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

(Stock Code: 3606)

#### 2017 FIRST QUARTERLY REPORT

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

Set out below is the 2017 first quarterly report of Fuyao Glass Industry Group Co., Ltd. (the "Company") and its subsidiaries for the three months ended March 31, 2017 (the "Reporting Period"). The financial report contained herein is prepared pursuant to the PRC Accounting Standards for Business Enterprises and has not been audited.

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

By order of the Board

Fuyao Glass Industry Group Co., Ltd.

Cho Tak Wong

Chairman

Fuzhou, Fujian, the PRC, April 27, 2017

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

#### I. IMPORTANT NOTICE

1.1 The board of directors, supervisory board, directors, supervisors and senior management of the Company shall warrant the truthfulness, accuracy and completeness of the contents stated in the quarterly report and that there are no false presentations, misleading statements or material omissions thereof and shall assume joint and several legal liabilities.

#### 1.2 Director absent

	<b>Position of</b>		
Name of absent director	absent director	Reason for absence	Name of proxy
Wu Shinong	Non-executive director	Work reason	Zhu Dezhen
Cheng Yan	Independent non-	Work reason	Wu Yuhui
	executive director		

- 1.3 Cho Tak Wong, person-in-charge of the Company, Chen Xiangming, the principal-in-charge of accounting, and Lin Xuejuan, head of the Accounting Department (person-in-charge of accounting), warrant the truthfulness, accuracy and completeness of the financial statements set out in the quarterly report.
- 1.4 The 2017 first quarterly report of the Company has not been audited.

#### II. BASIC INFORMATION OF THE COMPANY

### 2.1 Major financial data

		Ullit. Tuall	Currency. KMB
	As at the end of this Reporting Period	As at the end of previous year	Increase/decrease at the end of this Reporting Period as compared with the end of previous year (%)
Total assets Net assets attributable to shareholders of the	30,403,497,132	29,865,845,423	1.80
listed company	18,744,059,525	18,033,617,524	3.94
	From the beginning of 2017 to the end of the Reporting Period	From the beginning of previous year to the end of the reporting period of previous year	Increase/decrease as compared with the corresponding period of previous year (%)
Net cash flows from operating activities	1,052,335,467	595,019,344	76.86
	From the beginning of 2017 to the end of the Reporting Period	From the beginning of previous year to the end of the reporting period of previous year	Increase/decrease as compared with the corresponding period of previous year (%)
Operating revenue Net profit attributable to shareholders	4,197,598,309	3,567,039,473	17.68
of the listed company  Net profits attributable to shareholders of the listed company, net of	692,879,063	583,071,294	18.83
non-recurring gains or losses Return rate on weighted	685,237,597	580,994,264	17.94 Increased by 0.28
average net assets (%)	3.77	3.49	percentage point
Basic earnings per share (Yuan/share)	0.28	0.23	21.74
Diluted earnings per share (Yuan/share)	0.28	0.23	21.74

### Non-recurring profit and loss items and amounts

Items	Amount for the current period
Profit and loss from disposal of non-current assets	-14,348,093
Government subsidies recorded under current profit and	
loss (except for those closely related to the normal	
business operation of the Company, in compliance	
with requirements of the national policies and entitled	
continuously to a fixed amount or fixed quantity under	
the requirements of the State policies)	21,104,663
Apart from hedging instruments relating to the normal	
operations of the Company, profit or loss from change in	
fair value of held-for-trading financial assets and held-	
for-trading financial liabilities, and investment income	
from disposal of held-for-trading financial assets, held-	
for-trading financial liabilities and available-for-sale	
financial assets	-1,344,643
Other non-operating income and expenses other than the	
above items	5,366,091
Impact on non-controlling interests (after tax)	-118
Effect of income tax	-3,136,434
Total	7,641,466

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

Unit: Shares

Total number of shareholders

73,972 holders of A shares and 65 registered holders of H shares

### Shareholding of top ten shareholders

	Shareholding at		Number of shares held with selling	Pledge or 1	noratorium	Nature of
Name of shareholders (Full name)	the end of period	Percentage (%)	restrictions	shares	Number	shareholder
HKSCC NOMINEES LIMITED (Note)	491,731,200	19.60		Unknown		Unknown
Sanyi Development Limited	390,578,816	15.57		Nil		Overseas legal entity
Heren Charitable Foundation	290,000,000	11.56		Nil		Domestic non- state-owned legal entity
Hong Kong Securities Clearing Company Limited	227,066,406	9.05		Unknown		Unknown
TEMASEK FULLERTON ALPHA PTE LTD	38,653,598	1.54		Unknown		Unknown
Fujian Yaohua Industrial Village Development Co., Ltd.	34,277,742	1.37		Pledged	13,700,000	Domestic non- state-owned legal entity
Bai Yongli	26,424,759	1.05		Unknown		Unknown
Central Huijin Asset Management Ltd.	24,598,300	0.98		Unknown		Unknown
Canada Pension Plan Investment Board - Own Funds	22,441,781	0.89		Unknown		Unknown
Li Shengqing	20,376,138	0.81		Unknown		Unknown

