

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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)

## **THIRD QUARTERLY REPORT 2015**

### **1. 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 shall 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 the third quarterly report of the Company.
- 1.3 Ma Liyun, Person-in-charge of the Company, Sun Lei, 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 The third quarterly report of the Company is unaudited.

## 2. MAJOR FINANCIAL DATA AND CHANGES IN SHAREHOLDERS OF THE COMPANY

### 2.1 Major Financial Data

*Unit: RMB*

	<b>At the end of the reporting period</b>	At the end of the previous year	Increase/ decrease at the end of the reporting period as compared with the end of the previous year (%)
Total assets	<b>1,163,430,018.81</b>	1,057,067,719.83	10.06
Net assets attributable to shareholders of the Company	<b>-86,857,551.33</b>	49,399,018.40	-275.83
	<b>From beginning of the year to the end of the reporting period (January – September)</b>	From beginning of the previous year to the end of the reporting period of the previous year (January – September)	Year-on-year increase/decrease (%)
Net cash flows from operating activities	<b>-89,069,803.49</b>	-28,655,885.17	N/A

	<b>From beginning of the year to the end of the reporting period (January – September)</b>	From beginning of the previous year to the end of the reporting period of the previous year (January – September)	Year-on-year increase/decrease (%)
Operating income	<b>402,539,580.92</b>	432,785,559.45	-6.99
Net profit attributable to shareholders of the listed company	<b>-155,016,545.65</b>	7,250,484.21	-2,238.02
Net profit attributable to shareholders of the listed company after deducting extraordinary profit or loss	<b>-153,848,826.53</b>	-85,320,886.22	N/A
Weighted average return on net assets (%)	N/A	19.63	N/A
Basic earnings per share (RMB/share)	<b>-0.3100</b>	0.0145	-2,237.93
Diluted earnings per share (RMB/share)	<b>-0.3100</b>	0.0145	-2,237.93

## Extraordinary Items and Amounts

Applicable       Not Applicable

*Unit: RMB*

Extraordinary Items	Amount for the reporting period (July – September)	Amounts for	Explanations
		the period from beginning of the year to the end of the reporting period (January – September)	
Profit/loss from disposal of non-current assets	<b>23,621.23</b>	82,566.15	
Tax refund, deduction and exemption as a result of ultra vires or without formal approval or of an incidental nature			
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>373,782.90</b>	1,234,308.98	
Gain from debt restructuring		96,765.10	
Other non-operating income and expenses excluding the aforesaid items	<b>-179,045.48</b>	-2,610,929.59	
Other profit or loss items falling within the definition of extraordinary profit or loss			
Effect of income tax	<b>-4,631.98</b>	110,472.77	
Effect of minority interests (after tax)	<b>-5,289.02</b>	-80,902.53	
Total	<b><u>208,437.65</u></b>	<b><u>-1,167,719.12</u></b>	

## 2.2 Total number of shareholders, top 10 shareholders and top 10 holders of tradable shares not subject to trading moratorium at the end of the reporting period

Unit: Share

Total number of shareholders 75,116

### Shareholdings of the top 10 shareholders

Name of shareholders (full name)	Total number of shares held as at the end of the reporting period	Shareholding Percentage (%)	Number of shares subject to trading moratorium held	Pledged or frozen Status of shares	Number	Nature of shareholder
HKSCC Nominees Limited	248,508,802	49.7	0	Unknown		Overseas legal person
China Luoyang Float Glass (Group) Company Limited	159,018,242	31.8	0	Pledged	159,018,242	State-owned legal person
Zhang Lixin	1,000,000	0.20	0	Unknown		Domestic natural person
Bank of Communications Co., Ltd. – Yimin Quality Upgrade and Flexible Distribution Mixed Securities Investment Fund	403,252	0.08	0	Unknown		Unknown
Zong Fengzhen	380,300	0.08	0	Unknown		Domestic natural person
CHUK YEE MEN LIZA	374,000	0.08	0	Unknown		Unknown
Li Xiaoli	346,300	0.07	0	Unknown		Domestic natural person
Agricultural Bank of China Limited – Fullgoal CSI State-owned Enterprises Reform Index Classified Fund	319,500	0.06	0	Unknown		Unknown
Jin Ruiming	315,394	0.06	0	Unknown		Domestic natural person
WONG SING TO	300,000	0.06	0	Unknown		Overseas natural person

