225

For the business combination under common control in the reporting period, the net profit realized by the combined party(ies) before the combination was RMB11,640,918.83, and the net profit realized by the combined party(ies) in the corresponding period last year was RMB13,107,934.25.

*Legal  
representative:*  
**Zhang Chong**

*Person in charge of  
accounting:*  
**Ma Yan**

*Person in charge of  
accounting department:*  
**Chen Jing**

## Income Statement of the Company

January–March 2018

Prepared by: Luoyang Glass Company Limited\*

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

Item	Amount for the current period	Amount for the corresponding period last year
<b>I. Operating revenue</b>	<b>41,982,264.15</b>	33,313,480.41
Less: Operating costs	<b>40,989,306.05</b>	33,255,965.48
Taxes and surcharges	<b>540,700.87</b>	27,780.77
Selling expenses	<b>176,399.05</b>	94,330.23
Administration expenses	<b>3,858,755.47</b>	4,233,106.69
Finance expenses	<b>7,556,393.23</b>	3,700,752.70
Impairment loss on assets	<b>-249,261.08</b>	
Add: Gain from changes in fair value (losses are represented by “-”)		
Investment income (losses are represented by “-”)	<b>62,253,843.74</b>	2,721,375.00
Among which: Gains from investment in associates and joint ventures		
Gain on disposal of assets (losses are represented by “-”)		
Other income		

Item	Amount for the current period	Amount for the corresponding period last year
<b>II. Operating profit (loss is represented by “-”)</b>	<b>51,363,814.30</b>	-5,277,080.46
Add: Non-operating income	<b>35,506.92</b>	1,036,395.35
Less: Non-operating expenses		200,506.12
<b>III. Total profit (total loss is represented by “-”)</b>	<b>51,399,321.22</b>	-4,441,191.23
Less: Income tax expenses		
<b>IV. Net profit (net loss is represented by “-”)</b>	<b>51,399,321.22</b>	-4,441,191.23
(I) Net profit from continuing operation (Net loss is represented by “-”)	<b>51,399,321.22</b>	-4,441,191.23
(II) Net profit from discontinued operation (Net loss is represented by “-”)		
<b>V. Other comprehensive income, net of tax</b>		
<b>VI. Total comprehensive income</b>	<b>51,399,321.22</b>	-4,441,191.23
<b>VII. Earnings per share:</b>		
(I) Basic earnings per share ( <i>RMB/share</i> )		
(II) Diluted earnings per share ( <i>RMB/share</i> )		

*Legal  
representative:*  
**Zhang Chong**

*Person in charge of  
accounting:*  
**Ma Yan**

*Person in charge of  
accounting department:*  
**Chen Jing**

## Consolidated Cash Flow Statement

January–March 2018

Prepared by: Luoyang Glass Company Limited\*

*Unit: yuan    Currency: RMB    Type of audit: unaudited*

Item	Amount for the current period	Amount for the corresponding period last year
<b>I. Cash flow from operating activities:</b>		
Cash received from sale of goods or rendering of services	158,960,741.44	96,106,725.19
Tax refunds received	26,473.93	
Other cash received from activities related to operation	3,482,385.27	4,250,120.14
<b>Sub-total of cash inflow from operating activities</b>	<b>162,469,600.64</b>	<b>100,356,845.33</b>
Cash paid for goods purchased and services received	131,585,816.12	116,394,458.49
Cash paid to and on behalf of employees	33,947,164.36	38,041,237.39
Tax payments	16,609,981.41	19,139,834.07
Other cash paid for activities related to operation	7,856,820.91	8,346,670.85
<b>Sub-total of cash outflow from operating activities</b>	<b>189,999,782.80</b>	<b>181,922,200.80</b>
<b>Net cash flow from operating activities</b>	<b>-27,530,182.16</b>	<b>-81,565,355.47</b>

Item	Amount for the current period	Amount for the corresponding period last year
<b>II. Cash flow from investment activities:</b>		
Cash from recovery of investments		
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets and other long- term assets		
Cash received from disposal of subsidiaries and other operating entities		
Other cash received from activities related to investment	<b>15,301,668.89</b>	23,783,372.88
<b>Sub-total of cash inflow from investment activities</b>	<b>15,301,668.89</b>	23,783,372.88
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	<b>55,407,192.28</b>	1,083,158.14
Cash paid for investment		
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other operating entities		
Other cash paid for activities related to investment		
<b>Sub-total of cash outflow from investment activities</b>	<b>55,407,192.28</b>	1,083,158.14
<b>Net cash flow from investment activities</b>	<b>-40,105,523.39</b>	22,700,214.74

