

Ticker Symbol: 601012

Stock Name: LONGi

LONGi Green Energy Technology Co., Ltd. Annual Report 2018

**Kindly reminder: the Annual Report 2018 in English is for reference only.
The Chinese report shall prevail in case of any discrepancy between the two versions.**

Important Notes

I. The Board of Directors, the Board of Supervisors and the Directors, Supervisors and Senior Managers of the Company shall ensure that the contents of the Annual Report are true, accurate and complete, that there are no false records, misleading statements or major omissions, and shall bear individual and joint legal liabilities.

II. All Directors of the Company attend Board Meetings.

III. Ruihua Certified Public Accountants (Special General Partnership) has issued a standard audit report for the Company without reservations.

IV. Li Zhenguo, the head of the Company, Liu Xuewen, the head of the accounting work, and Liu Xuewen, the head of the accounting institution (the accountant in charge) hereby declared that they should ensure the authenticity, accuracy and completeness of the financial report in the annual report.

V. Profit Distribution Plan or Share Capital converted from Capital Reserve Plan for the Reporting Period Considered by the Board of Directors

The profit distribution plan for 2018 is as follows: after deducting 576,254 restricted shares from the total share capital on the registration day of the implementation of the profit distribution, which is not involved in the profit distribution, and will be repurchased (based on the restricted stock repurchase shares approved by the shareholders' meeting), the dividend of 1.00 yuan (including tax) will be paid out to all shareholders for every 10 shares. The remaining undistributed profits are rolled over to the next year. In 2018, there will be no conversion of the capital reserve into share capital and stock dividend.

VI. Risk Statement of Forward-looking Statements

Applicable Non-Applicable

The forward-looking statements of future plans and development plans mentioned in this report do not constitute a substantive commitment of the company to investors. Investors are invited to pay attention to investment risks.

VII. Whether there is any non-operational occupancy of funds by the controlling shareholders and their affiliates.

No

VIII. Whether there are any cases in which guarantees are provided to the outside world in violation of the stipulated decision-making procedures.

No

IX. Significant Risk Tips

The company has described the possible risks in detail in this report. Please refer to section IV, "Discussions and Analysis of Business Conditions" section "Risks that may be faced".

X. Others

Applicable Non-Applicable

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Section I Interpretation

I. Interpretation

Unless otherwise required, the following terms have the following meanings in this Report:

Interpretation of frequently-used terms		
LONGi, the Company	Refers to	LONGi Green Energy Technology Co., Ltd.; the Company name was “LONGi New Energy Materials Corp.” before February 2017.
Wuxi LONGi	Refers to	Wuxi LONGi Silicon Materials Ltd., a wholly-owned subsidiary of the Company
Yinchuan LONGi	Refers to	Yinchuan LONGi Silicon Materials Ltd., a wholly-owned subsidiary of the Company
Ningxia LONGi	Refers to	Ningxia LONGi Silicon Materials Ltd., a wholly-owned subsidiary of the Company
LONGi (H.K.)	Refers to	LONGi (H.K.) Trading Limited, a wholly-owned subsidiary of the Company
KUCHING LONGi	Refers to	LONGi (KUCHING) SDN.BHD., a wholly-owned subsidiary of LONGi (H.K.)
Lijiang LONGi	Refers to	Lijiang LONGi Silicon Materials Ltd., a holding subsidiary of the Company
Baoshan LONGi	Refers to	Baoshan LONGi Silicon Materials Ltd., a wholly-owned subsidiary of the Company
Chuxiong LONGi	Refers to	Chuxiong LONGi Silicon Materials Ltd., a wholly-owned subsidiary of the Company
LONGi Solar, LERRI Solar	Refers to	LONGi Solar Technology Ltd., a wholly-owned subsidiary of the Company with primitive name of “LERRI Solar Technology Ltd.”
Taizhou LONGi Solar	Refers to	Taizhou LONGi Solar Technology Ltd., a wholly-owned subsidiary of LONGi Solar with primitive name of “Taizhou LERRI Solar Technology Ltd.”
Zhejiang LONGi Solar	Refers to	Zhejiang LONGi Solar Technology Ltd., a wholly-owned subsidiary of LONGi Solar with primitive name of “Zhejiang LERRI Solar Technology Ltd.”
Hefei LONGi Solar	Refers to	Hefei LONGi Solar Technology Ltd., a wholly-owned subsidiary of LONGi Solar with primitive name of “Hefei LERRI Solar Technology Ltd.”
Chuzhou LONGi Solar	Refers to	Chuzhou LONGi Solar Technology Ltd., a wholly-owned subsidiary of the Company.
Ningxia LONGi Solar	Refers to	Ningxia LONGi Solar Technology Ltd., a wholly-owned subsidiary of the Company.
Clean Energy	Refers to	Xi’an LONGi Clean Energy Ltd., a wholly-owned subsidiary of the Company.
LONGi New Energy	Refers to	Xi’an LONGi New Energy Ltd., a wholly-owned subsidiary of the Company with primitive name of “LERRI Solar Energy Ltd.”
Cao-County Lezhao	Refers to	Cao-County Lezhao Solar Technology Ltd., a wholly-owned subsidiary of LONGi New Energy.
LONGi Anfang	Refers to	Xi’an LONGi Anfang Solar Energy Ltd., a wholly-owned subsidiary of LONGi New Energy.
Shouguang Jinhe	Refers to	Shouguang Jinhe Solar Technology Ltd., a wholly-owned

		subsidiary of LONGi New Energy.
Hami Liurui	Refers to	Hami Liurui New Energy Development Ltd., a wholly-owned subsidiary of Clean Energy.
Hami Liuyang	Refers to	Hami Liuyang Solar Technology Development Ltd., a wholly-owned subsidiary of Clean Energy.
Longxing New Energy	Refers to	Huludao Longxing New Energy Co., Ltd., a wholly-owned subsidiary of Clean Energy.
Huanglong Clean Energy	Refers to	Huanglong Longfu Clean Energy Co., Ltd., a wholly-owned subsidiary of Clean Energy.
Yanchuan Solar	Refers to	Yanchuan Minhao Solar Power Plant Investment Management Co., Ltd., a wholly-owned subsidiary of Clean Energy.
Lingwu New Energy	Refers to	Lingwu Longqiao Solar New Energy Co., Ltd., a wholly-owned subsidiary of Clean Energy.
Longle Solar	Refers to	Guangzhou Longle Solar Technology Co., Ltd., a wholly-owned subsidiary of LONGi New Energy.
Ningde LONGi Solar	Refers to	Ningde LONGi Solar Energy Co., Ltd., a wholly-owned subsidiary of LONGi New Energy.
Lechang Solar	Refers to	Xiangcheng Lechang Solar Energy Co., Ltd., a wholly-owned subsidiary of LONGi New Energy.
Jinli New Energy	Refers to	Xinyang Jinli New Energy Equipment Co., Ltd., a wholly-owned subsidiary of LONGi New Energy.
Lemou Solar	Refers to	Zhengzhou Lemou Solar Energy Co., Ltd., a wholly-owned subsidiary of LONGi New Energy.
Xinwei New Energy	Refers to	Xuzhou Xinwei New Energy Technology Co., Ltd., a wholly-owned subsidiary of LONGi New Energy.
Leheng Solar	Refers to	Wuzhong Leheng Solar Energy Technology Co., Ltd., a wholly-owned subsidiary of LONGi New Energy.
LONGi NEW ENERGY (THAILAND)	Refers to	LONGi NEWENERGY (THAILAND) CO., LTD., a wholly-owned subsidiary of LONGi New Energy.
Tongxin LONGi	Refers to	Tongxin LONGi New Energy Co., Ltd., a joint-stock company of Wuxi LONGi and Ningxia LONGi
LONGi Tianhua	Refers to	Zhongning LONGi Tianhua New Energy Co., Ltd., a joint-stock company of Ningxia LONGi
Huiqing New Energy	Refers to	Daqing Huiqing New Energy Co., Ltd., a joint-stock company of Clean Energy
Zhongning New Energy	Refers to	Zhongning LONGi Solar New Energy Co., Ltd., a joint-stock company of Clean Energy
Zhejiang MTCN	Refers to	Zhejiang MTCN Technology Co., Ltd., a joint-stock company of the Company
Zhaozhou New Energy	Refers to	Zhaozhou Longhui New Energy Co., Ltd., a joint-stock company of Clean Energy
Pingmei LONGi	Refers to	Pingmei LONGi New Energy Technology Co., Ltd., a joint-stock company of the Company
Germany LONGi	Refers to	LONGi Solar Technologie GmbH, a wholly-owned subsidiary of the Company.
LONGi U.S.	Refers to	LONGi SOLAR TECHNOLOGY (U.S.) INC., a wholly-owned subsidiary of the Company.
CSRC	Refers to	China Securities Regulatory Commission