## Particulars of the top 10 shareholders not subject to trading Moratorium

Name of shareholders (full name)	Number of circulating shares not subject to trading moratorium as at the end of the reporting period	Class and number of shares	
		Class	Number
HKSCC Nominees Limited	248,508,802	Overseas listed foreign shares	248,508,802
China Luoyang Float Glass (Group) Company Limited	159,018,242	Ordinary shares denominated in RMB	159,018,242
Zhang Lixin	1,000,000	Ordinary shares denominated in RMB	1,000,000
Bank of Communications Co., Ltd. –Yimin Quality Upgrade and Flexible Distribution Mixed Securities Investment Fund	403,252	Ordinary shares denominated in RMB	403,252
Zong Fengzhen	380,300	Ordinary shares denominated in RMB	380,300
CHUK YEE MEN LIZA	374,000	Overseas listed foreign shares	374,000
Li Xiaoli	346,300	Ordinary shares denominated in RMB	346,300
Agricultural Bank of China Limited – Fullgoal CSI State-owned Enterprises Reform Index Classified Fund	319,500	Ordinary shares denominated in RMB	319,500
Jin Ruiming	315,394	Ordinary shares denominated in RMB	315,394
WONG SING TO	300,000	Overseas listed foreign shares	300,000
Explanation on connected relationship or action acting in concert among the aforesaid shareholders:	There are no connected parties or persons 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》) issued by CSRC among the top ten shareholders of the Company, including China Luoyang Float Glass (Group) Company Limited and other shareholders of circulating shares. The Company is not aware of any parties acting in concert or any connected relationship among other shareholders of circulating shares. Shares were held by HKSCC Nominees Limited, representing its various customers.		
Explanations on preference shareholders with voting rights restored and the number of shares held	None		

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

Applicable  Not Applicable

**3 SIGNIFICANT EVENTS**

**3.1 Substantial changes in major items of financial statements and financial indicators and the reasons thereof**

Applicable  Not Applicable

Item	30 September 2015	31 December 2014	Increase/ decrease (%)	Reasons for changes
Bank balance and cash	108,784,814.77	68,478,221.61	58.86	Mainly due to the increase in deposit of notes during the period.
Bills receivable	5,780,821.80	400,000.00	1345.21	Mainly due to the increase in notes received during the period.
Accounts receivable	61,123,411.58	23,412,089.50	161.08	Mainly due to the increase in receivables during the period.
Prepayments	23,673,516.99	7,692,326.00	207.75	Mainly due to the increase in prepayment during the period.
Other current assets	36,348,450.18	21,865,034.21	66.24	Mainly due to the increase in remaining tax credit of the tax payable in the period
Fixed assets	311,627,906.91	568,040,126.38	-45.14	Mainly due to transfer of asset into “construction in progress” after suspension, upgrade and renovation of production lines during the period.
Construction in progress	246,016,874.42	698,734.75	35108.91	Mainly due to the incurred new construction and renovation project of the subsidiaries in the period.
Long-term deferred expenses	4,259,213.83	486,000.00	776.38	Mainly due to the additional deferred expenses for financing during the period.
Other non-current assets	10,030,084.53	5,134,487.79	95.35	Mainly due to the additional compensation for land requisition of subsidiaries during the period.
Short-term borrowings		10,000,000.00	-100	Mainly due to the repayment of borrowings due.

Item	30 September 2015	31 December 2014	Increase/ decrease (%)	Reasons for changes
Bills payable	<b>150,000,000.00</b>	90,000,000.00	66.67	Mainly due to the increase in financing notes in full amount during the period.
Payments received in advance	<b>38,427,382.76</b>	57,399,049.54	-33.05	Mainly due to the decrease in payments received in advance during the period.
Staff remuneration payables	<b>62,056,941.56</b>	48,625,920.94	27.62	Mainly due to the increase in staff remuneration payables and social security funds during the period.
Other payables	<b>205,596,082.71</b>	80,705,153.66	154.75	Mainly due to the increase in the repayment of advance payment of the Company provided by the subsidiaries of China Building Materials in the period.
Deferred income	<b>18,737,125.03</b>	9,898,914.15	89.28	Mainly due to the subsidies for construction project received by the subsidiaries during the period.
Item	January to September 2015	January to September 2014	Increase/ (decrease) (%)	Reasons for changes
Impairment losses on assets	<b>21,836,838.21</b>	5,085,670.60	329.38	Mainly due to the increase in inventory impairment provided for during the period.
Investment income		94,619,131.73	-100	Mainly due to the gains from disposal of the equity interest in Luobo Industrial Co., Ltd. during the previous period
Non-operating income	<b>1,868,444.11</b>	3,212,895.23	-41.85	Mainly due to decrease in income from disposal of assets during the period.
Net cash flow from operating activities	<b>-89,069,803.49</b>	-28,655,885.17	N/A	Increase in net cash flow from operating activities mainly due to the decrease in payment received and increase in materials payment during the period.
Net cash flow from investment activities	<b>-11,795,226.12</b>	35,101,404.33	-133.60	Increase in net cash flow from investment activities mainly due to the increase in investment in construction projects and the collection of payments in respect of land acquisition for reserve for the last period.