# Shareholdings of the top ten shareholders not subject to selling restrictions

	Number of tradable shares not subject to	Types and number of shares		
Name of shareholders	selling restrictions	Types	Number	
HKSCC NOMINEES LIMITED (Note)	491,731,200	Overseas listed foreign shares	491,731,200	
Sanyi Development Limited	390,578,816	Ordinary shares denominated in RMB	390,578,816	
Heren Charitable Foundation	290,000,000	Ordinary shares denominated in RMB	290,000,000	
Hong Kong Securities Clearing Company Limited	227,066,406	Ordinary shares denominated in RMB	227,066,406	
TEMASEK FULLERTON ALPHA PTE LTD	38,653,598	Ordinary shares denominated in RMB	38,653,598	
Fujian Yaohua Industrial Village Development Co., Ltd.	34,277,742	Ordinary shares denominated in RMB	34,277,742	
Bai Yongli	26,424,759	Ordinary shares denominated in RMB	26,424,759	
Central Huijin Asset Management Ltd.	24,598,300	Ordinary shares denominated in RMB	24,598,300	
Canada Pension Plan Investment Board – Own Funds	22,441,781	Ordinary shares denominated in RMB	22,441,781	
Li Shengqing	20,376,138	Ordinary shares denominated in RMB	20,376,138	

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

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

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

#### III. SIGNIFICANT EVENTS

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

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

Items	Balance as at the end of the period	Balance as at the beginning of the year	Increase/ decrease	Percentage of increase/ decrease
Financial assets at fair value				
through profit or loss	-	1,951,267	-1,951,267	-100.00%
Non-current assets due within				
one year	26,853,132	16,936,288	9,916,844	58.55%
Other Non-current assets	385,381	289,450	95,931	33.14%
Financial liabilities at fair				
value through profit or loss	8,495,213	-	8,495,213	100.00%
Notes payable	918,394,972	613,982,362	304,412,610	49.58%
Advances from customers	29,528,277	21,435,585	8,092,692	37.75%
Employee benefits payable	233,612,927	420,291,759	-186,678,832	-44.42%
Interests payable	21,432,953	15,286,048	6,146,905	40.21%
Other current liabilities	304,925,971	608,604,575	-303,678,604	-49.90%

- a. Decrease in financial assets at fair value through profit or loss was due to settlement of certain forward foreign exchange settlement contracts upon maturity and revalsuation of the unsettled forward foreign exchange settlement contracts as financial liabilities.
- b. Increase in non-current assets due within one year was mainly due to an increase in long-term prepaid expenses due within one year.

- c. Increase in other non-current assets was due to an increase in input VAT on real estates deducted by stages (from the thirteenth month).
- d. Increase in financial liabilities at fair value through profit or loss was due to option fees received from sale of call options on foreign exchange and revalsuation of the unsettled forward foreign exchange settlement contracts of the subsidiaries as unrealized losses.
- e. Increase in notes payable was mainly due to an increase in procurement amount and amount settled by notes.
- f. Increase in advances from customers was mainly due to an increase in payments from customers in advance.
- g. Decrease in employee benefits payable was mainly due to the payment of the annual bonus provided for in the previous year during the Reporting Period.
- h. Increase in interests payable was mainly due to an increase in provision for the bonds interest payable.
- i. Decrease in other current liabilities was due to the repayment of ultra short-term financing bonds amounting to RMB300 million during the Reporting Period.

# 2. Analysis on the reasons for significant changes in items of the income statement of the Company during the Reporting Period

Items	Amount for the current period	Amount for the comparable period	Increase/ decrease	Percentage of increase/ decrease
Taxes and surcharges	47,680,613	32,750,204	14,930,409	45.59%
Financial expenses	26,025,477	49,545,355	-23,519,878	-47.47%
Gain or loss arising from				
changes in fair value	-3,576,480	-1,676,009	-1,900,471	113.39%
Investment income	-168,647	1,089,746	-1,258,393	-115.48%
Non-operating income	26,774,830	8,699,079	18,075,751	207.79%
Non-operating expenses	14,652,169	3,988,416	10,663,753	267.37%
Income tax expenses	170,077,760	128,121,996	41,955,764	32.75%

- a. Increase in taxes and surcharges was mainly due to reclassification of land use tax, property tax, vehicle and vessel usage tax and stamp duty under the "administrative expenses" into the "tax and surcharges" in accordance with "the Provisions on the Accounting Treatment of Value Added Tax" (Cai Kuai [2016] No. 22) issued by the Ministry of Finance of the PRC since May 1, 2016.
- b. Year-on-year decrease in financial expenses was mainly due to a year-on-year increase in interest income during the Reporting Period.
- c. Loss arising from changes in fair value was mainly the loss arising from changes in fair value due to revalsuation of the forward foreign exchange settlement contracts of the subsidiaries.
- d. Decrease in investment income was mainly due to the loss of Jinken Glass Industry Shuangliao Co., Ltd., an associate of the Company, during the Reporting Period.
- e. Increase in non-operating income was mainly due to an increase in the government subsidies received during the Reporting Period.
- f. Increase in non-operating expenses was mainly due to the losses on disposal of fixed assets by subsidiaries.
- g. Increase in income tax expenses was mainly due to increase in total profit realized during the Reporting Period.