Item	Amount for the current period	Amount for the corresponding period last year
<b>III. Cash flow from financing activities:</b>		
Cash received from investments		
Including: Cash received by subsidiaries from minority shareholders' investment		
Proceeds from loans	<b>238,400,000.00</b>	366,404,000.00
Cash received from issuance of bonds		
Other cash received from financing-related activities	<b>78,530,923.26</b>	216,421,616.20
<b>Sub-total of cash inflow from financing     activities</b>	<b>316,930,923.26</b>	582,825,616.20
Cash paid for repayment of loans	<b>246,746,821.09</b>	393,775,718.68
Cash paid for dividends, profit, or interest payments	<b>11,240,744.90</b>	10,634,692.86
Including: Dividend and profit paid by subsidiaries to minority shareholders		
Other cash paid for financing-related activities	<b>61,145,709.67</b>	226,600,000.00
<b>Sub-total of cash outflow from financing     activities</b>	<b>319,133,275.66</b>	631,010,411.54
<b>Net cash flow from financing activities</b>	<b>-2,202,352.40</b>	-48,184,795.34
<b>IV. Effects of changes in exchange rate on     cash and cash equivalents</b>	<b>-347,378.85</b>	-49.82
<b>V. Net increase in cash and cash equivalents</b>	<b>-70,185,436.80</b>	-107,049,985.89
Add: Opening balance of cash and cash equivalents	<b>198,996,960.48</b>	171,003,324.92
<b>VI. Closing balance of cash and cash     equivalents</b>	<b>128,811,523.68</b>	63,953,339.03
<i>Legal representative: Zhang Chong</i>	<i>Person in charge of accounting: Ma Yan</i>	<i>Person in charge of accounting department: Chen Jing</i>



## Cash Flow Statement of the Company

January–March 2018

Prepared by: Luoyang Glass Company Limited\*

Unit: yuan    Currency: RMB    Type of audit: unaudited

Item	Amount for the current period	Amount for the corresponding period last year
<b>I. Cash flow from operating activities:</b>		
Cash received from sale of goods or rendering of services	33,577,894.72	16,410,823.92
Tax refunds received		
Other cash received from activities related to operation	39,547,655.25	27,446,323.19
<b>Sub-total of cash inflow from operating activities</b>	<b>73,125,549.97</b>	<b>43,857,147.11</b>
Cash paid for goods purchased and services received		86,900.00
Cash paid to and on behalf of employees	5,244,130.36	4,602,692.60
Tax payments	1,083,227.80	3,835,366.26
Other cash paid for activities related to operation	17,061,072.46	69,741,649.69
<b>Sub-total of cash outflow from operating activities</b>	<b>23,388,430.62</b>	<b>78,266,608.55</b>
<b>Net cash flow from operating activities</b>	<b>49,737,119.35</b>	<b>-34,409,461.44</b>

<b>Item</b>	<b>Amount for the current period</b>	<b>Amount for the corresponding period last year</b>
<b>II. Cash flow from investment activities:</b>		
Cash from recovery of investment		
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received from activities related to investment	<b>15,301,668.89</b>	23,783,372.88
<b>Sub-total of cash inflows from investment activities</b>	<b>15,301,668.89</b>	23,783,372.88
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		561,545.00
Cash paid for investment	<b>70,000,000.00</b>	
Net cash paid for acquisition of subsidiaries and other operating entities		
Other cash paid for activities related to investment		
<b>Sub-total of cash outflow from investment activities</b>	<b>70,000,000.00</b>	561,545.00
<b>Net cash flow from investment activities</b>	<b>-54,698,331.11</b>	23,221,827.88

<b>Item</b>	<b>Amount for the current period</b>	<b>Amount for the corresponding period last year</b>
<b>III. Cash flow from financing activities:</b>		
Cash received from investments		
Proceeds from loans	<b>235,084,000.00</b>	235,904,000.00
Other cash received from financing- related activities	<b>399,600,801.15</b>	331,301,260.71
<b>Sub-total of cash inflow from financing activities</b>	<b>634,684,801.15</b>	567,205,260.71
Cash paid for repayment of loans	<b>315,776,903.51</b>	259,052,533.59
Cash paid for dividends, profit, or interest payments	<b>3,135,051.01</b>	2,134,346.60
Other cash paid for financing-related activities	<b>338,198,319.48</b>	333,480,000.00
<b>Sub-total of cash outflow from financing activities</b>	<b>657,110,274.00</b>	594,666,880.19
<b>Net cash flow from financing activities</b>	<b>-22,425,472.85</b>	-27,461,619.48
<b>IV. Effects of changes in exchange rate on cash and cash equivalents</b>	<b>-255.17</b>	-49.82
<b>V. Net increase in cash and cash equivalents</b>	<b>-27,386,939.78</b>	-38,649,302.86
Add: Opening balance of cash and cash equivalents	<b>51,344,789.07</b>	64,837,249.29
<b>VI. Closing balance of cash and cash equivalents</b>	<b>23,957,849.29</b>	26,187,946.43
<i>Legal representative:</i> <b>Zhang Chong</b>	<i>Person in charge of accounting:</i> <b>Ma Yan</b>	<i>Person in charge of accounting department:</i> <b>Chen Jing</b>

## 4.2 Audit Report

☐ Applicable ☒ Not applicable

Company name: **LUOYANG GLASS COMPANY LIMITED\***

Legal representative: **Zhang Chong**

Date: 27 April 2018

*As at the date of this announcement, the Board comprises four executive Directors: Mr. Zhang Chong, Mr. Ni Zhisen, Mr. Wang Guoqiang and Mr. Ma Yan; one non-executive Director: Mr. Xie Jun; and four independent non-executive Directors: Mr. Jin Zhanping, Mr. Liu Tianni, Mr. Ye Shuhua and Mr. He Baofeng.*

*\* For identification purposes only*