<i>Company Law</i>	Refers to	<i>The Company Law of the People's Republic of China</i>
Articles of Association	Refers to	<i>The Articles of Association of LONGi Green Energy Technology Co., Ltd.</i>
The reporting period	Refers to	From January 1, 2018 to December 31, 2018
Yuan	Refers to	RMB Yuan, unless otherwise specified
Monocrystal silicon	Refers to	Mono Crystalline Silicon, with all silicon atoms are arranged in periodica array, is made from high-purity polysilicon in Czochralski (CZ) or Float Zone (FZ) method.
Silicon wafer	Refers to	A square or octagonal slice cutted from mono or poly ingots.
Mono ingot	Refers to	The mono ingot, in rod shape, is made from polysilicon through Czochralski (CZ) or Float Zone (FZ) method.
Cell	Refers to	Solar cell; a device that converts the radiated solar energy into electricity through semiconductors in PV conversion principle, which is also known as —PV cell.
Module	Refers to	Solar module is composed of several solar energy generation units through series-parallel connection. Its function is to magnify the solar energy generation units with smaller power into optoelectronic devices that can be used alone. The power is relatively large, and can be used independently to charge various cells or used in series or in parallel as generation unit of off-grid or grid-connected solar power system.
PERC cell	Refers to	Passivation Emitter and Rear Cell forms passivation layer on the rear of the cell by doping SiNx or AL2O. As a rear reflector, the layer increases long-wave light capture and maximizes the potential difference between P-N junctions to reduce the electronic recombination, significantly improving the cell efficiency.
MW	Refers to	Megawatt, the power unit of solar cells, 1MW = 1,000 kW
GW	Refers to	Gigawatt, the power unit of solar cells, 1GW=1,000MW
Conversion Efficiency of Cells	Refers to	The ratio of optimal output power of solar cells to the radiated power on its surface
Double-Anti	Refers to	Anti-dumping and anti-subsidy investigations
531 New Policy	Refers to	On May 31, 2018, the National Development and Reform Commission, the Ministry of Finance and the National Energy Administration jointly issued the Notice on Matters Relating to Photovoltaic Power Generation in 2018 (Development and Reform Energy [2018] 823). The subsidy amount and solar installation with subsidy in 2018 were drastically reduced in order to promote the healthy and sustainable development of the industry, achieve the goal of “PV grid parity” as soon as possible, and accelerate the process of eliminating backward capacity as well as promoting the concentration of industry resources to high-quality enterprises.

Section II Company Profile and Main Financial Indicators

I. Company Profile

Company name in Chinese	隆基绿能科技股份有限公司
Stock name in Chinese	隆基股份
Company name in English	LONGi Green Energy Technology Co., Ltd.
Abbreviation of company name in English	LONGi
Legal representative of the company	Li Zhenguo

II. Contacts and Contact Information

	Secretary of the Board	Securities Affairs Representative
Name	Liu Xiaodong	Wang Hao
Contact address	Block B, Innovation & Incubation Center, Xi'an Service Outsourcing Industrial Park, No. 8989 Shangyi Road, Xi'an Economic and Technological Development Zone	Block B, Innovation & Incubation Center, Xi'an Service Outsourcing Industrial Park, No. 8989 Shangyi Road, Xi'an Economic and Technological Development Zone
Tel.	029-81566863	029-81566863
Fax	029-86689601	029-86689601
E-mail	longi-board@longigroup.com	longi-board@longigroup.com

III. Basic information

Company registered address	No. 388, Middle Hangtian Road, Chang'an District, Xi'an
Postal code of company registered address	710100
Company office address	Block B, Innovation & Incubation Center, Xi'an Service Outsourcing Industrial Park, No. 8989 Shangyi Road, Xi'an Economic and Technological Development Zone
Postal code of company office address	710018
Company website	http://www.longigroup.com
E-mail	longi-board@longigroup.com

IV. Information Disclosure and Place of the Report

Selected media for company information disclosure	China securities journal, Shanghai securities journal, securities times and securities daily
Website designated by CSRC (China Securities Regulatory Commission) to publish the Annual Report	www.sse.com.cn
Place where the Annual Report is available for inspection	Office of the Company's Board of Directors

V. Company Stock Profile

Company Stock Profile				
Stock Type	Listed on	Stock Name	Ticker Symbol	Stock name before change
A share	Shanghai Stock Exchange	LONGi	601012	None

VI. Other relevant information

The accounting firm hired by the company (Domestic)	Name	Ruihua Certified Public Accountants (Special General Partnership)
	Office address	5-11F, West Tower, Zhonghai Real Estate Plaza, Building 7, No. 8, West Binhe Road, Yongdingmen, Dongcheng District, Beijing
	Signing accountant	Shi Yuchun, Han Xin
Sponsors who perform continuous supervision duties during the reporting period	Name of the Company	Guosen Securities Co., Ltd.
	Office address	16-26/F, Guosen Securities Tower, No.1012, Middle Hongling Road, Shenzhen
	Name of signing sponsor representative	Wang Yanxiang, Jiang Zhigang
	Period for continuous supervision	From November 20, 2017 to December 31, 2018

VII. Main Accounting Data and Financial Indicators for the Past Three Years**(I).Main Accounting Data**

Unit: Yuan; Currency: RMB

Main Accounting Data	Year 2018	Year 2017	Increase or decrease in current period over the same period of the previous year (%)	Year 2016
Revenues	21,987,614,949.84	16,362,284,494.30	34.38	11,530,533,460.78
Net profits attributable to shareholders of listed company	2,557,964,089.73	3,564,525,604.84	-28.24	1,547,235,762.30
Net profits attributable to the listed company's shareholders after deducting non-recurring profit and loss	2,343,546,683.13	3,464,581,782.39	-32.36	1,503,382,480.56
Net cash flow from operating activities	1,173,271,527.53	1,328,349,619.05	-11.67	535,757,269.34
	At the end of 2018	At the end of 2016	Increase or decrease at the end of current period over the end of	At the end of 2016

			same period of the previous year (%)	
Net assets attributable to shareholders of listed company	16,451,586,754.06	14,195,358,022.75	15.89	10,092,550,194.42
Total assets	39,659,244,130.93	32,883,700,260.10	20.60	19,172,404,496.19

(II). Main Financial Indicators

Main financial indicators	Year 2018	Year 2017	Increase or decrease in current period compared with the same period of the previous year (%)	Year 2016
Basic earnings per share (yuan/share)	0.93	1.29	-27.91	0.61
Diluted earnings per share (yuan/share)	0.92	1.29	-28.68	0.61
Basic earnings per share after deducting non-recurring profit and loss (yuan/share)	0.85	1.26	-32.54	0.59
ROEWA (%)	16.71	30.14	Reduced by 13.43 percentage points	21.77
Weighted average Rate of ROE after deducting non-recurring profit and loss (%)	15.31	29.29	Reduced by 13.98 percentage points	21.15

Explanation of main accounting data and financial indicators for the first three years of the company at the end of the reporting period

Applicable Non-applicable

VIII. Differences in Accounting Data under Domestic and Overseas Accounting Standards

(1) The difference between the net profit in the financial report disclosed in accordance with the International Accounting Standards and the Chinese Accounting Standards and the net assets attributable to the shareholders of the listed company

Applicable Non-applicable

(2) The difference between the net profit in the financial report disclosed in accordance with the Overseas Accounting Standards and the Chinese Accounting Standards and the net assets attributable to the shareholders of the listed company

Applicable Non-applicable

(3) Explanation of differences between domestic and overseas accounting standards:

Applicable Non-applicable

IX. Major Financial Data Quarterly in 2018

Unit: Yuan; Currency: RMB

	Q1 (January to March)	Q2(April to June)	Q3(July to September)	Q4 (October to December)
Revenues	3,470,021,012.78	6,531,951,846.16	4,669,308,974.29	7,316,333,116.61
Net profits attributable to shareholders of the listed company	543,180,752.90	763,804,012.83	384,185,761.31	866,793,562.69
Net profits attributable to the listed company' shareholders after deduction of non-recurring profit and loss	506,002,411.62	748,370,426.31	334,717,813.09	749,506,379.25
Net cash flows from operating activities	-716,500,175.97	1,885,321,973.60	-107,813,902.96	112,263,632.86

Explanation of differences between quarterly data and data disclosed in periodic report