# 3. Analysis on the reasons for substantial changes in cash flow items of the Company

Items	Amount for the current period	Amount for the comparable period	Increase/ decrease	Percentage of increase/ decrease
Cash received from sale of goods or rendering of				
services	5,188,972,399	3,826,823,060	1,362,149,339	35.59%
Refund of taxes and surcharges	56,272,360	36,231,893	20,040,467	55.31%
Cash received relating to other				
operating activities	57,178,068	22,102,132	35,075,936	158.70%
Cash received relating to other				
investing activities	3,521,710	1,000,000	2,521,710	252.17%
Cash paid relating to other				
investing activities	300,000,000	-	300,000,000	-100.00%
Cash received relating to other				
financing activities	-	300,000,000	-300,000,000	-100.00%
Cash repayments of borrowings	1,456,807,150	969,850,397	486,956,753	50.21%
Cash paid relating to other				
financing activities		1,135,849	-1,135,849	-100.00%

- a. Increase in cash received from sale of goods or rendering of services was mainly due to an increase in revenue and accelerated collection of accounts receivable.
- b. Increase in refund of taxes and surcharges was mainly due to an increase in export tax refund rate for automotive glass (the tax refund rate has increased from 13% to 17% since November 2016).
- c. Increase in cash received relating to other operating activities was mainly due to an increase in interest income and government subsidies during the Reporting Period.
- d. Increase in cash received relating to other investing activities was mainly due to an increase in government subsidies relating to the assets.
- e. Increase in cash paid relating to other investing activities was due to the expense arise from purchase of bank wealth management products with principal preservation with floating return and for a term of six months during the Reporting Period.

- f. Decrease in cash received relating to other financing activities was due to the issuance of ultra short-term financing bonds amounting to RMB300 million during the corresponding period of last year.
- g. Increase in cash repayments of borrowings was mainly due to a repayment of ultra short-term financing bonds and short-term borrowings upon maturity during this period.
- h. Decrease in cash paid relating to other financing activities was mainly due to fees paid for issuance of ultra short-term financing bonds during the corresponding period of last year.

# 3.2 Progress of important events and their influence and analysis on the solution

Not applicable

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

Fulfill in

Background of undertakings	Type of undertakings	Undertaking party	Content of undertakings	Time and term of the undertakings	Has performance period or not	a timely and strict manner or not
Other undertakings	Dividend distribution	Fuyao Glass Industry Group Co., Ltd.	The dividend distribution plan for the equity holders of the Company for the next three years (2015-2017) is as follows: 1. Method of profit distribution: Subject to relevant laws, regulations, normative documents, Articles of Association and relevant provisions and conditions under this plan, and on the premise that the consistency and stability of the profit distribution policy are guaranteed, the Company may distribute dividends in cash, in shares, in a combination of both cash and shares or otherwise as permitted by laws and regulations. The profit distribution shall	Publishing date of undertakings: March 12, 2015 Performance period of undertakings: between January 1, 2015 and December 31, 2017	Yes	Yes

not exceed the accumulative distributable profit without prejudice to the Company's ability of continuing operation. Among these distribution methods, preference will be given to cash dividend as compared to share dividend. Wherever the Company qualifies to distribute cash dividend, the cash dividend shall be adopted for profit distribution. If the Company decides to distribute profit by way of share dividend, such real and reasonable factors as the Company's growth and dilution of net asset value per shares shall be taken into consideration. 2. Frequency of profit distribution: On the premise that the Company records profit for the year with positive accumulative profit undistributed, it shall make profit distribution at least once a year. The Company can also declare interim cash dividend. In the next three years, the board of the Company can propose to declare interim dividend according to the current profit rate, condition of cash flow, development stage and capital needs. 3. The specific conditions of cash dividend and the minimum ratio of cash dividend: Under the precondition that the Company can maintain continuing operation and long-term development, if the Company has no such matters as major investment plans or major cash expenditures (other than investment projects funded with proceeds from fund raising), the Company shall, on the premise that the Company records profit for the year with positive accumulative profit undistributed, distribute dividend in cash and the profit of the Company distributed in cash shall be no less than 20% of the distributable profit achieved during that year. The specific dividend ratio for each year shall be proposed by the board according to the annual profit performance and the future capital use plan of the Company. 4. Specific conditions under which shares will be issued in lieu of dividends: Where the Company's business is in a sound condition and the board considers that the earning per share, stock price and net asset value per share of the Company do not reflect its share capital size, the Company may propose dividend distribution in shares, provided that the above conditions of dividend distribution in cash are fully satisfied. When determining the specific amount of profit distribution in shares, full consideration shall be given to whether the total share capital upon distribution of dividend in share

				a timely
			Has	and stric
Background of Type of U	Undertaking	Time and term	performance	manner
undertakings undertakings p	party Content of undertakings	of the undertakings	period or not	or not

