



福耀玻璃工業集團股份有限公司

Fuyao Glass Industry Group Co., Ltd.

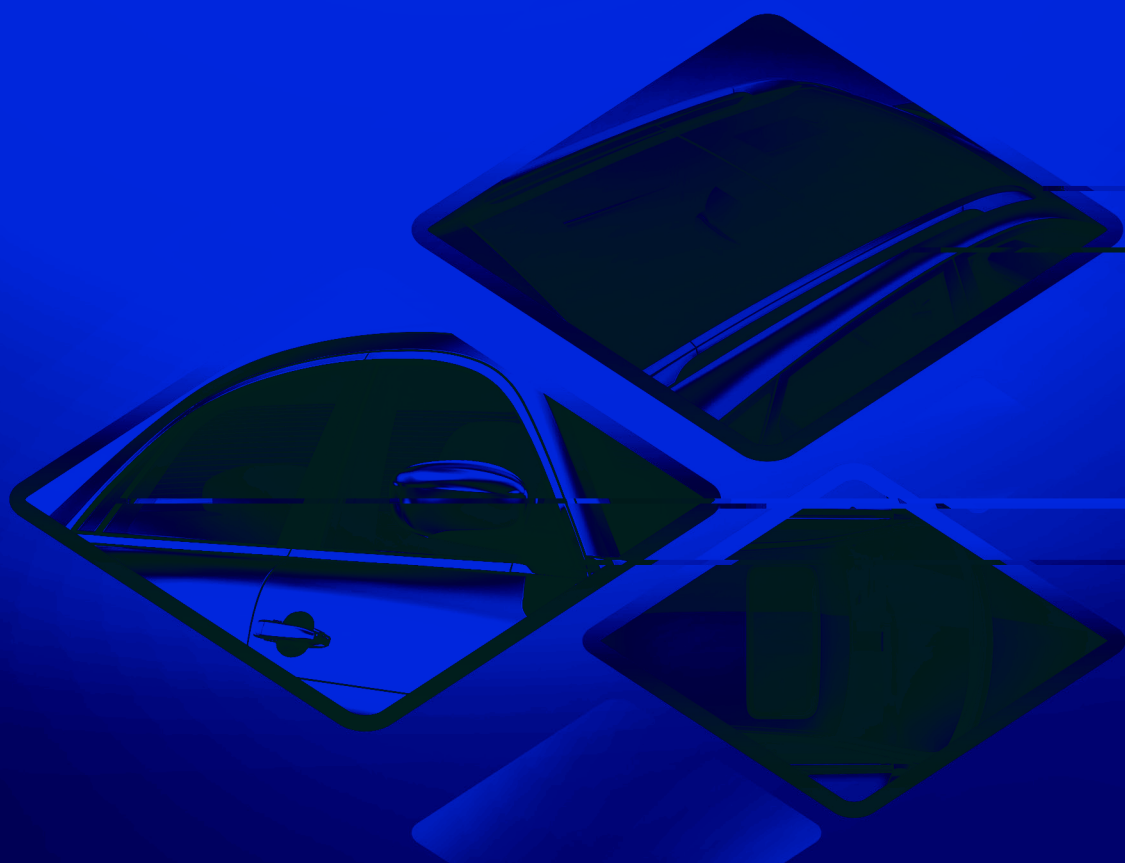
*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

## ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2016

The board of directors (the “Board”) of Fuyao Glass Industry Group Co., Ltd. (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries for the six months ended June 30, 2016. This announcement, containing the full text of the 2016 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) in relation to information to accompany preliminary announcements of the interim results. The printed version of the Company’s 2016 interim report will be dispatched to the holders of H shares of the Company and available for viewing on the websites of the Hong Kong Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and of the Company at [www.fuyaogroup.com](http://www.fuyaogroup.com) before the end of September 2016.

By order of the Board of  
**Fuyao Glass Industry Group Co., Ltd.**  
**Cho Tak Wong**

Fuzhou, Fujian, the PRC, August 29, 2016



























































































## Section VIII Financial Report

### I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### Condensed Consolidated Interim Balance Sheet (Continued)

	Note	<b>2016-6-30</b> <b>RMB'000</b> <b>(Unaudited)</b>	2015-12-31 <b>RMB'000</b> (audited)
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	15	<b>905,000</b>	848,000
Deferred income tax liabilities	10	<b>94,600</b>	92,583
Deferred income on government grants	16	<b>368,533</b>	368,472
		<b>1,368,133</b>	1,309,055
<b>Current liabilities</b>			
Trade and other payables	17	<b>3,415,555</b>	2,940,670
Current income tax liabilities		<b>194,104</b>	262,137
Borrowings	15	<b>6,947,992</b>	3,871,051
Derivatives financial instruments		<b>3,318</b>	925
Current portion of deferred income on government grants	16	<b>17,643</b>	18,515
		<b>10,578,612</b>	7,093,298
Liabilities of disposal group classified as held-for-sale		<b>6,812</b>	9,552
		<b>10,585,424</b>	7,102,850
<b>Total liabilities</b>		<b>11,953,557</b>	8,411,905
<b>Total equity and liabilities</b>		<b>28,053,903</b>	24,841,632