Applicable Non-applicable

X. Non-recurring Profit and Loss Items and Amounts

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Non-recurring profit and loss items	2018	2017	2016
Non-current assets disposal gains and losses	-5,230,991.11	-14,544,326.19	-22,932,359.12
Government subsidies included in the current profit and loss, except for government subsidies that are closely related to the normal business operations of the company and that are in compliance with national policies and are subject to constant or fixed amount of certain standards.	173,940,878.85	99,940,402.35	39,100,860.96
Except for the effective hedging business related to the normal business of the company, the gains and losses from changes in fair value arising from the holding of trading financial assets and trading financial liabilities, as well as the disposal of trading financial assets, trading financial liabilities and	84,773,124.69	35,140,423.97	29,125,369.06

available-for-sale financial assets			
Investment income			
The impairment provision for receivables that was individually tested for impairment was reversed			1,628,031.60
Other non-operating income and expenses other than the above	-946,559.80	-4,761,147.77	2,144,560.26
Amount affecting minority shareholders' equity			398,631.55
Amount affecting income tax	-38,119,046.03	-15,831,529.91	-5,611,812.57
In total	214,417,406.60	99,943,822.45	43,853,281.74

XI. Projects measured at Fair Value

Applicable Non-applicable

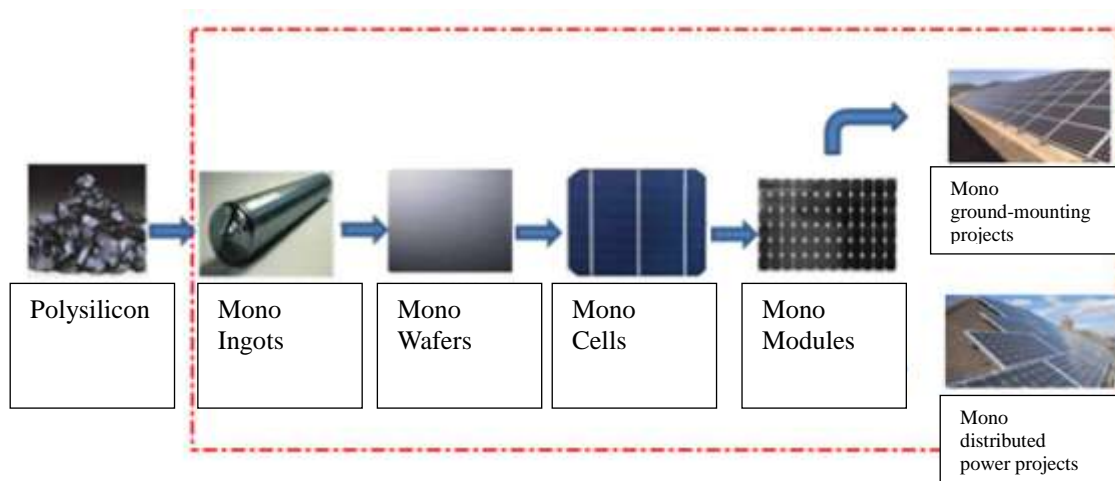
XII. Others

Applicable Non-applicable

Section III Business Overview

I. Explanation of the Main Business and Business Model of the Company, and Industry Situation during the Reporting Period

The company has long been focused on providing high-efficiency monocrystalline solar power solutions to customers around the world, mainly engaged in the R&D, production and sales of monocrystalline silicon ingot, wafers, cells and modules, as well as the development of PV power stations. At present, the company's production base for mono ingots and wafers are mainly concentrated in Xi'an (in Shaanxi Province), Yinchuan and Zhongning (in Ningxia Autonomous Region), Lijiang, Baoshan and Chuxiong (in Yunnan Province), Wuxi(in Jiangsu Province), and Kuching (in Malaysia); the production bases for mono cells and modules are mainly in Taizhou (in Jiangsu Province), Quzhou (in Zhejiang Province), Hefei (in Anhui Province) and Kuching(in Malaysia); the company is developing PV power projects in many places of China. During the reporting period, the company's main business and business model did not undergo major changes compared with those in 2017. The position of major businesses and products in the PV industry chain is as follows:



Remarks: The red box in the Figure above shows the Company's business scope in the industry chain.

The information of PV industry in the reporting period is elaborated by the Company in Section IV—“Discussion and Analysis of Business Operation”. Please refer to Section IV for more details.

II. Explanation of major changes in the company's main assets during the reporting period

Applicable Non-applicable

Please refer to the relevant contents of “Analysis of Assets and Liabilities” in Section IV “Discussion and Analysis of Business Operation” in this report.

Wherein: offshore assets 590,134.97 (unit: 10,000 yuan currency: RMB), accounting for 7.42% of total assets (before the merger offset).

III. Analysis of core competitiveness during the reporting period

Applicable Non-applicable

1. Core management team with forward-looking strategic planning capabilities and efficient strategic execution capabilities

The company's core management team is stable and its age structure is reasonable. It has strong strategic planning and efficient strategic execution capability based on rich management experience through long-term work in PV industry. It always takes product technology leadership and brand trust as the starting point and foothold of its core competitive strategy. The management has led the company to maintain steady development and the core competitiveness of the company has been continuously consolidated and improved while the company has made great contributions in leading and promoting technological upgrades in the industry and the widespread application of solar energy in the world. In terms of technical route selection, the company selected the mono technology after thoroughly research on various technical routes of the photovoltaic industry in 2006, and always maintained its focus with the spirit of artisans. Ushered by LONGi, the global mono market share has increased rapidly in recent years and the mono value has been recognized by solar market. With respect of wafer cutting methods, the company was the first to fully shift from the traditional slurry cutting method to diamond wire cutting in the industry and promoted the localization of cutting equipment and diamond wire saws, which led to sharp reduction of the cutting cost and increase of production output. In terms of cells and modules, the company laid out the production capacity of high-efficient mono PERC cells earlier in the industry, leading the industry trend towards high-efficient capacity and continuously pushing the continuous reduction of the levelized cost of energy (LCOE).

2. Strong technical reserves and leading R&D advantages

The company is the world's largest mono manufacturer integrating R&D, production, sales and service of mono products. It always adheres to customer value as the core and drives industrial upgrading through technological innovation. Many core technologies and products are in the leading position in the industry. The company continuously tracks and judges the cutting-edge technologies of the PV industry, leads the industry in the strategic layout and technical iteration of high-efficient products; continuously strengthens the technical competition barriers by strengthening intellectual property protection and confidentiality management; and through the active introduction and rational allocation of talents, a R&D team of more than 540 people have been formed. The professional R&D team has been selected into the National Enterprise Technology Center, established a silicon material R&D center, a cell R&D center and a module design center, and has deep technical exchanges with industry-leading research institutions and institutes such as the University of New South Wales. Therefore a competitive R&D system has been formed. As of the end of the reporting period, the company has obtained 526 patents and has a strong reserve of new technologies and products. It has formed strong research in mono ingot growth technology, mono wafer cutting technology and industrial application research on the high-efficiency cell and module technology. The accumulation of technology and the ability of independent innovation have been continuously enhanced.

While continuously strengthening and perfecting the technology innovation and R&D system, the company pays attention to the transformation of research and development results, and continuously introduces high-efficiency technical achievements and new products to the market, and continuously pushes down the LCOE of the industry. The company's mono PERC cell and module conversion efficiency has repeatedly set the industry records, in which the front-side conversion efficiency of the mono bifacial PERC cells has reached 24.06%, refreshing the efficiency record of PERC cells. In addition, the company has released Hi-MO series of high-efficiency mono modules to the market for three consecutive years, leading the industry to upgrade to high-efficiency products. With the continuous advancement and breakthrough of technology, it has broken the competition situation of homogenization in the industry and effectively guaranteed the leading edge of the company's research and development.

3. World-renowned brand advantage and quality assurance

The company is committed to becoming the world's most valuable solar technology company, providing high-efficiency mono solutions to customers around the world. The brand influence of "LONGi" in the field of mono wafers and modules continues to increase. By relying on the manufacturing advantages of the entire industry chain from the front-end mono wafers to the downstream modules and the mature supply chain system, a large number of leading R&D results are introduced into the mass production process, ensuring the high efficiency and high reliability of the company's products. The company is the only PV manufacturing company selected by the Ministry of Industry and Information Technology as the first batch of demonstration enterprises on manufacturing single champion. The new wafer standard developed by the company is included in the SEMI standard and released to the world. The modules obtained certificates of TÜV, UL, CQC, JET-PV and SII. It has been awarded the "Global Tier 1 Module Suppliers" by Bloomberg New Energy Finance (BNEF), a world-renowned research institution, and was selected as "National Brand Project • Future Star by Xinhua News Agency". With the brand and quality advantages, the company has established a good reputation in the industry, and has won the recognition and trust of many customers and institutions.