Fulfill in

matches with the current operation size, profit growth and dilution of net asset value per share of the Company while the influence on cost of future debt financing shall be taken into consideration to ensure the profit distribution plan in compliance with the overall interest and long-term benefit of the shareholders as a whole. 5. Differential cash dividend policy: the board of the Company shall take into comprehensive consideration on such factors as the characteristics and development stage of the industry where the Company operates its business, its operational model, earnings level and the existence of major capital expenditure arrangements, to classify the followings and propose differential cash dividend policy according to the procedures stipulated in the Articles of Association: (1) where the Company is at developed stage without any major capital expenditure arrangement, the minimum ratio taken by cash dividend in the profit distribution shall be 80% when distributing profit; (2) where the Company is at developed stage with major capital expenditure arrangement, the minimum ratio taken by cash dividend in the profit distribution shall be 40% when distributing profit; (3) where the Company is at developing stage with major capital expenditure arrangement, the minimum ratio taken by cash dividend in the profit distribution shall be 20% when distributing profit; where it is hard to classify the development stage of the Company and there is any major capital expenditure arrangement, the Company may deal with the profit distribution according to the former item. 6. If the Company recorded profit in the previous financial year but the board of the Company did not propose any cash dividend plan at the end of the previous financial year, the Company shall consult with its independent directors and disclose reasons for not to propose cash dividend plan and the purpose of reserving such capital which has not been used for dividend distribution in the periodic report. Independent directors shall express independent opinions and disclose the same publicly. 7. Formulation and implementation of profit distribution plan: at the end of each financial year, the board of the Company shall propose a profit distribution plan and submit to the general meeting for consideration. The profit distribution plan of the Company on which the Company welcomes any suggestion from shareholders, independent directors and the supervisory committee, is under the supervision of the shareholders, independent directors and the supervisory committee. After the profit distribution plan is resolved at the general meeting of the Company, the board of the Company shall complete the distribution of dividend (or share) within two months after convening the general meeting.

3.4 Explanation on the warning on and reason for the predicted loss in the accumulative net profit for the period from the beginning of the year to the end of next reporting period or possible substantial changes as compared to the corresponding period of last year

Not applicable

Name of the Company Fuyao Glass Industry Group Co., Ltd.
Legal representative Cho Tak Wong
Date April 26, 2017

#### IV. APPENDIX

#### **4.1 Financial statements**

#### **Consolidated Balance Sheet**

March 31, 2017

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

Items	Closing balance	Opening balance
<b>Current assets:</b>		
Cash at bank and on hand	7,618,654,413	7,211,178,987
Settlement provisions		
Placement		
Financial assets at fair value through		
profit or loss		1,951,267
Derivative financial assets		
Notes receivable	1,047,431,186	871,597,857
Accounts receivable	2,943,981,474	3,636,343,106
Advances to suppliers	185,350,439	150,956,724
Premiums receivable		
Reinsurance receivable		
Deposits receivable from reinsurance treaty		
Interest receivable		
Dividends receivable		
Other receivables	102,651,003	118,430,342
Financial assets purchased for resale		
Inventories	3,172,735,514	2,785,865,099
Assets of disposal groups classified as held-for-sale		
Non-current assets due within one year	26,853,132	16,936,288
Other current assets	139,691,907	174,699,089
Total current assets	15,237,349,068	14,967,958,759

Items	Closing balance	Opening balance
Non-current assets:		
Loans and advances		
Available-for sale financial assets		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	101,367,778	101,536,425
Investment properties		
Fixed assets	9,373,727,233	9,267,464,872
Construction in progress	3,951,338,026	3,821,964,355
Construction materials	, , ,	
Fixed assets pending for disposal		
Bearer biological assets		
Oil and gas assets		
Intangible assets	1,144,735,465	1,148,077,027
Development costs	, , ,	
Goodwill	74,678,326	74,678,326
Long-term prepaid expenses	327,862,769	290,472,267
Deferred tax assets	192,053,086	193,403,942
Other non-current assets	385,381	289,450
Total non-current assets	15,166,148,064	14,897,886,664
Total assets	30,403,497,132	29,865,845,423