Item	January to September 2015	January to September 2014	Increase/ (decrease) (%)	Reasons for changes
Net cash outflow from financing activities	81,187,396.13	-25,273,531.17	N/A	Increase in net cash outflow from financing activities mainly due to the increase in borrowings and the repayment of advance payment of the Company provided by the subsidiaries of China Building Materials during the period.

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

Applicable       Not Applicable

Explanation on material assets reorganization during the Reporting Period is as follows:

On 6 May 2015, the valuation report in relation to outgoing and incoming assets of the reorganization was approved by and filed with the State-owned Assets Supervision and Administration Commission of the State Council (the “SASAC”);

On 10 June 2015, the Proposal of Major Asset Swap, Issuance of Shares, Acquisition of Assets by Cash and Raising of Supporting Funds of Luoyang Glass Company Limited (《洛陽玻璃股份有限公司重大資產置換及發行股份並支付現金購買資產並募集配套資金交易方案》) was considered and approved at the 39th meeting of the seventh session of the Board of the Company, pursuant to which, the Company and the transaction party entered into the Agreement in respect of the Major Asset Swap, Issuance of Shares, Acquisition of Assets by Cash and Raising of Supporting Funds of Luoyang Glass Company Limited and China Luoyang Float Glass (Group) Company Limited (《洛陽玻璃股份有限公司與中國洛陽浮法玻璃集團有限責任公司關於重大資產置換及發行股份並支付現金購買資產並募集配套資金的協議》);

On 17 August 2015, the proposal of major asset reorganization was approved by SASAC;

On 25 August 2015, relevant matters of the major asset reorganization were considered and approved at the 2015 first extraordinary general meeting, 2015 first A share class meeting, 2015 first H Share class meeting.

On 1 September 2015, China Securities Regulatory Commission (the “CSRC”) accepted the application materials of the major asset reorganization of the Company;

On 25 September 2015, the Company received the Notice of the First Reply on the Investigation of Administrative Approved Projects from CSRC, pursuant to which, the Company was required to make illustration and explanation in respect of relevant issues in writing and submit the reply in writing to relevant department authorized and accepted by CSRC within 30 working days.

The major asset reorganization is subject to the approval of CSRC.

### 3.3 Performance of undertakings of the Company and shareholders holding 5% or more of the Company’s shares

Applicable                       Not Applicable

Undertaking background	Undertaking type	Undertaker	Contents of undertaking	Time and term of undertaking	Valid period for performance	Whether strictly and timely performed	Specific reasons for the failure to timely perform the undertaking	Further plans in the event of failing to timely perform the undertaking
Other undertakings	Resolve the business competition issue	China National Building Materials Group Corporation	During transfer of relevant equity interests, China National Building Materials Group Corporation (“CNBMG”), the de facto controller of the Company, undertook on 11 September 2007 that: CNBMG (including its controlled enterprises by now) would not directly or indirectly involve in any businesses which constitute competition with the Company. In the event that the business opportunities obtained would compete with the operations of the Company, it would notify the Company of such business opportunities. Save as a financial investor, CNBMG would not invest in any businesses which may constitute competition with the operations of the Company, and would take measures to prevent the possibility of substantial competition when continuing to acquire other businesses which have horizontal competition with the Company directly or indirectly under appropriate conditions. In case of violation of the above undertakings, CNBMG would fully indemnify the Company for any loss so caused.	11 September 2007 to present	No	Yes		
Other undertakings	Resolve the business competition issue	Triumph Technology	During transfer of relevant equity interests, Triumph Technology, the controller of the Company, undertook on 9 December 2010 that: Triumph Technology and its controlled enterprises will not directly or indirectly involve in any businesses or activities in competition with the principal operations of the Company, by any means (including but not limited to the independent business, joint venture or having shares or interest in another company or enterprise). In the event that the business opportunities obtained by Triumph Technology or its controlled enterprises will compete with the principal operations of the Company, it will notify the Company of those matters as soon as possible and pass such business opportunities to the Company to ensure that there is no prejudice to the interests of the shareholders of the Company as a whole.	9 December 2010 to present	No	Yes		