4. Scale and cost advantage

The PV industry is a capital-intensive industry. Large-scale production is a necessary means to reduce costs. At the same time, the technology update speed of the PV industry is relatively fast. New technologies and processes are emerging and technology replacement is realized. Industry-leading enterprises need to continuously upgrade and renovate equipment, and update to consolidate technology and cost advantages. The company has now developed into the world's largest mono manufacturing enterprise. Relying on leading mono technology, the company's non-silicon cost of mono wafers is controlled within 1 RMB/pc. By the end of 2018, the company's mono wafer production capacity reached 28GW, accounting for more than 40% of global mono production capacity. According to PV InfoLink data, the company's mono wafer production capacity has ranked first in the global wafer companies in 2018 (monocrystalline, polycrystalline combined computing), module shipments have ranked among the top five in the world, and was awarded Global Tier 1 Module Supplier by Bloomberg Energy Finance (BNEF) (Tier 1) and a member of the Global Silicon-Based Module Super League (SMSL). According to the company's "Production Capacity Planning for the next three years (2019-2021)", the company plans to achieve 65GW mono ingots and mono wafers, 20GW mono cells and 30GW mono modules by the end of 2021 based on 2018 capacity. The company has formed a leading scale and cost advantage in the global PV industry.

5. Maintain a stable business style and high investment efficiency in rapid development

The company adheres to the principle of sound management and pays attention to risk control. In the process of continuous high-speed growth of the company's operating scale, the asset-liability ratio has always remained at a reasonable level, showing good solvency and anti-risk level. At the same time, in recent years, the company has fully utilized the advantages of the listed company's financing platform and continued to receive financial support. The effective landing of strategic objectives provides a reliable guarantee. According to PHOTON Consulting's "Global PV Enterprise Triathlon Competitiveness Report 2017Q3" (PV Triathlon), LONGi ranked first in the world in the financial health index of 56 well-known PV companies around the world, and shows its steady development capability, profitability and cost control of leading industries. In 2018, the company won the "Best Board of Directors" award among "Golden Round Table Awards" for its stable operation ability and efficient corporate governance.

Section IV Discussion and Analysis of Business Operation

I. Discussion and analysis of business operation

The year of 2018 is a very tough year for the PV industry. During the reporting period, the National Development and Reform Commission, the Ministry of Finance and the National Energy Administration jointly issued the "Notice on Matters Related to Photovoltaic Power Generation in 2018", which intensified the market competition for photovoltaics. Some of the backward production capacity of the industry was eliminated, domestic demand and prices of photovoltaic products have fallen rapidly, and industry resources have concentrated on high-quality companies. According to the National Energy Administration, domestic solar installation increased by 44.26GW in 2018, a year-on-year decrease of 16.58%. At the same time, although the "5.31 New Policy" has impacted the domestic market, it has also accelerated the decline in the construction cost of photovoltaic system. The low non-technical cost of overseas PV installations further stimulates the growth of overseas market demand and drive mainstream PV companies to switch to overseas markets. The economics of PV has gradually become the main driving force for the growth of global PV market demand. According to BloombergNEF, the world's leading financial information company, the global new solar installation in 2018 will increase slightly compared to that in 2017.

Looking back on 2018, the price and gross profit margin of the company's main products have dropped significantly due to the price fall of industrial products. In the face of a large degree of adjustment in industry policies, the company reviewed the situation and adhered to the principle of stable operation. The shipments of mono wafers and modules increased significantly year-on-year, and the market share continued to increase. During the reporting period, the company achieved revenues of RMB21.988 billion, a year-on-year increase of 34.38%; net profit attributable to the parent company was RMB2.558 billion, a year-on-year decrease of 28.24%; basic earnings per share was RMB0.93, down 27.91% year-on-year; The weighted average return on equity was 15.31%, a year-on-year decrease of 13.98 percentage points. The main work of the company in 2018 set forth below:

(1) Actively comply with policy changes and market changes, adhere to customer value as the core, and increase overseas market expansion, and the global mono market share continues to increase.

During the reporting period, the company focused on enhancing customer value, relying on mono technology and cost advantages to effectively ensure the market demand for mono products; timely adjustment of product structure and sales area according to market conditions and the product sales have achieved significant growth. In 2018, the company's mono wafer shipment was 3.383 billion pieces, a year-on-year increase of 59% compared with 2017, of which 1.966 billion pieces were for external sales and 1.517 billion pieces were for self consumption; 7,072 MW of mono cells and modules were shipped, which was a year-on-year increase of 50% compared with 2017, of which 5,991MW mono modules for external sales, 590 MW for self consumption, and 491 MW mono cells for external sales. During the reporting period, the company increased its overseas market expansion efforts and channel construction. The introduction of "5.31 New Policy" stimulated the rapid growth of overseas sales of mono modules. In 2018, the company's overseas sales of mono modules reached 1,962MW, a year-on-year increase of 370%. Under the guidance of the company, with the further advantage of the cost performance of mono products, the mono market share continues to expand. According to PV InfoLink statistics, the global mono market share has increased to 46% in 2018, and it is expected to be further increased in the future.

(2) Deepening the product leading strategy, continuously increasing R&D investment, improving product quality and performance, maintaining product innovation and competitiveness

In 2018, the company focused on creating value for customer, and took it as the starting point to continuously deepen the product leadership strategy, maintain high-intensity R&D investment, expand the R&D team and enhance R&D capabilities. As of the end of the reporting period, the company has

obtained 526 patents, and has achieved important research and development results in ingot pulling, wafer slicing, cells and modules, and high-efficient products are constantly being introduced. In the aspect of ingot pulling and wafer slicing, the company is committed to providing customized products for customers, and has achieved positive research and development results in process improvement, thermal field modification, auxiliary material improvement and control system optimization, effectively extending the equipment life cycle as well as improving automation of equipment and production lines. In terms of cells and modules, the company continues to improve industrial efficiency of cells and module output power, repeatedly refreshing the world records for PERC cell conversion efficiency, and the highest conversion efficiency of bifacial mono PERC cells is 24.06%, which is in the leading position in the industry. Based on the forward-looking medium- and long-term technology strategic plan, the company has completed the development and technical reserves of various high-efficiency cell and module products, and comprehensively built the long-term competitive advantage of R&D.

During the reporting period, starting from the common goal of the industry, the company continued to share the achievements of scientific and technological progress with the industry and open the bottleneck technology. In order to effectively realize the power generation capability of mono PERC technology and further reduce the LCOE, the company promises to provide a solution free of charge to help customers control the first-year degradation of PERC modules within 2% and linear degradation within 0.65%. This is second to LIR technology share in 2017 and fully reflects the company's confidence and determination to promote technological progress in the industry.

(3) Accelerating the progress of the capacity expansion project, ensuring the supply of high-efficiency mono capacity in the market, and stabilizing market supply

The “5.31 New Policy” has had an impact on domestic demand, but it has not changed the company's expansion plan. According to the strategic planning and layout of mono production capacity, combined with market changes, the company adjusted the production rhythm timely. By the end of 2018, the company's mono wafer production capacity has reached 28GW, and the mono module production capacity has reached 8.8GW, of which Lijiang LONGi has an annual output of 5GW regarding to mono ingot construction project, Baoshan LONGi with 5GW annual capacity of mono ingot construction project, Yinchuan LONGi 5GW annual capacity of mono ingot and 5GW mono wafer construction project have been completed, Chuxiong LONGi with 10GW annual capacity of mono wafer project (Phase I) accelerated. The improvement projects of module annual capacity in Zhejiang LONGi Solar and Taizhou LONGi Solar's have been upgraded, and the company's scale advantage in the mono field has been further consolidated. In addition, through the implementation of refined management, the company accelerated the introduction of R&D results and mass production, strengthened the process control and efficiency improvement of production and operation, and further reduced the non-silicon cost of products. The average non-silicon cost per unit of ingot pulling decreased by 10.49% year-on-year. The average non-silicon cost per unit of wafer slicing decreased by 27.81% year-on-year. The average industrial conversion efficiency of PERC cells reached 22.2% and the average industrial output power of 60-Type PERC modules reached 305W-310W.