## Section VIII Financial Report

### I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### Condensed Consolidated Interim Income Statement

	Note	Accumulated in June 2016 RMB'000 (Unaudited)	Accumulated in June 2015 RMB'000 (Unaudited)
<b>Revenue</b>		<b>7,584,425</b>	6,591,325
Cost of sales		<b>-4,380,303</b>	-3,838,748
<b>Gross profit</b>		<b>3,204,122</b>	2,752,577
Distribution costs		<b>-561,681</b>	-494,713
Administrative expenses		<b>-705,949</b>	-556,487
Research and development expenses		<b>-335,746</b>	-297,006
Other income		<b>23,111</b>	26,472
Other gains/(losses) – net	18	<b>199,859</b>	-30,916
<b>Operating profit</b>	19	<b>1,823,716</b>	1,399,927
Finance income		<b>28,705</b>	9,716
Finance costs		<b>-75,386</b>	-94,721
<b>Finance costs – net</b>		<b>-46,681</b>	-85,005
Share of profit of joint ventures		<b>1,882</b>	2,884
<b>Profit before income tax</b>		<b>1,778,917</b>	1,317,806
Income tax expense	20	<b>-321,739</b>	-99,924
<b>Profit for the period</b>		<b>1,457,178</b>	1,217,882
<b>Profit attributable to:</b>			
Equity holders of the Company		<b>1,456,476</b>	1,215,259
Non-controlling interests		<b>702</b>	2,623
<b>Profit for the period</b>		<b>1,457,178</b>	1,217,882
<b>Earnings per share attributable to equity holders of the Company during the period</b>			
– Basic and diluted earnings per share (expressed in RMB per share)	21	<b>0.58</b>	0.54
<b>Dividends</b>	22	<b>–</b>	–

## Section VIII Financial Report

### I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### Condensed Consolidated Interim Statement of Comprehensive Income

Note	<b>Accumulated in June 2016 RMB'000 (Unaudited)</b>	Accumulated in June 2015 RMB'000 (Unaudited)
<b>Profit for the period</b>	<b>1,457,178</b>	1,217,882
<b>Other comprehensive income/(loss):</b> <i>Items that may be subsequently reclassified to profit or loss</i>		
Currency translation differences	<b>94,904</b>	-5,684
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>94,904</b>	-5,684
	<b>1,552,082</b>	1,212,198
<b>Total comprehensive income for the period</b>		
<b>Total comprehensive income attributable to:</b>		
Equity holders of the Company	<b>1,551,380</b>	1,209,575
Non-controlling interests	<b>702</b>	2,623
<b>Total comprehensive income for the period</b>	<b>1,552,082</b>	1,212,198

## Section VIII Financial Report

### I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### Condensed Consolidated Interim Statement of Changes in Equity

Note	Attributable to equity holders of the Company					Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000		
<b>As at January 1, 2016</b>	<u>2,508,618</u>	<u>6,202,553</u>	<u>1,098,091</u>	<u>6,614,026</u>	<u>16,423,288</u>	<u>6,439</u>	<u>16,429,727</u>
<b>Comprehensive income:</b>							
Profit for the period				1,456,476	1,456,476	702	1,457,178
<b>Other comprehensive income:</b>							
Currency translation differences – the Group			94,904		94,904		94,904
<b>Total comprehensive income</b>			<u>94,904</u>	<u>1,456,476</u>	<u>1,551,380</u>	<u>702</u>	<u>1,552,082</u>
<b>Transactions with equity holders:</b>							
Dividends declared for 2015				-1,881,463	-1,881,463		-1,881,463
<b>Total transaction with equity holders, recognised directly in equity</b>				<u>-1,881,463</u>	<u>-1,881,463</u>		<u>-1,881,463</u>
<b>As at June 30, 2016</b>	<u>2,508,618</u>	<u>6,202,553</u>	<u>1,192,995</u>	<u>6,189,039</u>	<u>16,093,205</u>	<u>7,141</u>	<u>16,100,346</u>

## Section VIII Financial Report

### I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### Condensed Consolidated Interim Statement of Changes in Equity (Continued)

Note	Attributable to equity holders of the Company					Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000		
<b>As at January 1, 2015</b>	<u>2,002,986</u>	<u>184,347</u>	<u>873,803</u>	<u>5,752,510</u>	<u>8,813,646</u>	<u>4,320</u>	<u>8,817,966</u>
<b>Comprehensive income:</b>							
Profit for the period				1,215,259	1,215,259	2,623	1,217,882
<b>Other comprehensive income:</b>							
Currency translation differences – the Group			-5,684		-5,684		-5,684
<b>Total comprehensive income</b>			<u>-5,684</u>	<u>1,215,259</u>	<u>1,209,575</u>	<u>2,623</u>	<u>1,212,198</u>
<b>Transactions with equity holders:</b>							
Proceeds from issuance of shares	505,632	6,010,191			6,515,823		6,515,823
Dividends declared for 2014				-1,502,239	-1,502,239		-1,502,239
Others			-1		-1		-1
<b>Total transaction with equity holders, recognised directly in equity</b>	<u>505,632</u>	<u>6,010,191</u>	<u>-1</u>	<u>-1,502,239</u>	<u>5,013,583</u>		<u>5,013,583</u>
<b>As at June 30, 2015</b>	<u>2,508,618</u>	<u>6,194,538</u>	<u>868,118</u>	<u>5,465,530</u>	<u>15,036,804</u>	<u>6,943</u>	<u>15,043,747</u>