Items	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	4,644,875,804	4,255,037,518
Borrowings from the central bank		
Customer and interbank deposits		
Borrowing from interbank		
Financial liabilities at fair value		
through profit or loss	8,495,213	
Derivative financial liabilities		
Notes payable	918,394,972	613,982,362
Accounts payable	1,187,673,789	1,300,220,344
Advances from customers	29,528,277	21,435,585
Amount from sales of repurchased financial assets		
Bank charges and commissions due		
Employee benefits payable	233,612,927	420,291,759
Taxes payable	410,186,882	558,062,870
Interest payable	21,432,953	15,286,048
Dividends payable		
Other payables	953,338,862	1,090,612,474
Reinsurance accounts payable		
Provisions for insurance contracts		
Customer deposits for trading in securities		
Amounts due to issuer for securities underwriting		
Liabilities of disposal groups classified as held-for-sale		
Non-current liabilities due within one year	808,000,000	808,000,000
Other current liabilities	304,925,971	608,604,575
Total current liabilities	9,520,465,650	9,691,533,535

Items	Closing balance	Opening balance
Non-current liabilities:		
Long-term borrowings	776,000,000	776,000,000
Debentures payables	797,852,634	797,530,999
Including: Preference shares		
Perpetual liabilities		
Long-term payables		
Long-term salaries payable		
Specific payables		
Accrued liabilities		
Deferred income	478,268,161	481,827,522
Deferred tax liabilities	82,769,899	80,407,573
Other non-current liabilities		
Total non-current liabilities	2,134,890,694	2,135,766,094
Total liabilities	11,655,356,344	11,827,299,629

Items		Closing balance	Opening balance
Owners' equity			
Share capital		2,508,617,532	2,508,617,532
Other equity instruments			
Including: Preference shares			
Perpetual liabiliti	ies	C 990 759 007	6 999 759 007
Capital surplus Less: inventory shares		6,228,753,097	6,228,753,097
Other comprehensive incom	P	108,601,061	91,038,123
Special reserve		100,001,001	01,000,120
Surplus reserve		1,634,319,463	1,634,319,463
General risk reserve			
Undistributed profits		8,263,768,372	7,570,889,309
Total equity attributable to ed	quity	10 744 050 505	10 000 017 504
holders of the Company		18,744,059,525	18,033,617,524
3.51		4 004 000	4 000 070
Minority interests		4,081,263	4,928,270
Total owners' equity		18,748,140,788	18,038,545,794
1 0			
Total liabilities and owners' e	equity	30,403,497,132	29,865,845,423
Legal representative:	Principal in charge accounting:		the Accounting partment:
Cho Tak Wong	Chen Xiangmin	_	Xuejuan
8	3	_	3

### **Balance Sheet of the Company**

March 31, 2017

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

Items	Closing balance	Opening balance
Current assets:		
Cash at bank and on hand	7,443,594,797	6,587,731,042
Financial assets at fair value		
through profit or loss		
Derivative financial assets		
Notes receivable	998,892,514	800,076,560
Accounts receivable	465,173,830	361,285,253
Advances to suppliers	25,723,335	23,564,221
Interest receivable		
Dividends receivable	2,360,297,323	213,608,642
Other receivables	10,464,233,299	9,856,598,443
Inventories	427,809,717	426,578,001
Assets of disposal groups classified as held-for-sale		
Non-current assets due within one year	1,380,432	839,850
Other current assets	33,862,158	21,912,456
Total current assets	22,220,967,405	18,292,194,468

Items	Closing balance	Opening balance
Non-current assets:		
Available-for sale financial assets		
Held-to-maturity investments		
Long-term receivables	154,544,320	155,388,800
Long-term equity investments	5,642,026,761	5,554,988,875
Investment properties		
Fixed assets	586,350,460	616,052,406
Construction in progress	81,208,921	40,770,551
Construction materials		
Fixed assets pending for disposal		
Bearer biological assets		
Oil and gas assets		
Intangible assets	60,886,141	57,781,176
Development costs		
Goodwill	48,490,007	48,490,007
Long-term prepaid expenses	15,473,058	17,335,425
Deferred tax assets	4,114,342	5,892,522
Other non-current assets		
Total non-current assets	6,593,094,010	6,496,699,762
Total assets	28,814,061,415	24,788,894,230

Items	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	1,370,435,304	426,672,868
Financial liabilities at fair value		
through profit or loss	6,870,000	
Derivative financial liabilities		
Notes payable	2,218,205,186	2,123,644,487
Accounts payable	154,579,119	196,871,770
Advances from customers	233,629,845	157,361,156
Employee benefits payable	40,676,390	102,322,228
Taxes payable	122,752,662	147,655,124
Interest payable	20,597,762	12,384,795
Dividends payable		
Other payables	5,948,632,045	4,807,963,309
Liabilities of disposal groups classified as held-for-sale		
Non-current liabilities due within one year	808,000,000	808,000,000
Other current liabilities	304,925,971	608,604,575
Total current liabilities	11,229,304,284	9,391,480,312