Undertaking background	Undertaking type	Undertaker	Contents of undertaking	Time and term of undertaking	Valid period for performance	Whether strictly and timely performed	Specific reasons for the failure to timely perform the undertaking	Further plans in the event of failing to timely perform the undertaking
Other undertakings	Resolve the business competition issue	China National Building Materials Group Corporation and Triumph Technology	In transferring relevant equity interests, CNBMG, the de facto controllers of the Company, and Triumph Technology, undertook on 9 December 2010 that: they would come up with a comprehensive solution to the problem of horizontal competition between the Company and Longxin Company, Fangxing Science & Technology and Zhongjian Glass by way of consolidation in the form of a series of business and asset restructuring with the Company as a platform in the coming three years.	3 years commenced from 9 December 2010	Yes	No	Effect by some factors like macro-economic situation and industry policies, and so on.	On 27 June 2014, CNBMG undertook that it will assist the Company to strip the ordinary float glass business away through feasible methods of business and asset reorganization and others. The reorganization is subject to the approval from CSRC currently.
Other undertakings	Resolve connected transactions.	China National Building Materials Group Corporation	In order to avoid or reduce the potential related party transaction in the future, the de facto controller of the Company, CNBMG, undertook on 11 September 2007 when conducting allocation of relevant equity that: "the Company (including the controlled enterprises at present) will try its best to avoid and reduce the connected transactions with Luoyang Glass. For the connected transactions inevitable or due to reasonable reasons, the Company undertakes to comply with principles of market impartiality, fairness and openness, and enter into agreements according to laws, perform legal procedures, perform information disclosure obligation and conduct relevant reporting and approving procedures in accordance with relevant requirements, and warrants not to prejudice the legal interests of Luoyang Glass and other shareholders through connected transactions."	11 September 2007 to present	No	Yes		

### 3.4 Warning and explanation in the forecast of any possible loss in accumulated net profit from the beginning of the year to the end of the next reporting period or any material changes compared to the corresponding period of last year

Applicable

Not Applicable

Company name: **Luoyang Glass Company Limited**  
Legal representative: **Ma Liyun**

Date: 29 October 2015

## IV. APPENDIX

### 4.1 Financial Statement

#### Consolidated Balance Sheet

30 September 2015

Prepared by: Luoyang Glass Company Limited

Unit: 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	108,784,814.77	68,478,221.61
Notes receivable	5,780,821.80	400,000.00
Accounts receivable	61,123,411.58	23,412,089.50
Prepayments	23,673,516.99	7,692,326.00
Other receivables	44,233,192.17	37,020,177.60
Inventory	200,900,308.95	211,781,486.51
Other current assets	36,348,450.18	21,865,034.21
<b>Total current assets</b>	<b>480,844,516.44</b>	<b>370,649,335.43</b>
<b>Non-current assets:</b>		
Available-for-sale financial assets	4,343,500.00	4,343,500.00
Long-term receivables	50,940,307.54	48,649,780.65
Fixed assets	311,627,906.91	568,040,126.38
Construction in progress	246,016,874.42	698,734.75
Construction materials	595,051.16	428,213.56
Intangible assets	52,171,897.16	54,815,729.68
Long-term deferred expenses	4,259,213.83	486,000.00
Deferred income tax assets	2,600,666.82	3,821,811.59
Other non-current assets	10,030,084.53	5,134,487.79
<b>Total non-current assets</b>	<b>682,585,502.37</b>	<b>686,418,384.40</b>
<b>Total assets</b>	<b>1,163,430,018.81</b>	<b>1,057,067,719.83</b>

Item	Balance as at the end of the period	Balance as at the beginning of the year
<b>Current liabilities:</b>		
Short-term loans		10,000,000.00
Notes payable	<b>150,000,000.00</b>	90,000,000.00
Accounts payable	<b>277,813,555.84</b>	266,198,092.81
Payments received in advance	<b>38,427,382.76</b>	57,399,049.54
Staff remuneration payables	<b>62,056,941.56</b>	48,625,920.94
Taxes payable	<b>18,777,389.91</b>	27,800,706.43
Other payables	<b>205,596,082.71</b>	80,705,153.66
Non-current liabilities due within one year	<b>46,293,636.87</b>	46,293,636.87
Other current liabilities		
<b>Total current liabilities</b>	<b><u>798,964,989.65</u></b>	<b><u>627,022,560.25</u></b>
<b>Non-current liabilities:</b>		
Long-term loans	<b>528,561,580.47</b>	459,535,761.38
Deferred income	<b>18,737,125.03</b>	9,898,914.15
<b>Total non-current liabilities</b>	<b><u>547,298,705.50</u></b>	<b><u>469,434,675.53</u></b>
<b>Total liabilities</b>	<b><u>1,346,263,695.15</u></b>	<b><u>1,096,457,235.78</u></b>
<b>Owners' equity</b>		
Share capital	<b>500,018,242.00</b>	500,018,242.00
Capital reserve	<b>876,145,596.98</b>	857,450,406.90
Special reserve	<b>520,943.58</b>	456,157.74
Surplus reserve	<b>51,365,509.04</b>	51,365,509.04
Retained earnings	<b>-1,514,907,842.93</b>	-1,359,891,297.28
Total equity attributable to the equity holders of the Parent Company	<b>-86,857,551.33</b>	49,399,018.40
Minority interests	<b>-95,976,125.01</b>	-88,788,534.35
<b>Total owners' equity</b>	<b><u>-182,833,676.34</u></b>	<b><u>-39,389,515.95</u></b>
<b>Total liabilities and owners' equities</b>	<b><u>1,163,430,018.81</u></b>	<b><u>1,057,067,719.83</u></b>