## Section VIII Financial Report

### I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### Condensed Consolidated Interim Cash Flow Statement

	Note	<b>Accumulated in June 2016 RMB'000 (Unaudited)</b>	Accumulated in June 2015 RMB'000 (Unaudited)
<b>Cash flow from operating activities</b>			
Cash generated from operations		1,852,839	1,556,567
Income taxes paid		-397,411	-255,718
		<u>1,455,428</u>	<u>1,300,849</u>
<b>Net cash generated from operating activities</b>			
<b>Cash flow from investing activities</b>			
Proceeds from disposal of property, plant and equipment		21,470	38,979
Purchases of property, plant and equipment		-1,850,127	-1,384,224
Purchases of leasehold land and land use rights		-10,702	-14,366
Purchase of intangible assets		-4,147	-6,893
Cash received in connection with the sales of a subsidiary		101,103	
Cash received from disposal of joint ventures			52,793
Interest received		28,705	9,716
Dividends received			75,784
(Increase)/decrease in restricted cash		951	-2,960
Government grants received relating to property, plant and equipment		6,500	
		<u>-1,706,247</u>	<u>-1,231,171</u>
<b>Net cash used in investing activities</b>			
<b>Cash flow from financing activities</b>			
Proceeds from issuance of ordinary shares			6,554,491
Proceeds from borrowings		6,025,484	4,298,410
Repayments of borrowings		-2,898,286	-3,979,862
Dividends paid to the Company's shareholders		-1,440,250	-1,502,240
Interest paid		-82,217	-122,044
		<u>1,604,731</u>	<u>5,248,755</u>
<b>Net cash generated from financing activities</b>			
Exchange gains/(losses) on cash and cash equivalents		130,003	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,483,915</b>	<b>5,318,433</b>
Cash and cash equivalents at the beginning of the period		<u>5,906,233</u>	<u>499,325</u>
<b>Cash and cash equivalents at the end of the period</b>			
<b>Analysis of balances of cash and cash equivalents</b>			
Cash and cash equivalents as stated in the consolidated balance sheets		7,390,027	5,817,626
Add: Cash and cash equivalents attributable to the disposal groups		121	132
Cash and cash equivalents as stated in the consolidated cash flow statement		<u>7,390,148</u>	<u>5,817,758</u>

# Section VIII Financial Report

## II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

### 1. General Information

The Company was formerly known as Fujian Yaohua Glass Industry Group Co., Ltd. (福建省耀華玻璃工業有限公司), which was established in the People's Republic of China (the "PRC") on 14 April 1987 as a sino-foreign equity joint venture. On 21 June 1992, the Company was converted into a sino-foreign joint stock company with limited liability under the PRC Company Law and was renamed as Fuyao Glass Industry Group Co., Ltd. (福耀玻璃工業集團股份有限公司).

The Company's shares have been listed on both the SSE ("A shares") and the Hong Kong Stock Exchange ("H shares"). As at June 30, 2016, the Company had 2,002,986,332 A shares and 505,631,200 H shares in total, among which, Mr. Cho Tak Wong (曹德旺), the single largest shareholder, held (directly and indirectly through Sanyi Development Ltd. and Home Bridge Overseas Ltd.) 16.06% equity interests in the Company. Together with the 1.37% equity interests in the Company held by his spouse Ms. Chan Fung Ying, Mr. Cho Tak Wong was deemed to directly and indirectly hold 17.43% equity interests in the Company in total.

The address of the Company's registered office is Fuyao Industrial Zone, Rongqiao Economic & Technological Development Zone, Fuqing City, Fujian Province, the PRC. The Company and its subsidiaries (together, the "Group") are principally engaged in the manufacturing and sale of automobile glass and float glass both at home and abroad.

Unless otherwise stated, the condensed consolidated interim financial statements are presented in thousands of Renminbi.

The condensed consolidated interim financial statements are unaudited, and were approved to be issued by the Board of Directors as at 27 August 2016.

### 2. Accounting Policies

Except as described below, the accounting policies adopted are consistent with those used for and described in the annual consolidated financial statements of the Company for the year ended 31 December 2015.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

#### **New standard, amendments and improvements of IFRSs adopted by the Group in 2016:**

- IFRS 14 "Regulatory Deferral Accounts"
- Amendment to IAS 27 "Equity method in separate financial statements"
- Amendment to IFRS 11 "Accounting for acquisitions of interests in joint operations"
- Amendments to IAS 16 and IAS 38 "Clarification of acceptable methods of depreciation and amortisation"
- Annual improvements 2014, affecting the following 4 standards: IFRS 5 "Non-current assets held for sale and discontinued operations", IFRS 7 "Financial instruments: Disclosures", IAS 19 "Employee benefits" and IAS 34 "Interim financial reporting"



# Section VIII Financial Report

## II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (*Continued*)

### 2. Accounting Policies (*Continued*)

#### **New standard, amendments and improvements of IFRSs adopted by the Group in 2016:** (*Continued*)

- Amendments to IFRS 10, IFRS 12 and IAS 28 “Investment entities: applying the consolidation exception”
- Amendments to IAS 1 “Disclosure initiative”

The adoption of the above new standard, amendments and improvements starting from January 1, 2016 did not give rise to any significant impact on the Group’s results of operations and financial position for the six months ended June 30, 2016.

The Group has not early adopted any new accounting and financial reporting standards, amendments and improvements to existing standards which have been issued but are not yet effective for the financial year ending on December 31, 2016.

### 3. Financial Risk Management

#### **3.1 Financial Risk Factors**

The Group’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group’s overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group’s financial performance.

The Condensed Consolidated Interim Financial Statements do not include all the information on financial risk management and disclosure required to be disclosed in the annual financial statements.

There have been no changes in the risk management department or in any risk management policies since year end 2015.