Items	Closing balance	Opening balance
Non-current liabilities:		
Long-term borrowings	776,000,000	776,000,000
Debentures payables	797,852,634	797,530,999
Including: Preference shares		
Perpetual liabilities		
Long-term payables		
Long-term salaries payable		
Specific payables		
Accrued liabilities		
Deferred income	28,604,388	27,189,358
Deferred tax liabilities	37,028,297	35,782,179
Other non-current liabilities		
Total non-current liabilities	1,639,485,319	1,636,502,536
Total liabilities	12,868,789,603	11,027,982,848

Items		Closing balance	Opening balance
Owners' equity:			
Share capital		2,508,617,532	2,508,617,532
Other equity instruments			
Including: Preference share	es		
Perpetual liabilit	ties		
Capital surplus		6,202,552,740	6,202,552,740
Less: inventory shares			
Other comprehensive incom	ne		
Special reserve			
Surplus reserve		1,634,319,463	
Undistributed profits		5,599,782,077	3,415,421,647
Total owners' equity		15,945,271,812	13,760,911,382
Total liabilities and owners'	equity	28,814,061,415	24,788,894,230
	Principal in charge	of Head of	the Accounting
Legal representative:	accounting:	Dep	partment:
<b>Cho Tak Wong</b>	Chen Xiangming	g Lin	Xuejuan

#### **Consolidated Income Statement**

January to March 2017

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

Ite	ms		Amount for the current period	Amount for the corresponding period of previous year
I.	<b>Total oper</b> : Including:	Ating revenue Operating revenue Interest income Premiums earned Income from handling fees and commissions	4,197,598,309 4,197,598,309	3,567,039,473 3,567,039,473
II.	Total cost of Including:	Cost of sales Interest expenses Handling fees and commissions expenses Surrender payment Net expenditure for compensation payment Net provisions for insurance contracts Expenditure for insurance policy dividend Reinsurance cost Taxes and surcharges Selling and distribution expenses	3,343,866,027 2,344,169,420 47,680,613 314,753,365	2,860,666,862 1,991,303,838 32,750,204 285,242,655
		General and administrative expenses Financial expenses Asset impairment losses Add: Profit arising from changes in fair value (losses are represented by "-") Investment income (losses are represented by "-") Including: Share in profit of associates and joint ventures Gains from foreign exchange (losses are represented by "-")	609,978,100 26,025,477 1,259,052 -3,576,480 -168,647	500,257,443 49,545,355 1,567,367 -1,676,009 1,089,746

Items	Amount for the current period	Amount for the corresponding period of previous year
III. Operating profit (losses are		
represented by "-") Add: Non-operating income	849,987,155	705,786,348 8,699,079
Including: Gains on disposal of	26,774,830	6,099,079
non-current assets	97,157	93,623
Less: Non-operating expenses Including: Losses on disposal of	14,652,169	3,988,416
non-current assets	14,445,250	3,424,351
IV. Total Profit (total losses are represented		
by "-")	862,109,816	710,497,011
Less: Income tax expenses	170,077,760	128,121,996
V. Net Profit (losses are represented by "-") Profit attributable to the equity holders of	692,032,056	582,375,015
the Company	692,879,063	583,071,294
Minority controlling interest	-847,007	-696,279
VI. Net amount of other comprehensive income after tax  Net amount of other comprehensive income after tax attributable to the equity holders	17,562,938	15,298,734
of the Company	17,562,938	15,298,734
<ul> <li>(I) Other comprehensive income which will not be reclassified subsequently to gain or loss</li> <li>1. Changes in re-measurement of net liabilities or net assets of defined benefit plans</li> <li>2. Shares in other comprehensive income which will not be reclassified into profit and loss of investee entities under the equity method</li> </ul>		

Items	Amount for the current period	Amount for the corresponding period of previous year
<ul> <li>(II) Other comprehensive income which will be reclassified subsequently to gain or loss</li> <li>1. Shares in other comprehensive income which will be reclassified into profit and loss of investee entities under equity method</li> <li>2. Gain or loss from changes in fair value of available-for-sale financial assets</li> <li>3. Gain or loss from reclassification of held-to-maturity investments as available-for-sale financial assets</li> <li>4. Valid part of profit and loss from hedging cash flow</li> <li>5. Difference on translation of foreign financial statements</li> <li>6. Others</li> <li>Net amount of other comprehensive income</li> </ul>	17,562,938 17,562,938	15,298,734
after tax attributable to minority interest		
VII. Total comprehensive income  Total comprehensive income attributable to	709,594,994	597,673,749
the equity holders of the Company	710,442,001	598,370,028
Total comprehensive income attributable to minority shareholders	-847,007	-696,279
VIII. Earnings per share (1) Basic earnings per share (RMB/share) (2) Diluted earnings per share (RMB/share)	0.28 0.28	0.23 0.23