Legal representative:  
**Ma Liyun**

Chief accountant:  
**Sun Lei**

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

## Balance Sheet of the Parent Company

30 September 2015

Prepared by: Luoyang Glass Company Limited

Unit: 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	100,179,713.43	45,193,116.50
Notes receivable	4,890,821.80	
Accounts receivable	654,047,011.57	556,257,598.52
Prepayments	9,329,529.09	1,485,067.67
Other receivables	168,011,513.88	179,069,893.00
<b>Total current assets</b>	<b>936,458,589.77</b>	<b>782,005,675.69</b>
<b>Non-current assets:</b>		
Long-term receivables	50,940,307.54	48,649,780.65
Long-term equity investments	52,597,961.54	52,597,961.54
Fixed assets	3,447,802.89	3,813,540.76
Construction materials	595,051.16	428,213.56
Intangible assets	6,688,182.49	6,856,321.12
Long-term deferred expenses	405,000.00	486,000.00
<b>Total non-current assets</b>	<b>114,674,305.62</b>	<b>112,831,817.63</b>
<b>Total assets</b>	<b>1,051,132,895.39</b>	<b>894,837,493.32</b>

Item	Balance as at the end of the period	Balance as at the beginning of the year
<b>Current liabilities:</b>		
Short-term loans		10,000,000.00
Notes payable	<b>145,000,000.00</b>	90,000,000.00
Accounts payable	<b>57,380,843.73</b>	75,935,633.93
Payments received in advance	<b>27,523,780.94</b>	50,176,727.50
Staff remuneration payables	<b>22,844,432.74</b>	13,822,236.57
Taxes payable	<b>2,087,668.10</b>	7,262,758.60
Other payables	<b>230,013,793.19</b>	50,643,969.60
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	<b>43,413,636.87</b>	43,413,636.87
<b>Total current liabilities</b>	<b><u>528,264,155.57</u></b>	<b><u>341,254,963.07</u></b>
<b>Non-current liabilities:</b>		
Long-term loans	<b>398,114,685.75</b>	430,815,761.38
<b>Total non-current liabilities</b>	<b><u>398,114,685.75</u></b>	<b><u>430,815,761.38</u></b>
<b>Total liabilities</b>	<b><u>926,378,841.32</u></b>	<b><u>772,070,724.45</u></b>
<b>Owners' equity:</b>		
Share capital	<b>500,018,242.00</b>	500,018,242.00
Capital reserve	<b>891,129,782.23</b>	891,129,782.23
Surplus reserve	<b>51,365,509.04</b>	51,365,509.04
Retained earnings	<b>-1,317,759,479.20</b>	-1,319,746,764.40
<b>Total owners' equity</b>	<b><u>124,754,054.07</u></b>	<b><u>122,766,768.87</u></b>
<b>Total liabilities and owners' equities</b>	<b><u>1,051,132,895.39</u></b>	<b><u>894,837,493.32</u></b>