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (*Continued*)

#### 3. Financial Risk Management (*Continued*)

##### 3.2 Liquidity Risk

The Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs, at the same time, the Group maintains sufficient cash and capital resources through the committed facilities, and maintains sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. The Group expected to fund the future cash flow needs through internally generated cash flows from operations, borrowings from financial institutions and issuing debt instruments, as necessary.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity grouping based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Total RMB'000
<b>As at June 30, 2016</b>				
Borrowings, including interest payables	7,022,526	872,457	51,844	7,946,827
Derivative financial instruments	3,318	-	-	3,318
Financial liabilities included in trade payables and other payables	<u>2,622,713</u>	<u>-</u>	<u>-</u>	<u>2,622,713</u>
	<u>9,648,557</u>	<u>872,457</u>	<u>51,844</u>	<u>10,572,858</u>
<b>As at December 31, 2015</b>				
Borrowings, including interest payables	3,964,730	811,667	52,547	4,828,944
Derivative financial instruments	925	-	-	925
Financial liabilities included in trade payables and other payables	<u>2,461,953</u>	<u>-</u>	<u>-</u>	<u>2,461,953</u>
	<u>6,427,608</u>	<u>811,667</u>	<u>52,547</u>	<u>7,291,822</u>

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (*Continued*)

#### 3. Financial Risk Management (*Continued*)

##### 3.3 Fair Value Estimation

(a) The table below analyses the Group's financial instruments carried at fair value as at 31 December 2015 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices (Level 1) that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>As at June 30, 2016</b>				
<b>Liabilities</b>				
<b>Derivative financial assets</b>				
– forward foreign exchange contract	–	1,026	–	1,026
– short call on foreign exchange	–	2,292	–	2,292
	–	3,318	–	3,318
<b>As at December 31, 2015</b>				
<b>Liabilities</b>				
<b>Derivative financial assets</b>				
– forward foreign exchange contract	–	825	–	825
– short call on foreign exchange	–	100	–	100
	–	925	–	925

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (*Continued*)

#### 3. Financial Risk Management (*Continued*)

##### 3.3 Fair Value Estimation (*Continued*)

(b) Valuation techniques used to derive Level 2 fair values

Level 2 derivative financial instruments forward foreign exchange contracts. These forward foreign exchange contracts and short call on foreign exchange have been fair valued using forward exchange rates that are quoted in an active market.

(c) Valuation techniques used to derive Level 2 fair values

Level 2 derivative financial instruments forward foreign exchange contracts. These forward foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market.

(d) Fair value of financial assets and liabilities measured at amortised cost

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Short-term borrowings;
- Trade and other receivables (excluding prepayments to suppliers and prepaid current income tax or value-added tax recoverable);
- Cash and cash equivalents (including restricted cash);
- Trade and other payables (excluding advance from customers and statutory liabilities).

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (*Continued*)

#### 4. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### **(a) Estimated useful lives and net residual values of property, plant and equipment**

The Group's management determines the estimated useful lives, net residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment with similar nature and functions. Management will revise the depreciation charges where useful lives are different to that of previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives and actual net residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation expense in future periods.

##### **(b) Impairment of goodwill**

The Group tests annually whether goodwill has suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

In the opinion of the directors of the Company, the recoverable amount of the CGU will not be lower than the carrying amount of a reasonably possible change in a key assumption on which management has based its determination of the CGU's recoverable amount occurs.

##### **(c) Net realisable value of inventories**

Net realisable value of inventory is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expense. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of technical innovations, and competitor actions in response to severe industry cycle. Management reassesses these estimates at each balance sheet date.

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (*Continued*)

#### 4. Critical Accounting Estimates and Judgements (*Continued*)

##### **(d) Current and deferred income tax**

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognized when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

##### **(e) Impairment of receivables**

The Group's management determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and the current market condition, and requires the use of judgements and estimates. Management reassesses the provisions for impairment at each balance sheet date.

##### **(f) Impairment of non-financial assets**

Non-financial assets including property, plant and equipment, land use rights and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on the higher of value-in-use calculations or fair value less costs to sell. These calculations require the use of judgments and estimates.

Management judgment is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of asset can be supported by the recoverable amount, being the higher of fair value less costs to sell and net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the projected performance and the resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated income statements (Note 6).

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 5. Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that make strategic decisions.

None of the revenue derived from any single external customer amounted for more than 10% of the Group's revenue during the year.

#### 6. Property, Plant and Equipment

##### For the six-month period ended June 30, 2016

Opening net book amount as at January 1, 2016

Transfer  
Other additions  
Disposals  
Depreciation  
Currency translation difference  
Closing net book amount as at June 30, 2016

	Buildings and freehold land RMB'000	Machinery and equipment RMB'000	Electronic and office equipment RMB'000	Tools, dies, vehicles and others RMB'000	Construction in progress RMB'000	Total RMB'000
Opening net book amount as at January 1, 2016	2,680,894	4,450,069	542,823	290,176	2,842,567	10,806,529
Transfer	329,314	1,014,744	90,167		-1,434,225	
Other additions	45,759	102,096	79,797	110,092	1,395,964	1,733,708
Disposals	-2,275	-20,168	-16,859	-3,126		-42,428
Depreciation	-92,807	-332,336	-75,214	-76,418		-576,775
Currency translation difference	45,846	28,577	848	153	54,505	129,929
Closing net book amount as at June 30, 2016	3,006,731	5,242,982	621,562	320,877	2,858,811	12,050,963

##### For the six-month period ended June 30, 2015

Opening net book amount as at January 1, 2015

Transfer  
Other additions  
Disposals  
Depreciation  
Currency translation difference  
Closing net book amount as at June 30, 2015

	Buildings and freehold land RMB'000	Machinery and equipment RMB'000	Electronic and office equipment RMB'000	Tools, dies, vehicles and others RMB'000	Construction in progress RMB'000	Total RMB'000
Opening net book amount as at January 1, 2015	2,603,371	3,565,380	434,592	236,942	1,982,261	8,822,546
Transfer	34,103	558,527	50,190		-642,820	
Other additions	86,911	49,145	54,704	84,267	1,091,957	1,366,984
Disposals	-4,097	-29,547	-22,658	-526		-56,828
Depreciation	-81,973	-267,259	-61,629	-60,260		-471,121
Currency translation difference	396	86	-197	-2		283
Closing net book amount as at June 30, 2015	2,638,711	3,876,332	455,002	260,421	2,431,398	9,661,864