(4) Continuously improve corporate governance, strengthen risk management and control, and promote lean management

During the reporting period, the company strived to improve the professional management level of each function and promote lean management. In the aspect of supply chain management, we will strengthen close cooperation with upstream and downstream manufacturers with industry competitive advantages to further promote the supply chain ecosystem and information construction. In terms of human resources, the company has completed the job-level conversion of the whole group, implemented the talent inventory work, rationally adjusted and optimized the human structure, and effectively improved the personnel efficiency. In terms of legal management, we continue to promote the construction of the group's standard contract system and effectively identify the legal risks of each business segment. In lean

management, we will continuously improve the group's lean management level through lean internal audit training, project review, and sharing benchmark results, and guide all employees to participate in lean activity improvement. In terms of intellectual property rights, the construction of the intellectual property system was completed, the intellectual property risks of various business links were effectively identified, and patent applications and strategic layouts were completed. In terms of financial security, the company relied on the research and pre-judgment of capital market policies and environmental changes after going public, and effectively used a variety of finance instruments in the capital market to support the smooth implementation of a series of expansion projects, and the company's competitive advantage continued to increase. Up to now, the company's rights issue has been successfully completed. The company will accelerate the construction of production capacity of the invested projects when the funds are available. By optimizing the financing structure and channels, it will take measures such as bill pool, structural deposits and bank wealth management to effectively reduce the indirect financing costs of banks, improve the efficiency and benefits of capital use. In terms of operational efficiency management, the company continuously improved its operational capabilities and rationally controlled various expenses, which provided a strong guarantee for the company's production and operation.

II. Major operating conditions during the reporting period

Please refer to “Discussion and Analysis of Business Operation” in this section for details.

1. Analysis of changes in related accounts of income statement and cash flow statement

Unit: Yuan; Currency: RMB

Items	Amount in current period	Concurrent amount in the previous year	Variable proportion (%)
Revenues	21,987,614,949.84	16,362,284,494.30	34.38
Operating costs	17,095,694,430.48	11,081,826,922.22	54.27
Marketing expenses	1,017,354,564.70	664,250,891.42	53.16
Administrative expenses	622,866,363.12	500,100,035.65	24.55
R&D expenses	201,837,031.74	164,319,998.25	22.83
Financial expenses	266,876,523.25	197,847,895.60	34.89
Net cash flows from operating activities	1,173,271,527.53	1,328,349,619.05	-11.67
Net cash flows from investing activities	-3,168,987,213.72	-3,774,042,010.86	N/A
Net cash flows from financing activities	267,454,484.19	4,672,229,730.31	-94.28

2. Analysis of income and cost

Applicable Non-applicable

During the reporting period, the company's shipments of mono wafers and modules increased significantly, achieving revenues of RMB21.988 billion, a year-on-year increase of 34.38%, and achieving operating costs of RMB17.096 billion, a year-on-year increase of 54.27%.

(1). Main business by industries, by products, and by regions

Unit: Yuan; Currency: RMB

Main Business By Industries						
Industry	Revenues	Operating costs	Gross margin (%)	Increase or decrease of revenues over the previous year (%)	Increase or decrease of operating costs over the previous year (%)	Increase or decrease of gross margin over the previous year (%)
New energy industry	21,987,614,949.84	17,095,694,430.48	22.25	34.38	54.27	Decreased by 10.02pp
Main Business By Products						
Products	Revenues	Operating Costs	Gross margin (%)	Increase or decrease of revenues over the previous year (%)	Increase or decrease of operating costs over the previous year (%)	Increase or decrease of gross margin over the previous year (%)
Mono modules	13,090,864,540.33	9,971,690,061.21	23.83	42.68	56.83	Decreased by 6.87pp
Mono wafers	6,115,844,611.85	5,120,992,606.47	16.27	6.31	32.29	Decreased by 16.44pp
Mono cells	522,222,861.77	472,978,999.54	9.43	34.13	59.44	Decreased by 14.37pp
Commissioned processing	96,659,539.32	66,381,014.87	31.32	44.69	39.49	Increased by 2.55pp
Polysilicon materials	81,687,814.17	78,137,688.26	4.35	54.91	142.82	Decreased by 34.63pp
Electricity	796,894,885.49	293,979,530.00	63.11	78.19	131.06	Decreased by 8.44pp
PV systems	71,727,413.72	55,661,729.80	22.40	-53.70	-47.44	Decreased by 9.25pp
Solar Power Project construction and service	681,899,888.51	613,580,410.57	10.02	N/A	N/A	N/A
Mono ingots	318,281,243.71	278,340,554.60	12.55	150.24	228.57	Decreased by 20.85pp
Others	211,532,150.97	143,951,835.16	31.95	7.85	-9.17	Increased by 12.75pp
Main Business By Regions						
Regions	Revenues	Operating costs	Gross margin (%)	Increase or decrease of operating income over the previous year (%)	Increase or decrease of operating costs over the previous year (%)	Increase or decrease of gross margin over the previous year (%)
China	14,797,414,359.00	11,481,947,514.24	22.41	21.48	39.86	Decreased

						by 10.19pp
Asian-Pacific	4,206,964,966.86	3,414,107,309.23	18.85	43.81	68.29	Decreased by 11.80pp
America	1,928,690,701.18	1,433,510,256.83	25.67	103.92	125.73	Decreased by 7.18pp
Europe	1,052,171,657.49	764,426,216.89	27.35	239.85	267.32	Decreased by 5.43pp
Africa	2,373,265.32	1,703,133.82	28.24	4,746.69	11,478.77	Decreased by 41.72pp

Explanation of the main business by industries, by products, by regions

Applicable Non-applicable

(2). Analysis table of production and sales

Applicable Non-applicable

Main products	Production	Volume of sales	Inventory	Increase or decrease of production over previous year (%)	Increase or decrease of sales volume over previous year (%)	Increase or decrease of inventory over previous year (%)
Solar mono wafer(10,000 pieces)	364,247.08	196,609.24	31,713	65.06	74.55	100.93
Mono modules (MW)	7,275.63	5,990.72	910	60.58	70.80	414.91

Description of production and sales volume

- In the above table, the data of solar mono wafers refers only to self-produced products and commissioned processing products.
- The module sales include the self-produced products and commissioned processing products; the module production refers to self-produced products and the outsourcing processing output.
- The sales volume regarding the above related products does not include any for self-consumption. The self-consumption of solar mono wafers in 2018 was 151,702,200, while the self-consumption of mono modules was 590.36 MW.

(3). Analysis Table of Cost

Unit: Yuan

By Industries							
Industries	Cost components	Current Amount	Proportion of current amount in total costs (%)	Concurrent amount in the previous year	Proportion of concurrent amount in total costs (%)	Variable proportion of current amount over the same period of previous year (%)	Situation description

PV industry	Operating costs	17,095,694,430.48	100.00	11,081,826,922.22	100.00	54.27	Increase in sales of modules and wafers; changes in product sales structure.
By Products							
Products	Cost component items	Amount in current year	Proportion of concurrent amount in total costs (%)	Concurrent amount in the previous year	Proportion of concurrent amount in total costs	Variable proportion of concurrent amount over the same period of previous year (%)	Situation description
PV products	Raw materials	12,525,290,598.93	73.27	8,324,317,760.32	75.12	50.47	Changes in product structure affecting raw material cost ratio
PV products	Direct labor	961,563,188.25	5.62	570,508,332.25	5.15	68.54	increase in sales of modules and wafers
PV products	Depreciation	1,056,619,625.08	6.18	546,418,631.72	4.93	93.37	increase in sales of modules and wafers
PV products	Energy and power	930,439,925.15	5.44	667,556,813.34	6.02	39.38	increase in sales of modules and wafers
PV products	Manufacturing Overhead	1,621,781,093.07	9.49	973,025,384.59	8.78	66.67	Increase in sales of modules and wafers, increase in external processing of some products
PV products	In total	17,095,694,430.48	100.00	11,081,826,922.22	100.00	54.27	/

Costs analysis and other Descriptions

 Applicable Non-applicable

(4). Major customers and major suppliers

Applicable Non-applicable

The sales of the top five customers were RMB260,056.82 million, accounting for 11.83% of the total annual sales; wherein, among the sales of related parties in the top five customers were RMB0, accounting for 0% of the total annual sales.

The top five suppliers purchase amounted to RMB393,217.95 million, accounting for 23.19% of the total annual purchases; wherein, among the purchase amount of related parties in the top five suppliers was RMB784,406,600, accounting for 4.62% of the total annual purchases.