*Legal representative:*  
**Ma Liyun**

*Chief accountant:*  
**Sun Lei**

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

## Consolidated Income Statement

January – September 2015

Prepared by: Luoyang Glass Company Limited

Unit: RMB Type of audit: unaudited

Item	Reporting period (July – September)	Corresponding period last year (July – September)	Amounts for the	Amounts for the
			period from the beginning of the year to the end of the reporting period last year (January – September)	period from the beginning of the year to the end of the reporting period (January – September)
<b>I. Total operating revenue</b>	<b>95,228,373.23</b>	167,151,705.53	<b>402,539,580.92</b>	432,785,559.45
Including: Operating revenue	<b>95,228,373.23</b>	167,151,705.53	<b>402,539,580.92</b>	432,785,559.45
<b>II. Total operating costs</b>	<b>138,563,528.29</b>	188,623,938.08	<b>561,239,649.53</b>	518,293,111.27
Including: Operating costs	<b>104,854,609.30</b>	160,922,325.50	<b>437,258,033.92</b>	411,223,424.85
Business taxes and surcharges	<b>1,051,855.28</b>	1,154,789.55	<b>3,267,049.62</b>	5,427,597.46
Selling expenses	<b>7,624,100.19</b>	6,008,779.63	<b>22,877,836.49</b>	18,637,852.99
Administration expenses	<b>24,418,573.21</b>	22,468,529.51	<b>71,980,647.15</b>	74,156,361.52
Finance expenses	<b>614,390.31</b>	-1,923,486.11	<b>4,019,244.14</b>	3,762,203.85
Impairment loss on assets		-7,000.00	<b>21,836,838.21</b>	5,085,670.60
Add: Investment income (losses are represented by “-”)		1,224,570.83		94,619,131.73
<b>III. Operating profit (loss is represented     by “-”)</b>	<b>-43,335,155.06</b>	-20,247,661.72	<b>-158,700,068.61</b>	9,111,579.91
Add: Non-operating income	<b>587,723.39</b>	983,952.57	<b>1,868,444.11</b>	3,212,895.23
Including: Gain from disposal of non-current assets	<b>23,621.23</b>	540,151.02	<b>82,566.15</b>	1,057,385.60
Less: Non-operating expenses	<b>369,364.74</b>	2,619,454.75	<b>3,065,733.47</b>	3,674,196.76
Including: Loss from disposal of non-current assets		298,792.54		298,792.54



Item	Reporting period (July – September)	Corresponding period last year (July – September)	Amounts for the period from the beginning of the year to the end of the reporting period (January – September)	Amounts for the period from the beginning of the year to the end of the reporting period last year (January – September)
<b>IV. Total profit (total loss is represented by “-”)</b>	<b>-43,116,796.41</b>	-21,883,163.90	<b>-159,897,357.97</b>	8,650,278.38
Less: Income tax expenses	<b>213,734.33</b>	4,736,389.06	<b>2,366,580.65</b>	8,240,010.25
<b>V. Net profit (net loss is represented by “-”)</b>	<b>-43,330,530.74</b>	-26,619,552.96	<b>-162,263,938.62</b>	410,268.13
Net profit attributable to the owners of the Parent Company	<b>-40,932,652.06</b>	-25,017,325.29	<b>-155,016,545.65</b>	7,250,484.21
Minority interests	<b>-2,397,878.68</b>	-1,602,227.67	<b>-7,247,392.97</b>	-6,840,216.08
<b>VI. Net other comprehensive income after taxes</b>				
<b>VII. Total comprehensive income</b>	<b>-43,330,530.74</b>	-26,619,552.96	<b>-162,263,938.62</b>	410,268.13
Total comprehensive income attributable to owners of the Parent Company	<b>-40,932,652.06</b>	-25,017,325.29	<b>-155,016,545.65</b>	7,250,484.21
Total comprehensive income attributable to minority interests	<b>-2,397,878.68</b>	-1,602,227.67	<b>-7,247,392.97</b>	-6,840,216.08
<b>VIII. Earnings per share:</b>				
(I) Basic earnings per share (RMB/share)	<b>-0.08</b>	-0.05	<b>-0.31</b>	0.01
(II) Diluted earnings per share (RMB/share)	<b>-0.08</b>	-0.05	<b>-0.31</b>	0.01

*Legal representative:*  
**Ma Liyun**

*Chief accountant:*  
**Sun Lei**

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

## Income Statement of the Parent Company

January – September 2015

Prepared by: Luoyang Glass Company Limited

Unit: RMB Type of audit: unaudited

Item	Reporting period (July – September)	Corresponding period last year (July – September)	Amounts for the period from the beginning of the year to the end of the reporting period (January – September)	Amounts for the period from the beginning of the year to the end of the reporting period last year (January – September)
<b>I. Operating revenue</b>	<b>76,851,468.04</b>	211,439,637.51	<b>258,767,853.21</b>	505,828,036.49
Less: Operating costs	<b>75,597,286.64</b>	207,034,791.76	<b>253,949,895.03</b>	496,464,161.87
Business taxes and surcharges	<b>47,727.28</b>	288,640.30	<b>323,269.53</b>	2,400,606.23
Selling expenses	<b>579,984.52</b>	646,272.51	<b>1,331,966.80</b>	1,918,004.80
Administration expenses	<b>5,519,402.69</b>	5,848,373.11	<b>15,916,987.82</b>	16,556,677.04
Finance expenses	<b>-1,015,962.09</b>	-2,439,990.92	<b>-3,146,666.78</b>	-5,752,163.93
Impairment loss on assets		-7,000.00		-7,000.00
Add: Investment income (losses are represented by “-”)	<b>3,758,890.00</b>	181,901,359.96	<b>11,901,828.44</b>	265,204,291.23
<b>II. Operating Profit (losses are represented by “-”)</b>	<b>-118,081.00</b>	181,969,910.71	<b>2,294,229.25</b>	259,452,041.71
Add: Non-operating income		575,151.02	<b>55,660.38</b>	854,054.87
Including: Gains from disposal of non-current assets		540,151.02		621,554.87
Less: Non-operating expenses	<b>25,372.62</b>	1,658,116.97	<b>362,604.43</b>	2,678,112.33
Including: Loss from disposal of non-current assets		298,792.54		298,792.54
<b>III. Total profit (total loss is represented by “-”)</b>	<b>-143,453.62</b>	180,886,944.76	<b>1,987,285.20</b>	257,627,984.25
<b>IV. Net profit (net loss is presented by “-”)</b>	<b>-143,453.62</b>	180,886,944.76	<b>1,987,285.20</b>	257,627,984.25
<b>V. Net other comprehensive income after taxes</b>				
<b>VI. Total comprehensive income</b>	<b>-143,453.62</b>	180,886,944.76	<b>1,987,285.20</b>	257,627,984.25