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 7. Leasehold Land and Land Use Rights

**Leasehold land and land use rights are mainly the consideration for obtaining the land use rights located in the PRC**

	For the period ended June 30,	
	2016 RMB'000	2015 RMB'000
Opening net book amount	1,067,429	874,692
Currency translation difference	287	-5
Additions	10,702	14,366
Disposals	-17,832	
Amortisation charges	-12,085	-10,056
Closing net book value	1,048,501	878,997

#### 8. Intangible Assets

##### For the six-month period ended June 30, 2016

Opening net book amount as at January 1, 2016

Currency translation difference

Additions

Disposals

Amortisation charges

Closing net book amount as at June 30, 2016

	Goodwil RMB'000	Patents RMB'000	License fee RMB'000	Computer software RMB'000	Others RMB'000	Total RMB'000
Opening net book amount as at January 1, 2016	74,678	6,063	42,666	18,096	12,409	153,912
Currency translation difference			813	161	20	994
Additions				4,147		4,147
Disposals				-245		-245
Amortisation charges		-1,102	-1,666	-4,544	-1,481	-8,793
Closing net book amount as at June 30, 2016	74,678	4,961	41,813	17,615	10,948	150,015

	Goodwil RMB'000	Patents RMB'000	License fee RMB'000	Computer software RMB'000	Others RMB'000	Total RMB'000
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##### For the six-month period ended June 30, 2015

Opening net book amount as at January 1, 2015

Currency translation difference

Additions

Disposals

Amortisation charges

Closing net book amount as at June 30, 2015

Opening net book amount as at January 1, 2015	74,678	8,393	41,472	14,852	17,482	156,877
Currency translation difference			-32	-546	-136	-714
Additions				6,893		6,893
Disposals					-1,125	-1,125
Amortisation charges		-1,178	-526	-2,538	-1,729	-5,971
Closing net book amount as at June 30, 2015	74,678	7,215	40,914	18,661	14,492	155,960



## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(Continued)*

#### 9. Investments in Joint Ventures

	<b>For the period ended June 30,</b>	
	<b>2016</b>	2015
	<i>RMB'000</i>	<i>RMB'000</i>
Opening balance	<b>46,449</b>	161,045
Disposal of joint ventures		-34,571
Dividends received		-75,784
Share of results	<b>1,882</b>	2,884
Closing balance	<b>48,331</b>	53,574

#### 10. Deferred Income Tax Assets and Liabilities

Movement in deferred income tax assets and liabilities during the Relevant Periods, without taking into consideration the offsetting of balance within the same tax jurisdiction, is as follows:

	<b>Deferred income tax assets</b>	<b>Deferred income tax liabilities</b>
	<i>RMB'000</i>	<i>RMB'000</i>
As at January 1, 2016	<b>204,649</b>	<b>92,583</b>
Recognised in the consolidated income statement As at June 30, 2016	<b>3,059</b>	<b>2,017</b>
	<b>207,708</b>	<b>94,600</b>
As at January 1, 2015	189,318	73,755
Recognised in the consolidated income statement As at June 30, 2015	-6,236	7,012
	183,082	80,767

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 11. Trade and Other Receivables

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
<b>Trade receivables due from third parties</b>		
Notes receivables	924,317	569,748
Trade receivables	2,692,614	2,758,178
Less: provision for impairment	-33	-32
Trade receivables – net	3,616,898	3,327,894
<b>Other receivables due from third parties</b>		
Other receivables	89,855	73,501
Less: provision for impairment		
Other receivables – net	89,855	73,501
<b>Amount due from related parties (Note 24(3))</b>		
Trade receivables	119,491	4,259
Other receivables	3,262	170
	<u>122,753</u>	<u>4,429</u>
<b>Others:</b>		
Prepayments	142,866	178,812
Prepaid current income tax and value-added tax recoverable and refundable	196,116	198,943
	<u>338,982</u>	<u>377,755</u>
<b>Trade and other receivables – net</b>	<u>4,168,488</u>	<u>3,783,579</u>

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (*Continued*)

#### 11. Trade and Other Receivables (*Continued*)

- (1) Trade receivables, including notes receivables and trade receivables, are arising from sales of products. The credit period granted to customers is ranging from 1 month to 4 months. No interest is charged on the overdue trade receivables. The ageing analysis of trade receivables as at June 30, 2016 and December 31, 2015 was as follows:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
Trade receivables – gross		
– Within 3 months	<b>3,074,244</b>	2,947,352
– 3 to 6 months	<b>495,464</b>	347,466
– 6 to 12 months	<b>36,272</b>	24,990
– Over 1 year	<b>10,951</b>	8,118
	<b>3,616,931</b>	3,327,926

#### 12. Assets and Liabilities of Disposal Group Classified as Held-for-Sale

The assets and liabilities related to Fuyao Group Shuangliao Co., Ltd. (福耀集團雙遼有限公司), a 100% owned subsidiary of the Group, was presented as held-for-sale. Pursuant to the equity transfer agreement with Jinyuan Glass Manufacturing Co., Ltd. (“Jinyuan Glass”), an independent third party, Jinyuan Glass will purchase 100% shares of Fuyao Group Shuangliao Co., Ltd., at a cash consideration of RMB390,000,000.

As at June 30, 2016, Jinyuan Glass has paid RMB95,000,000 to the Group and the remaining is expected to be settled in 2016.