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

Cho Tak Wong	Chen Xiangming	Lin Xuejuan
Legal representative:	accounting:	Department:
	Principal in charge of	Head of the Accounting

### **Income Statement of the Company**

January to March 2017

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

Ite	ms		Amount for the current period	Amount for the corresponding period of previous year
I.	Operating r	revenue	991,685,651	1,191,673,793
	Less: Cost	of sales	916,761,889	1,028,380,605
	Taxes	s and surcharges	4,758,344	4,033,231
		ng and distribution expenses	50,440,067	56,138,315
		ral and administrative		
	ext	penses	97,265,279	80,708,298
	-	icial expenses	19,626,471	41,299,868
		impairment losses	557,690	1,395,606
		t arising from changes in fair	•	
		ue (losses are represented by "-")		675,290
		tment income (losses are		
		presented by "-")	2,282,822,787	1,730,954,198
		ding: Share in profit of associates		, , ,
		and joint ventures	724,596	1,089,746
II.	Operating p	orofit (losses are represented		
	by "-")		2,185,098,698	1,711,347,358
	•	operating income	2,604,196	995,623
		ding: Gains on disposal of	, ,	,
		non-current assets		16,548
	Less: Non-	operating expenses	318,167	1,657,990
		ding: Losses on disposal of	0_0,_0.	2,001,000
	111014	non-current assets	318,167	1,649,022
III.		t (total losses are ted by "-")	2,187,384,727	1,710,684,991
	-	ne tax expenses	3,024,297	
	LCSS. HICUII	ne tan enpenses	J,U&I,&J/	۵,705,570
IV.	Net Profit (	net losses are represented		
	by "-")	_	2,184,360,430	1,707,901,021

Amount for the current period

Amount for the corresponding period of previous year

#### Items

# V. Net amount of other comprehensive income after tax

- (I) Other comprehensive income which will not be reclassified subsequently to gain or loss
  - 1. Changes in re-measurement of net liabilities or net assets of defined benefit plans
  - 2. Shares in other comprehensive income which will not be reclassified into profit and loss of investee entities under the equity method
- (II) Other comprehensive income which will be reclassified subsequently to gain or loss
  - 1. Shares in other comprehensive income which will be reclassified into profit and loss of investee entities under equity method
  - 2. Gain or loss from changes in fair value of available-for-sale financial assets
  - 3. Gain or loss from reclassification of held-to-maturity investments as available-for-sale financial assets
  - 4. Valid part of profit and loss from hedging cash flow
  - 5. Difference on translation of foreign financial statements
  - 6. Others

#### VI. Total comprehensive income

**2,184,360,430** 1,707,901,021

#### VII. Earnings per share:

(1) Basic earnings per share (RMB/share) Not applicable
 (2) Diluted earnings per share (RMB/share) Not applicable
 Not applicable
 Not applicable

Legal representative:

**Cho Tak Wong** 

Principal in charge of accounting:

Head of the Accounting

Department:

**Chen Xiangming** 

Lin Xuejuan

#### **Consolidated Cash Flow Statement**

January to March 2017

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

Ite	ms	the current	Amount for the corresponding period of previous year
I.	Cash flows from operating activities: Cash received from sale of goods or rendering of services Net increase in customer and interbank deposits Net increase in borrowing from the	5,188,972,399	3,826,823,060
	central bank  Net increase in intra-bank borrowing from other financial institutions  Cash received from premiums under		
	original insurance contract Net cash received from reinsurance business		
	Net increase in deposits of policy holders and investment		
	Net increase in disposal of financial assets at fair value and its changes are calculated into profit or loss in the current period		
	Cash received from interest, fees and commissions		
	Net increase in borrowings from interbank		
	Net increase in cash received from repurchase business		
	Refund of taxes and surcharges	56,272,360	36,231,893
	Cash received relating to other operating activities	57,178,068	22,102,132
	Sub-total of cash inflows from		
	operating activities	5,302,422,827	3,885,157,085

Items	Amount for the current period	Amount for the corresponding period of previous year
Cash paid for goods and services Net increase in customer loans and advance Net increase in deposits in the central bank and interbank deposits Cash paid for compensation payments under original insurance contract Cash paid for interest, fees and commissions	2,651,604,112	2,045,989,694
Cash paid for insurance policy dividend Cash paid to and on behalf of employees Payments of taxes and surcharges Cash paid relating to other operating activities	986,043,232 558,765,495	438,049,952
	53,674,521	41,596,480
Sub-total of cash outflows from operating activities	4,250,087,360	3,290,137,741
Net cash flows from operating activities	1,052,335,467	595,019,344
II. Cash flows from investing activities:  Cash received from disposal of investments  Cash received from returns on investments  Net cash received from disposal of fixed assets, intangible assets and other long-term assets  Net cash received from disposal of subsidiaries and other business units  Cash received relating to other investing	11,858,878	
activities	3,521,710	1,000,000
Sub-total of cash inflows from investing activities	15,380,588	11,436,645