Legal representative:  
**Ma Liyun**

Chief accountant:  
**Sun Lei**

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

## Consolidated Cash Flow Statement

January – September 2015

Prepared by: Luoyang Glass Company Limited

Unit: RMB Type of audit: unaudited

Item	Amounts for the period from the beginning of the year to the end of the reporting period (January – September)	Amounts for the period from the beginning of the year to the end of the reporting period last year (January – September)
<b>I. Cash flows from operating activities:</b>		
Cash received from sale of goods or rendering of services	188,092,155.60	230,616,637.84
Net increase in income from repurchase business		
Tax rebates	80.69	
Other cash received from activities related to operation	7,979,735.86	13,355,727.13
<b>Sub-total of cash inflow from operating activities</b>	<b>196,071,972.15</b>	<b>243,972,364.97</b>
Cash paid for goods purchased and services rendered	169,868,428.05	142,240,803.73
Cash paid to and on behalf of employees	54,820,087.74	84,668,903.82
Tax payments	33,669,763.81	31,063,172.79
Other cash paid for activities related to operation	26,783,496.04	14,655,369.80
<b>Sub-total of cash outflow from operating activities</b>	<b>285,141,775.64</b>	<b>272,628,250.14</b>
<b>Net cash flow from operating activities</b>	<b>-89,069,803.49</b>	<b>-28,655,885.17</b>

<b>Item</b>	<b>Amounts for the period from the beginning of the year to the end of the reporting period (January – September)</b>	Amounts for the period from the beginning of the year to the end of the reporting period last year (January – September)
<b>II. Cash flow from investment activities:</b>		
Cash received from return of investments		1,224,570.83
Net cash received from disposal of fixed assets, intangible assets and other long term assets		38,524,655.62
Net cash received from disposal of subsidiaries and other operating entities		4,000,000.00
Other cash received from activities related to investment	<b>10,000,000.00</b>	
<b>Sub-total of cash inflow from investment activities</b>	<b>10,000,000.00</b>	<b>43,749,226.45</b>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	<b>21,795,226.12</b>	3,647,822.12
Other cash paid for activities related to investment		5,000,000.00
<b>Sub-total of cash outflow from investment activities</b>	<b>21,795,226.12</b>	<b>8,647,822.12</b>
<b>Net cash flow from investment activities</b>	<b>-11,795,226.12</b>	<b>35,101,404.33</b>

Item	Amounts for the period from the beginning of the year to the end of the reporting period (January – September)	Amounts for the period from the beginning of the year to the end of the reporting period last year (January – September)
<b>III. Cash flow from financing activities:</b>		
Proceeds from loans		10,000,000.00
Other cash received from financing-related activities	<u>565,858,728.70</u>	<u>310,622,187.01</u>
<b>Sub-total of cash inflow from financing activities</b>	<b><u>565,858,728.70</u></b>	<b><u>320,622,187.01</u></b>
Cash paid for repayment of loans	54,021,467.09	34,644,918.18
Cash paid for dividends, profit, or interest payments	921,014.78	
Other cash paid for financing-related activities	<u>429,728,850.70</u>	<u>311,250,800.00</u>
<b>Sub-total of cash outflow from financing activities</b>	<b><u>484,671,332.57</u></b>	<b><u>345,895,718.18</u></b>
<b>Net cash flow from financing activities</b>	<b><u>81,187,396.13</u></b>	<b><u>-25,273,531.17</u></b>
<b>IV. Effects of changes in exchange rate on cash and cash equivalents</b>	<b>4,752.60</b>	1,081.48
<b>V. Net increase in cash and cash equivalents</b>	<b>-19,672,880.88</b>	-18,826,930.53
Add: Opening balance of cash and cash equivalents	23,437,695.65	28,316,110.10
<b>VI. Closing balance of cash and cash equivalents</b>	<b>3,764,814.77</b>	9,489,179.57