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(Continued)*

#### 12. Assets and Liabilities of Disposal Groups Classified as Held-for-Sale *(Continued)*

##### (1) Assets of disposal group classified as held-for-sale

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
Land use rights	10,369	10,501
Property, plant and equipment	172,036	189,957
Intangible assets	7	230
Deferred income tax assets	45	80
Inventories	45,540	117,730
Trade and other receivables	855	895
Cash and cash equivalents	121	1,075
	<u>228,973</u>	<u>320,468</u>

##### (2) Liabilities of disposal group classified as held-for-sale

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
Trade and other payables	<u>6,812</u>	<u>9,552</u>
	<u>6,812</u>	<u>9,552</u>

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 13. Share Capital

	Number of A shares Thousands	Number of H shares Thousands	A shares of RMB1 each RMB'000	H shares of RMB1 each RMB'000	Total shares capital RMB'000
Issued and fully paid As at June 30, 2016 and as at January 1, 2016	<u>2,002,986</u>	<u>505,632</u>	<u>2,002,986</u>	<u>505,632</u>	<u>2,508,618</u>
	Number of A shares Thousands	Number of H shares Thousands	A shares of RMB1 each RMB'000	H shares of RMB1 each RMB'000	Total shares capital RMB'000
Issued and fully paid As at January 1, 2015	<u>2,002,986</u>	<u>          </u>	<u>2,002,986</u>	<u>          </u>	<u>2,002,986</u>
Issue of H Shares <sup>(1)</sup> As at June 30, 2015	<u>2,002,986</u>	<u>505,632</u> <u>505,632</u>	<u>2,002,986</u>	<u>505,632</u> <u>505,632</u>	<u>505,632</u> <u>2,508,618</u>

- (1) On March 31, 2015, 439,679,600 overseas listed foreign shares (H shares) issued by the Company were listed on the Main Board of the Hong Kong Stock Exchange and dealing in such H shares commenced on the same day. On April 28, 2015, 65,951,600 overseas listed foreign shares (H shares) over-allotted by the Company were listed on the Main Board of the Hong Kong Stock Exchange and dealing in such H shares commenced on the same day. Upon the completion of this over-allotment, the total share capital of the Company was increased to 2,508,617,532 shares.

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 14. Share Premium and Other Reserves

	Share premium RMB'000	Statutory reserves RMB'000	Other reserves foreign currency translation differences RMB'000	Capital reserve RMB'000	Total RMB'000
As at January 1, 2016	6,202,553	1,343,079	-271,367	26,379	7,300,644
Foreign currency translation differences			94,904		94,904
As at June 30, 2016	<u>6,202,553</u>	<u>1,343,079</u>	<u>-176,463</u>	<u>26,379</u>	<u>7,395,548</u>
As at January 1, 2015	184,347	1,102,138	-253,815	25,480	1,058,150
Issue of H Shares	6,010,191				6,010,191
Foreign currency translation differences			-5,684		-5,684
Disposal of joint ventures				-1	-1
As at June 30, 2015	<u>6,194,538</u>	<u>1,102,138</u>	<u>-259,499</u>	<u>25,479</u>	<u>7,062,656</u>

#### 15. Borrowings

	As at June 30, 2016 RMB'000	As at December 31, 2015 RMB'000
Non-current	905,000	848,000
Current	6,947,992	3,871,051
Total borrowings	<u>7,852,992</u>	<u>4,719,051</u>

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (*Continued*)

#### 15. Borrowings (*Continued*)

Movement in borrowings is analysed as follows:

##### Six-month period ended June 30, 2016

Opening net book amount as at January 1, 2016	4,719,051
Additions	6,032,227
Deduction	-2,898,286
Closing net book amount as at June 30, 2016	7,852,992

##### Six-month period ended June 30, 2015

Opening net book amount as at January 1, 2015	4,548,185
Additions	4,315,979
Deduction	-3,989,896
Closing net book amount as at June 30, 2015	4,874,268

#### 16. Deferred Income on Government Grants

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## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(Continued)*

#### 17. Trade and Other Payables

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
Payables to third parties	<b>943,647</b>	834,815
Notes payable	<b>410,947</b>	460,160
Dividends payables	<b>379,223</b>	
Payables for purchasing of property, plant and equipment	<b>375,021</b>	369,553
Staff salaries and welfare payables	<b>240,437</b>	353,760
Accrued taxes	(240,437)	(353,760)



## Section VIII Financial Report

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### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 20. Income Tax Expense (Continued)

##### (2) Hong Kong profits tax

Hong Kong profits tax has been provided for at the rate of 16.5% on the estimated assessable profits during the Relevant Periods.

##### (3) North American profits tax

North American profits tax has been provided for at the rates between 34% and 40% on the estimated assessable profits during the Relevant Periods.

##### (4) Russian profits tax

Russian profits tax has been provided for at the rate of 20% on the estimated assessable profits during the Relevant Periods.

##### (5) German profits tax

German profits tax has been provided for at the rate of 30% on the estimated assessable profits during the Relevant Periods.

The tax on the Group's profit before income tax differs from the theoretical amount that could arise from using the statutory tax rates of 11% to 40% applicable as follows:

	<b>For the period ended June 30,</b>	
	<b>2016</b>	2015
	<i>RMB'000</i>	<i>RMB'000</i>
Profit before tax	<b>1,778,917</b>	1,317,806
Tax calculated at the applicable income tax rate	<b>447,841</b>	208,107
Tax effect of:		
Expenses not deductible for tax purpose	<b>178</b>	78
Income not subject to income tax	<b>-1,882</b>	-7,757
Preferential income tax rate	<b>-186,314</b>	-111,172
Unrecognised tax losses carried forward	<b>88,192</b>	53,504
Utilisation of previously unrecognised tax losses	<b>-3,596</b>	-14,726
Withholding taxation on unremitted earnings of certain subsidiaries	<b>1,850</b>	
Others	<b>-24,530</b>	-28,110
Income tax expense	<b>321,739</b>	99,924

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (*Continued*)

#### 21. Earnings per Share

- (1) Basic earnings per share is calculated by dividing the net profit attributable to the Company's equity holders by the weighted average number of ordinary shares in issue during the relevant years.