3. Expenses

Applicable Non-applicable

Unit: Yuan

Item	Amount in current year	Concurrent amount in the previous year	Variable proportion (%)	Variable Causes
Marketing expenses	1,017,354,564.70	664,250,891.42	53.16	Expenses increased in freight and miscellaneous, quality guarantee deposit, etc.
Administrative expenses	622,866,363.12	500,100,035.65	24.55	Increased total salary caused by expanded business scale and increased personnel
Financial expenses	266,876,523.25	197,847,895.60	34.89	Increased interest caused by the rising loan

4. R&D investment

Investment statement

Applicable Non-applicable

Unit: Yuan

R&D Investment expensed in current period	1,230,769,546.20
R&D Investment capitalized in current period	0.00
Total R&D Investment	1,230,769,546.20
R&D investment as a percentage of the total revenues (%)	5.60
R&D Personnel in the Company	548
R&D Personnel as a percentage of the total employees (%)	2.60
Capitalized R&D Investment as a percentage of the total R&D investment (%)	0.00

Explanations:

Applicable Non-applicable

During the reporting period, the companies has an in-depth study on industrial technology and market development trends and continuously maintain high-intensity R&D investment. Significant progresses have been made in mono produce process optimizing, wafer slicing and thinning, wafer quality improving, non-silicon cost reducing, and cells and modules efficiency and performance upgrading, which will further strengthen the company's technology reserves and ensure the company's leading status among the industry with its product quality and technology.

1. Cash Flows

Applicable Non-applicable

Unit: Yuan

Items	Amount in current period	Concurrent amount in the previous year	Variable proportion (%)	Variable Causes
Net cash flows from operating activities	1,173,271,527.53	1,328,349,619.05	-11.67	With the rapid growth of business scale, receivable accounts and inventory occupancy increased
Net cash flows from investing activities	-3,168,987,213.72	-3,774,042,010.86	N/A	Received equity transfer payment, increased cash received from recovery of investment
Net cash flows from financing activities	267,454,484.19	4,672,229,730.31	-94.28	The amount of convertible bonds issued in the previous year was relatively large

(1) Explanation of major changes in profits caused by non-core business

Applicable Non-applicable

(2) Analysis of assets and liabilities

Applicable Non-applicable

1. Assets and Liabilities

Unit: Yuan

Items	Amount at the end of the current period	Proportion of amount at the end of the current period in total assets (%)	Amount at the end of last period	Proportion of amount at the end of last period in total assets (%)	Variable proportion of amount at the end of current period over the end of last period (%)	Descriptions
Receivables	4,090,820,743.25	10.31	2,205,568,990.63	6.71	85.48	Expanded sales and increased module sales

Prepayments	608,685,522.88	1.53	443,672,896.91	1.35	37.19	Increased long-term contract prepayment of raw material
Other receivables	715,232,201.39	1.80	324,211,505.16	0.99	120.61	Increase in equity transfer receivable
Inventory	4,282,544,118.95	10.80	2,380,398,156.96	7.24	79.91	Expanded production scale, increased overseas sales of modules
Non-current assets due within one year	11,000,000.00	0.03	33,650,000.00	0.10	-67.31	Withdrawal of deposits
Long-term receivables	58,185,669.56	0.15	32,076,415.78	0.10	81.40	Increased sales for more than one year
Long-term equity investment	733,169,655.02	1.85	515,189,968.88	1.57	42.31	Additional investment in the shareholding company
Fixed assets	13,259,978,743.24	33.43	10,803,548,307.89	32.85	22.74	Increased product capacity
Construction in progress	855,562,075.19	2.16	1,355,008,931.84	4.12	-36.86	Completed and put into use
Long-term unamortized expenses	959,403,051.71	2.42	643,382,464.16	1.96	49.12	Increased input of plant decoration and renovation
Short-term borrowing	687,673,591.48	1.73	1,611,789,619.09	4.90	-57.33	Due Repayment
Payroll payable	329,862,581.28	0.83	248,680,508.90	0.76	32.65	Increased employees
Other payables	2,470,128,708.87	6.23	1,567,625,319.39	4.77	57.57	Increased equipments and project payments
Non-current liabilities due within one year	1,136,598,402.23	2.87	560,088,032.47	1.70	102.93	Increased loans due within one year
Long-term loan	2,658,904,838.15	6.70	1,655,781,628.41	5.04	60.58	Increased bank loan
Long-term accounts payable	1,306,492,612.61	3.29	645,377,397.72	1.96	102.44	Increased finance lease payable
Estimated liabilities	318,500,876.37	0.80	181,876,231.26	0.55	75.12	Increased accrued quality guarantee deposit with the increase of modules sales
Deferred income	362,541,839.31	0.91	243,205,552.28	0.74	49.07	Increased governmental subsidies
Other non-current liabilities	0.00	0.00	425,000,000.00	1.29	N/A	Returned the Hefang No. 1 contractual fund

1. Restrictions on Main assets at the end of the reporting period√Applicable Non-applicable

As of the end of the reporting period, the company's restricted assets balance was RMB7.064 billion, mainly due to the company's deposits for obtaining bank acceptance bills, bank guarantees and letters of credit, and asset pledges for financing. There were no assets sealed up or detained in the Company. For more details about restricted assets, please refer to —Section XI Financial Report, VII Notes on Consolidated Financial Statement Items, No.76 in this Report.

2. Other ExplanationsApplicable √Non-applicable**3. Analysis of industrial operations**√Applicable Non-applicable

Please refer to the Table below for more details about operational information in the industry:

Analysis of operational information in PV industry

1. PV equipment manufacturing businessApplicable √Non-applicable**2. Key technical indicators of PV products**√Applicable Non-applicable

Category	Technical indicators	
Wafers:	Non-silicon cost	The proportion of electricity costs in product costs
Mono Wafers	The average non-silicon cost of the wafer slicing segment in 2018 decreased by 27.81% year-on-year.	The electricity cost as percentage of the average cost of the wafer slicing segment in 2018 was 1.28%.
Modules:	Average module power in mass production	The highest module power in lab
Mono Modules	60 Type PERC modules : 305W-310W 72 Type PERC modules : 365W-370W	60 Type : 360.3W 72 Type : 437W
Mono ingots, mono wafers and other industrial chains	The proportion of electricity costs in product costs	
Mono Wafers	The electricity cost as percentage of the average cost of the wafer slicing segment in 2018 was 1.28%.	
Mono Modules	The electricity cost as percentage of the average cost of the module production in 2018 was 1.28%.	

Discussion and analysis of indicators:

- ① The non-silicon cost of mono wafers: wafer costs include silicon cost and non-silicon cost, in which the silicon cost is mainly determined by polysilicon material price. While the non-silicon cost refers to wafer cost excluding silicon material, which reflects the technical level of mono wafer production enterprises. It's an important indicator of cost control capabilities.
- ② Average industrial module power: The industrial module power is 5W per gear and the overall power is normally distributed. The level that accounts for over 80% of modules in the mass production is selected as the average power level. The test standard is GB/6495.
- ③ ③The highest module power in lab: The highest module power tested in all R&D modules with a standard of GB/6495.

During the reporting period, the non-silicon cost of the company's industrial chain continued to decrease, while the module power continued to increase. The cost, quality and module power of the company's mono wafers were at the leading level in the industry.

3. PV power project

Applicable Non-applicable

4. Recommended table**(1). Production capacity of PV products and capacity under construction**

√Applicable □Non-applicable

Unit: ten thousand yuan; Currency: RMB

Product category	Production volume	Utilization Rate of capacity	Total investment in production line under construction	Current investment in production line under construction	Design capacity	(Expected) Production time	Processing mode
Wafers :							
Mono Wafers	364,247 billion pieces	80.94%	RMB 17.78 billion	RMB 4.34 billion	10GW	Gradual production in reporting period	Mono
Modules:							
Mono Modules	7.28GW	93.10%	RMB 27.62 billion	RMB 0.68 billion	5.5GW	Gradual production in reporting period	Mono
<p>Comparison and rationality analysis of capacity utilization rate among the industry: The above capacity utilization rate is calculated based on the monthly capacity of the reporting period. During the reporting period, with the affection of the “531 New Policy” and the rapid decline in the price of the PV industry chain, the utilization rate of various links in the industry showed different degrees of decline and differentiation. The capacity utilization rate of the top-level enterprises was higher than that of others. According to the statistics from China Photovoltaic Industry Association (CPIA), the capacity utilization rate of wafer companies in the industry accounts for 40%-80%, and the capacity utilization rate of module companies is about 30%-75%. The utilization rate of mono wafers and modules in LONGi is higher than the industry average level, and lower than that of the same period at last year. The main reason is LONGi actively reduced the production plan as the domestic market demand shrinking after the announcement of the “531 New Policy”.</p>							

Notes:

The total investment amount of the production line under construction is estimated as the total investment amount of the project. The mono wafer project in construction is Chuxiong's annual production of 10GW mono wafer (Phase I) project, which has been partially put into production. The mono module projects in construction include the 500MW high-efficiency mono PV module project in Xi'an and the 5GW high-efficiency mono module project in Zhangzhou.