*Legal representative:*  
**Ma Liyun**

*Chief accountant:*  
**Sun Lei**

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

**Cash Flow Statement of the Parent Company**  
*January – September 2015*

Prepared by: Luoyang Glass Company Limited

*Unit: RMB Type of audit: unaudited*

<b>Item</b>	<b>Amounts for the period from the beginning of the year to the end of the reporting period (January – September)</b>	<b>Amounts for the period from the beginning of the year to the end of the reporting period last year (January – September)</b>
<b>I. Cash flow from operating activities:</b>		
Cash received from sale of goods and provision of services	238,047,212.23	208,609,622.19
Other cash received from activities related to operation	373,858,163.40	279,605,742.32
<b>Sub-total of cash inflow from operating activities</b>	<b>611,905,375.63</b>	<b>488,215,364.51</b>
Cash paid for goods purchased and service rendered	3,860,731.18	17,669,710.06
Cash paid to and on behalf of employees	12,712,127.22	48,038,357.56
Tax payments	5,214,736.88	3,009,945.17
Other cash paid for activities related to operation	210,545,492.79	193,105,864.08
<b>Sub-total of cash outflow from operating activities</b>	<b>232,333,088.07</b>	<b>261,823,876.87</b>
<b>Net cash flow from operating activities</b>	<b>379,572,287.56</b>	<b>226,391,487.64</b>

Item	Amounts for the period from the beginning of the year to the end of the reporting period (January – September)	Amounts for the period from the beginning of the year to the end of the reporting period last year (January – September)
<b>II. Cash flow from investment activities:</b>		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		38,524,655.62
Net cash received from disposal of subsidiaries and other operating entities		4,000,000.00
<b>Sub-total of cash inflow from investment activities</b>		<b>42,524,655.62</b>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	<b>4,120.00</b>	
Other cash paid for activities related to investment		5,000,000.00
<b>Sub-total of cash outflow from investment activities</b>	<b>4,120.00</b>	<b>5,000,000.00</b>
<b>Net cash flow from investment activities</b>	<b>-4,120.00</b>	<b>37,524,655.62</b>
<b>III. Cash flow from financing activities:</b>		
Proceeds from loans		10,000,000.00
Other cash received from activities related to financing	<b>41,296,636.10</b>	11,500,000.00
<b>Sub-total of cash inflow from financing activities</b>	<b>41,296,636.10</b>	<b>21,500,000.00</b>

<b>Item</b>	<b>Amounts for the period from the beginning of the year to the end of the reporting period (January – September)</b>	<b>Amounts for the period from the beginning of the year to the end of the reporting period last year (January – September)</b>
Cash paid for repayment of loans	<b>41,960,955.84</b>	32,484,918.18
Cash paid for dividends, profit, or interest payment	<b>336,615.79</b>	
Other cash paid for financing-related activities	<b>378,585,387.70</b>	251,500,000.00
<b>Sub-total of cash outflow from financing activities</b>	<b>420,882,959.33</b>	283,984,918.18
<b>Net cash flow from financing activities</b>	<b>-379,586,323.23</b>	-262,484,918.18
<b>IV. Effects of changes in exchange rate on cash and cash equivalents</b>	<b>4,752.60</b>	1,081.48
<b>V. Net increase in cash and cash equivalents</b>	<b>-13,403.07</b>	1,432,306.56
Add: Opening balance of cash and cash equivalents	<b>193,116.50</b>	398,991.55
<b>VI. Closing balance of cash and cash equivalents</b>	<b>179,713.43</b>	1,831,298.11

<i>Legal representative:</i> <b>Ma Liyun</b>	<i>Chief accountant:</i> <b>Sun Lei</b>	<i>Person in charge of accounting department:</i> <b>Chen Jing</b>
---	--	---



## 4.2 Audit Report

Applicable

Not Applicable

By order of the Board  
**Luoyang Glass Company Limited\***  
**Ma Liyun**  
*Chairman*

Luoyang, the PRC  
29 October 2015

*As at the date of this announcement, the Board comprises four executive Directors: Mr. Ma Liyun, Mr. Ni Zhisen, Ms. Sun Lei and Mr. Xie Jun; two non-executive Directors: Mr. Zhang Chengong and Mr. Zhang Chong; and four independent non-executive Directors: Mr. Huang Ping, Mr. Dong Jiachun, Mr. Liu Tianni and Mr. Jin Zhanping.*

*\* For identification purposes only*