	<b>For the period ended June 30,</b>	
	<b>2016</b>	2015
Net profit attributable to the equity holders of the Company ( <i>RMB'000</i> )	<b>1,456,476</b>	1,215,259
Weighted average number of ordinary shares in issue ( <i>thousand</i> )	<b>2,508,618</b>	2,244,810
Basic earnings per share ( <i>RMB</i> )	<b>0.58</b>	0.54

- (2) The diluted earnings per share are same as the basic earnings per share as there was no dilutive right shares existed during the Relevant Periods.

#### 22. Dividends

	<b>For the period ended June 30,</b>	
	<b>2016</b>	2015
	<i>RMB'000</i>	<i>RMB'000</i>
Dividends proposed by the Company	<b>0</b>	0

For the six-month period ended June 30, 2016 and 2015, no interim dividend was proposed by the directors of the Company.

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 23. Commitments

##### (1) Capital commitments

As at June 30, 2016 and December 31, 2015, capital expenditure contracted for but not yet performed is as follows:

	As at June 30, 2016 RMB'000	As at December 31, 2015 RMB'000
Property, plant and equipment	<b>1,364,002</b>	1,465,948

##### (2) Operating lease commitments

The Group leases various buildings under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	As at June 30, 2016 RMB'000	As at December 31, 2015 RMB'000
No later than 1 year	<b>21,572</b>	21,572
Later than 1 year and no later than 2 year	<b>21,572</b>	21,572
Later than 2 year and no later than 5 year	<b>10,786</b>	21,572
	<b>53,930</b>	64,716

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (*Continued*)

#### 24. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, has joint control over the party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business and balances arising from related party transactions during the period ended June 30, 2016 and 2015:

##### (1) Name and relationship with related parties

Name of related party	Relationship
Mr. Cho Tak Wong (曹德旺)	Single largest shareholder
Fujian Yaohua Industrial Village Development Co., Ltd. (福建省耀華工業村開發有限公司)	Controlled by the Mr. Cho Tak Wong and Ms. Chan Fung Ying (the spouse of Mr. Cho Tak Wong)
Sanyi Development Ltd. (三益發展有限公司)	Shareholder of the Company, which is controlled by the single largest shareholder
Home Bridge Overseas Ltd. (鴻橋海外有限公司)	Shareholder of the Company, which is controlled by the single largest shareholder
Tri-Wall Packaging (Fuzhou) Co., Ltd. (特耐王包裝(福州)有限公司)	Jointly controlled entity of the Group
Ningbo Hongxie Clutch Automobile Parts Co., Ltd. (寧波宏協承汽車部件有限公司)	Former jointly controlled entity of the Group
Fujian Hongxie Clutch Automobile Parts Co., Ltd. (福建宏協承汽車部件有限公司)	Former jointly controlled entity of the Group
Chongqing Hongxie Clutch Automobile Parts Co., Ltd. (重慶宏協承汽車部件有限公司)	Subsidiary of a former jointly controlled entity of the Group
Hubei Jierui Automotive Glass Co., Ltd. (湖北捷瑞汽車玻璃有限公司)	Controlled by the senior management of the Group
Hunan Jierui Automotive Glass Co., Ltd. (湖南捷瑞汽車玻璃有限公司)	Controlled by the senior management of the Group
Fujian Triplex Machinery Technology Co., Ltd. (福建三鋒機械科技有限公司)	Controlled by the director of the Group
Fujian Triplex Auto Parts Development Co., Ltd. (福建三鋒汽配開發有限公司)	Controlled by the director of the Group
Fujian Triplex Auto Services Co., Ltd. (福建三鋒汽車服務有限公司)	Controlled by the director of the Group
Fuzhou Fuyao Mold Technology Co., Ltd. (福州福耀模具科技有限公司)	Controlled by the director of the Group

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(Continued)*

#### 24. Related Party Transactions *(Continued)*

##### (2) The following transactions were carried out with related parties:

Continuing transactions

##### (a) Sales of goods

	For the period ended June 30,	
	2016 RMB'000	2015 RMB'000
Fujian Triplex Auto Services Co., Ltd.	100,622	
Hubei Jierui Automotive Glass Co., Ltd.	4,161	7,359
Fujian Hongxie Clutch Automobile Parts Co., Ltd.	1,825	9,939
Tri-Wall Packaging (Fuzhou) Co., Ltd.	1,455	1,821
Fujian Triplex Auto Parts Development Co., Ltd.	1,286	
Hunan Jierui Automotive Glass Co., Ltd.	1,075	881
Fujian Triplex Machinery Technology Co., Ltd.	76	
Fuzhou Fuyao Mold Technology Co., Ltd.	111	
Chongqing Hongxie Clutch Automobile Parts Co., Ltd.		123
	<u>110,611</u>	<u>20,123</u>

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(Continued)*

#### 24. Related Party Transactions *(Continued)*

##### (2) The following transactions were carried out with related parties: *(Continued)*

###### Continuing transactions *(Continued)*

###### (b) Purchase of goods

	For the period ended June 30,	
	2016 RMB'000	2015 RMB'000
Ningbo Hongxie Clutch Automobile Parts Co., Ltd.	58,904	50,811
Tri-Wall Packaging (Fuzhou) Co., Ltd.	52,002	65,421
Fujian Triplex Machinery Technology Co., Ltd.	45,789	
Fuzhou Fuyao Mold Technology Co., Ltd.	40,088	
Fujian Hongxie Clutch Automobile Parts Co., Ltd.	31,406	49,466
Chongqing Hongxie Clutch Automobile Parts Co., Ltd.	13,435	11,961
Fujian Triplex Auto Parts Development Co., Ltd.	6,524	
	<b>248,148</b>	<b>177,659</b>