(2). Main financial indicators of PV products

Applicable Non-applicable

Unit: ten thousand yuan; Currency: RMB

Product category	Sales-output ratio (%)	Gross margin of sales (%)
Wafers :		
Mono Wafers	95.63	16.27
Modules:		
Mono Modules	90.45	23.83

(3). Contracting or development of PV Power Stations Project

Applicable Non-applicable

5. Other Explanations

Applicable Non-applicable

(IV) Analysis of investments**1. Overall analysis of external equity investment**√Applicable Non-applicable

During the reporting period, the company accurately seized the opportunity of developing PV grid parity. Relied on its leading mono technology and cost advantages, LONGi steadily promoted the capacity enhancement and project development, continuously expanded the existing industrial layout, and consolidated the company's mono products and market position.

(1) Significant equity investmentApplicable √Non-applicable**(2) Significant non-equity investment**√Applicable Non-applicable

Serial No.	Project Name	Implementer	Total estimated investment amount (RMB 100 million yuan)	Project progress	Capital source
1	Project of mono ingot with 5GW annual output in Lijiang LONGi	Lijiang LONGi	20.99	Full production	Self-funding
2	Project of mono ingot with 5GW annual output in Baoshan LONGi	Baoshan LONGi	22.94	Full production	Financing
3	Project of mono wafer with 10GW annual output in Chuxiong	Chuxiong LONGi	17.78	Partial production	Self-funding
4	Construction project of mono cells with annual output of 1GW and mono modules with 1GW in India	LONGi Solar	19.41	Project suspend due to changes in business environment	Self-funding
5	Project of mono ingots with annual output of 300MW, wafers with 1GW, mono cells with 500MW and mono modules with 500MW in Kuching	Kuching LONGi	16.37	Full production	Self-funding
6	Construction project of mono ingots with annual output of 5GW, and	Yinchuan LONGi	34.82	Full production	Self-funding

	wafers with 5GW in Yinchuan LONGi				
7	Project of high efficiency mono module with 500MW annual output in Xi'an	LONGi Solar	5	Partial production	Self-funding
8	Project of PV power generation with 228MW in Lingwu Majiatan	Lingwu LONGi New Energy	13.65	Grid-connection after completion	Self-funding
9	Project of high efficient mono modules with 5GW annual production in Quzhou	Quzhou LONGi Solar	22.62	Started production in the first quarter of 2019	Self-funding
10	Project of high efficient mono cells with 5GW annual Production in Ningxia LONGi Solar	Ningxia LONGi Solar	30.50	Under construction, it is expected to be put into operation in June 2019.	Self-funding

Note: The estimated total investment amount in the above table is the estimated investment amount disclosed in the above-mentioned investment related temporary announcements.

(3) Financial assets measured at fair value

Applicable Non-applicable

(5) Major assets and equity sales

Applicable Non-applicable

(6) Analysis of major holding companies

Applicable Non-applicable

1. Status of major holding subsidiaries

Unit: ten thousand yuan

Company	Main business	Registered	Total assets	Net assets	Revenues	Operating	Net profits
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name		capital				margin	
Yinchuan LONGi	Engaged in manufacturing and sales of mono ingots and wafers	100,000	709,433.92	494,206.16	637,942.49	108,544.47	97,906.29
Ningxia LONGi	Engaged in manufacturing and sales of mono ingots	25,000	207,287.98	177,886.75	183,904.44	29,560.93	26,201.72
Wuxi LONGi	Engaged in manufacturing and sales of wafers	20,000	126,498.92	92,237.87	55,583.91	8,654.55	7,662.97
LONGi Solar	Engaged in manufacturing and sales of cells and modules	100,000	1,181,617.71	377,449.10	1,651,916.2 0	3,166.98	2,925.31
Taizhou LONGi Solar	Engaged in manufacturing and sales of cells and modules	60,000	620,382.48	315,608.80	725,037.36	30,579.60	26,703.89
Zhejiang LONGi Solar	Engaged in manufacturing and sales of modules	35,000	201,763.24	62,631.30	351,380.91	19,324.66	16,611.28
Hefei LONGi Solar	Engaged in manufacturing and sales of cells	15,000	39,629.61	17,259.25	24,832.68	1,780.71	1,335.23
Kuching LONGi	Engaged in manufacturing and sales of mono ingots,	57,264	266,308.48	41,984.46	100,972.54	-20,044.69	-20,079.15

	cells and modules						
HK LONGi	Engaged in import and Export business of raw materials of monocrystalline silicon and polysilicon and other products	47,758 (HK dollar)	222,952.76	57,648.61	72,759.27	-6,596.60	-6,592.39
Baoshan LONGi	Engaged in manufacturing and sales of mono ingots	100,000	275,631.61	182,377.61	149,198.95	25,265.27	21,142.45
Lijiang LONGi	Engaged in manufacturing and sales of mono ingots	80,000	194,467.80	81,979.53	76,508.04	3,151.77	2,504.20
Chuxiong LONGi	Engaged in manufacturing and sales of wafers	50,000	157,427.45	50,418.18	176,369.69	889.88	700.62
Clean Energy	Engaged in development and operation of ground-mounting PV systems	50,000	374,318.19	113,823.24	32,233.10	46,661.38	43,428.40
LONGi New Energy	Engaged in development and operation of distributed PV systems	140,000	447,110.94	150,420.16	119,995.86	14,183.39	14,683.87

Note: Subsidiaries of LONGi Clean Energy and LONGi New Energy are mainly engaged in investment and development of PV projects. Therefore, the financial data of the two companies are listed in their consolidated statements respectively. The remaining subsidiaries serve as

important production bases, and are mainly engaged in the manufacturing and sales of PV products. The above table shows data from all subsidiaries respectively.

2. Main shareholding companies

Unit: ten thousand yuan

Company name	Main business scope	Registered capital	Total assets	Net assets	Net profits	Shareholding ratio of the Company
Zhongning New Energy	Investment and development of PV energy projects	30,000	161,564.01	34,561.33	4,208.35	30%
Tongxin LONGi	Investment and development of energy projects, and operation and management of electric power projects	15,952	78,499.64	31,307.59	2,931.21	49%
Tianhua LONGi	Investment and development of energy projects, and operation and management of electric power projects	4,652	20,491.55	7,730.05	750.93	49%
Pingmei LONGi	Production and sales of mono cells, modules, etc.	90,000	164,897.00	70,443.74	9,399.37	19.80%
Huiqing New Energy	Investment, development, and operation and management of Solar PV power station projects, etc.	13,246	107,726.92	18,173.33	4,789.16	30%
Zhejiang MTCN	Development, production and sales of silicon materials	7,481.3	42,205.21	29,422.82	6,992.40	12.03%
Luzhou New Energy	Development and investment of PV energy	11,841	62,401.05	12,367.55	331.82	30%

(VII) Structured entities controlled by the company

Applicable Non-applicable

III. Discussion and analysis of the company's future development

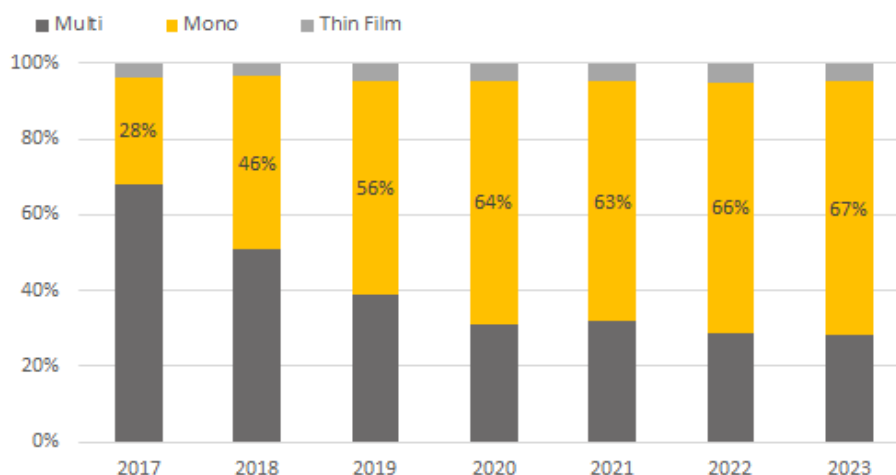
(1) Industry pattern and trend

Applicable Non-applicable

1. Competition Pattern

(1) The raising market demand for products with high efficiency, and the outstanding trend of mono products replacing poly products

The market competition pattern of the industry is becoming obvious as the PV grid parity is approaching. The pattern of mono leading the future of PV market is taking shape. Since the monocrystalline plane has the same orientation and without grain boundary, it has excellent quality and higher conversion efficiency in terms of crystal quality, electrical properties, mechanical characters and so on. With the continuous innovation and advancement of mono manufacturing technology in recent years, the production cost is declining continuously, while conversion efficiency is increasing rapidly, and the cost performance of mono products is drastically improved. Market demand at home and abroad increases rapidly with a good customer experience. According to PV InfoLink, the global market share of mono products in 2018 reached 46% (as shown below), and it is expected to further increase in next years.