Items	Amount for the current period	Amount for the corresponding period of previous year
Cash paid to acquire fixed assets, intangible assets and other long-term assets Cash paid to acquire investments Net increase in secured loans Net cash paid to acquire subsidiaries and other business units	695,352,632	887,488,998
Cash paid relating to other investing activities	300,000,000	
Sub-total of cash outflows from investing activities	995,352,632	887,488,998
Net cash flows from investing activities	-979,972,044	-876,052,353
III. Cash flows from financing activities:  Cash received from capital contributions Including: Cash received from capital  contributions by minority shareholders of subsidiaries Cash received from borrowings Cash received from issuance of debentures Cash received relating to other financing activities	1,546,645,436	300,000,000
Sub-total of cash inflows from financing activities	1,546,645,436	1,924,436,869

		Amount for the
	Amount fo	1
Items	the curren	1
items	perio	<b>d</b> previous year
Cash repayments of borrowing Cash payments for interest exp		<b>0</b> 969,850,397
distribution of dividends or p Including: Cash payments for o or profit to minor shareholders of su	orofits <b>33,591,89</b> lividends ity lbsidiaries	<b>6</b> 28,141,295
Cash payment relating to other activities	financing	1,135,849
Sub-total of cash outflows fro financing activities	om 1,490,399,04	999,127,541
Net cash flows from financing activities	56,246,39	925,309,328
IV. Effect of fluctuations in excha on cash and cash equivalents	nnge rates -32,948,31	<b>1</b> -27,653,747
V. Net increase in cash and cash equivalents  Add: Cash and cash equivalent	95,661,50	<b>2</b> 616,622,572
at the beginning of the		<b>1</b> 5,906,233,126
VI. Cash and cash equivalents bathe end of the period		<b>3</b> 6,522,855,698
Legal representative: ac	counting: L	f the Accounting department: in Xuejuan

### **Cash Flow Statement of the Company**

January to March 2017

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

Items	Amount for the current period	Amount for the corresponding period of previous year
I. Cash flows from operating activities:		
Cash received from sale of goods or		
rendering of services	828,653,998	826,561,532
Refund of taxes and surcharges	50,534,106	27,263,742
Cash received relating to other operating activities	662,548,738	220,216,897
activities	002,340,730	220,210,037
Sub-total of cash inflows from operating		
activities	1,541,736,842	1,074,042,171
Cash paid for goods and services	1,025,139,005	822,355,700
Cash paid to and on behalf of employees	134,271,707	129,403,034
Payments of taxes and surcharges	31,536,824	33,065,128
Cash paid relating to other operating		
activities	88,690,959	62,643,203
Sub-total of cash outflows from operating		
activities	1,279,638,495	1,047,467,065
	_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	_,02.,10.,000
NT . 1 01 0	000 000 047	00 575 400
Net cash flows from operating activities	262,098,347	26,575,106

Itei	ns	Amount for the current period	Amount for the corresponding period of previous year
II.	Cash flows from investing activities: Cash received from disposal of investments Cash received from returns on investments Net cash received from disposal of fixed assets, intangible assets and other long-	135,409,511	
	term assets  Net cash received from disposal of subsidiaries and other business units  Cash received relating to other investing activities	323,175	232,532
	Sub-total of cash inflows from investing activities	135,732,686	232,532
	Cash paid to acquire fixed assets, intangible assets and other long-term assets Cash paid to acquire investments Net cash paid to acquire subsidiaries and other business units Cash paid relating to other investing activities	52,731,893 86,313,289 300,000,000	11,599,265
	Sub-total of cash outflows from investing activities	439,045,182	11,599,265
	Net cash flows from investing activities	-303,312,496	-11,366,733

Items	Amount for the current period	Amount for the corresponding period of previous year
III. Cash flows from financing activities:  Cash received from capital contributions  Cash received from borrowings  Cash received relating to other financing activities	1,301,902,701	274,014,729
Sub-total of cash inflows from financing activities	1,301,902,701	574,014,729
Cash repayments of borrowings Cash payments for interest expenses and	658,140,265	218,903,397
distribution of dividends or profits  Cash payment relating to other financing activities	13,460,506	10,742,167 1,135,849
Sub-total of cash outflows from financing activities	671,600,771	230,781,413
Net cash flows from financing activities	630,301,930	343,233,316
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	-33,224,026	-28,122,143
V. Net increase in cash and cash equivalents Add: Cash and cash equivalents balance at the beginning of the period	555,863,755 6,587,731,042	330,319,546 5,809,618,357
VI. Cash and cash equivalents balance at the end of the period	7,143,594,797	, ,
Principal in charg  Legal representative: accounting:  Cho Tak Wong Chen Xiangmin	Dep	the Accounting partment: <b>Xuejuan</b>

### 4.2 Audit Report

Not applicable