###### (c) Rental income

	For the period ended June 30,	
	2016 RMB'000	2015 RMB'000
Fujian Triplex Machinery Technology Co., Ltd.	817	
Fujian Triplex Auto Parts Development Co., Ltd.	711	
Chongqing Hongxie Clutch Automobile Parts Co., Ltd.		29
Fujian Hongxie Clutch Automobile Parts Co., Ltd.		4,442
Tri-Wall Packaging (Fuzhou) Co., Ltd.		66
	<b>1,528</b>	<b>4,537</b>



## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(Continued)*

#### 24. Related Party Transactions *(Continued)*

##### (2) The following transactions were carried out with related parties: *(Continued)*

Continuing transactions *(Continued)*

##### (d) Rental expenses

	For the period ended June 30,	
	2016 RMB'000	2015 RMB'000
Fujian Yaohua Industrial Village Development Co., Ltd.	<u>10,786</u>	<u>8,651</u>

The above related party transactions were carried out on terms mutually agreed between the parties. In the opinion of the directors of the Company, these transactions are in the ordinary course of business of the Group and in accordance with the term of the underlying agreements.

##### (e) Key management compensation

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 24. Related Party Transactions (Continued)

##### (3) Balances with related parties:

Amount due from related parties:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
Accounts receivables (i)	<b>119,491</b>	4,259
Other receivables (ii)	<b>3,262</b>	170
Prepayments (iii)	<b>8,213</b>	2,843
	<b>130,966</b>	7,272

(i) Trade receivables:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
– Fujian Triplex Auto Services Co., Ltd.	<b>117,797</b>	
– Fujian Hongxie Clutch Automobile Parts Co., Ltd.	<b>1,255</b>	2,466
– Hubei Jierui Automotive Glass Co., Ltd.		1,475
– Fujian Triplex Auto Parts Development Co., Ltd.	<b>439</b>	185
– Hunan Jierui Automotive Glass Co., Ltd.		131
– Fujian Triplex Machinery Technology Co., Ltd.		2
	<b>119,491</b>	4,259

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
Ageing analysis of trade receivables due from related parties are as follows:		
– Within 3 months	<b>119,491</b>	4,259
– 3 to 6 months		
	<b>119,491</b>	4,259

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(Continued)*

#### 24. Related Party Transactions *(Continued)*

##### (3) Balances with related parties: *(Continued)*

###### (ii) Other receivables:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
– Fujian Triplex Machinery Technology Co., Ltd.	<b>1,845</b>	
– Fujian Triplex Auto Parts Development Co., Ltd.	<b>860</b>	1
– Tri-Wall Packaging (Fuzhou) Co., Ltd.	<b>278</b>	88
– Ningbo Hongxie Clutch Automobile Parts Co., Ltd.	<b>191</b>	49
– Fuzhou Fuyao Mold Technology Co., Ltd.	<b>83</b>	
– Fujian Hongxie Clutch Automobile Parts Co., Ltd.	<b>5</b>	32
	<b>3,262</b>	170

###### (iii) Prepayment:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
– Fujian Triplex Machinery Technology Co., Ltd.	<b>8,213</b>	2,843
	<b>8,213</b>	2,843

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(Continued)*

#### 24. Related Party Transactions *(Continued)*

##### (3) Balances with related parties: *(Continued)*

Amount due to related parties:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
Trade payables <i>(iv)</i>	<b>82,498</b>	74,298
Other payables <i>(v)</i>	<b>16,128</b>	4,038
	<b>98,626</b>	78,336

*(iv)* Trade payables:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
– Fujian Triplex Machinery Technology Co., Ltd.	<b>33,639</b>	4,172
– Ningbo Hongxie Clutch Automobile Parts Co., Ltd.	<b>21,273</b>	36,996
– Fujian Hongxie Clutch Automobile Parts Co., Ltd.	<b>15,527</b>	17,859
– Chongqing Hongxie Clutch Automobile Parts Co., Ltd.	<b>5,704</b>	6,858
– Tri-Wall Packaging (Fuzhou) Co., Ltd.	<b>3,610</b>	8,413
– Fujian Triplex Auto Parts Development Co., Ltd.	<b>2,447</b>	
– Fuzhou Fuyao Mold Technology Co., Ltd.	<b>298</b>	
	<b>82,498</b>	74,298

## Section VIII Financial Report

### II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

#### 24. Related Party Transactions (Continued)

##### (3) Balances with related parties: (Continued)

###### (iv) Trade payables: (Continued)

Ageing analysis of trade payables due to related parties are as follows:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
– Within 3 months	<b>77,135</b>	69,680
– 3 to 6 months	<b>5,028</b>	1,264
– 6 to 12 months	<b>335</b>	3,354
	<b>82,498</b>	74,298

###### (v) Other payables to related parties:

	<b>As at June 30, 2016 RMB'000</b>	As at December 31, 2015 RMB'000
– Fuzhou Fuyao Mold Technology Co., Ltd.	<b>11,110</b>	
– Ningbo Hongxie Clutch Automobile Parts Co., Ltd.	<b>3,657</b>	2,995
– Fujian Triplex Machinery Technology Co., Ltd.	<b>1,361</b>	158
– Fujian Hongxie Clutch Automobile Parts Co., Ltd.		787
– Tri-Wall Packaging (Fuzhou) Co., Ltd.		98
	<b>16,128</b>	4,038