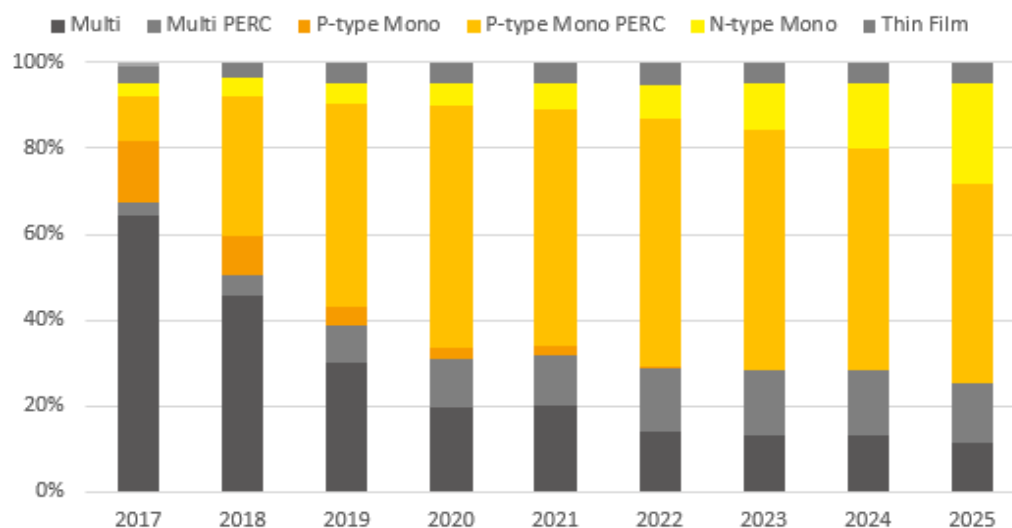


Source: PV InfoLink

(2) Prominent in cost performance of PERC cells, and significant increase of mono cells market share

In recent years, under the guidance of previous PV technology, China's PV technology has achieved rapid progress and accelerated industrial upgrading, which has greatly increased the market demand for PV products with high-efficiency. Due to more electricity generated by PERC cells, the efficiency increase makes the cost per watt more competitive, and it can save more system cost in the construction of the PV power station with the same power generation. At the same time, bifacial PERC modules, based on the PERC cell technology, can generate more power than traditional single-sided modules. With the maturity of PERC technology and the development of its accompanying supply chain, PERC cell technology application is now expanding rapidly as a mainstream trend. Major manufacturers in the industry have accelerated the construction of PERC cell capacity.

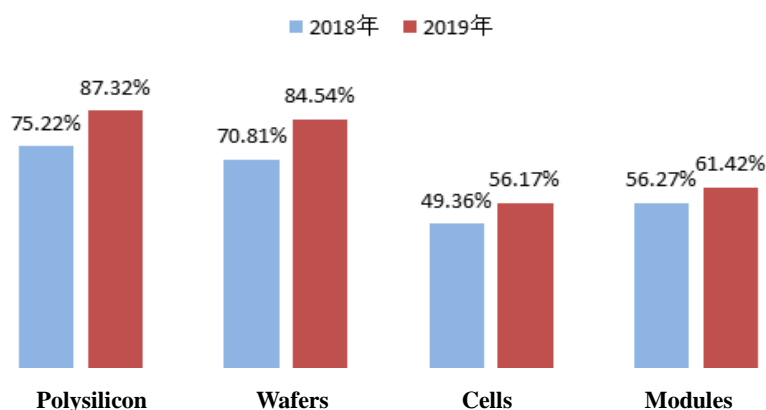
According to PV InfoLink, the 2019 PERC cell capacity will exceed the conventional cell capacity for the first time, accounting for more than 50% of the global solar cell market demand. Among them, the mono P-type PERC cell dominates the PERC cell application. The following figure shows the solar cell demand forecast for solar cells PV InfoLink:



Source: PV InfoLink

(3) The comprehensive competitiveness of enterprises will become the focus of attention as the outdated production capacity accelerates, the industrial concentration will be further improved. The entire PV industry chain has been fully competitive in the market, and the survival of the fittest has continued. The market share has been concentrated in the dominant enterprises, and the focus of competition has shifted from scale and cost to comprehensive competitiveness, including business model innovation, technology R&D, financing capabilities, operation management, and marketing, etc. In the next few years, it will be a crucial period for the development of the solar PV industry and the reshaping of the competitive landscape. China's PV industry will be transformed from a development stage that relies on the installation expansion brought by national policies to a new one that will gradually get rid of subsidies and drive market development through quality improvement and technological progress. The process of subsidy removal in the industry is accelerating and the goal of PV grid parity is approaching after the releasing of the “5.31 New Policy” in China. This process will have a profound and far-reaching impact on the entire industry. On the one hand, the technical threshold of the industry will be greatly improved, and most of outdated production capacity that cannot meet the demand of PV grid parity will be eliminated. On the other hand, PV power generation will achieve market-oriented self-sustainability without relying on state subsidies. After that, it will open the market and promote the industry resources to lean towards enterprises with high-quality products. The increase in the concentration of various industrial chains in the industry in recent years confirms the formation of the above-mentioned competitive landscape. The following picture shows PV InfoLink's market concentration forecast for all segments of the global industrial chain:

The proportion of the top ten enterprises in each industrial chain



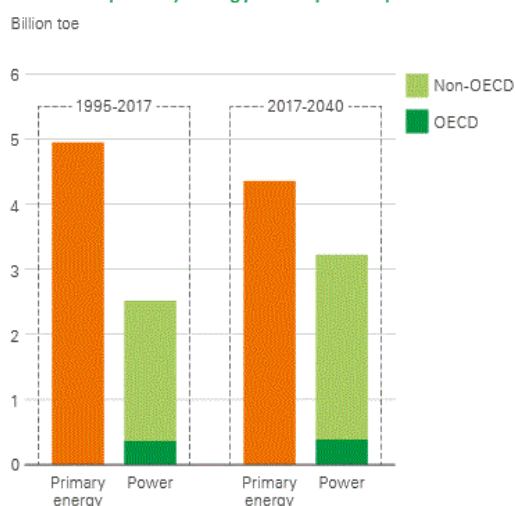
Source: PV InfoLink

2. Development Trend

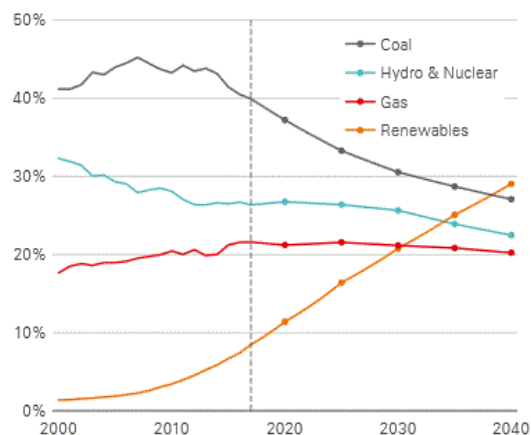
(1) "Electricity for energy consumption, clean production of electricity generation" is the future development trend of energy

The total global energy demand will continue to grow steadily under the pull of developing economies, and electricity shows strong growth among all energy types. Throughout the world, the proportion of new energy and renewable energy in energy and power consumption in many countries expand continuously (as shown in the following figure). More clean electricity has become the trend of global energy development. For example, California regulation requires end-use consumption by the end of 2045. The retail power and government procurement power used must be 100% from renewable energy and zero-carbon energy; India will increase the installed capacity of renewable energy from 175GW to 227GW by the end of 2022; Germany's renewable energy generation in 2018 has been upgraded to 40% or more, surpassing the coal-fired power generation ratio for the first time, and plans to increase more than 80% by 2050; Spain plans to achieve a total installed capacity of 77GW by 2030 and solar energy will become the country's cheapest source of electricity; Italy released the energy development strategy in 2020-2030 and raised the PV power generation to 74 TWh by 2030, with estimated cumulative PV installed capacity of 50 GW; Sweden plans to achieve 100% clean energy generation in 2040. According to the International Energy Agency's IEA forecast, renewable energy will become the world's largest source of electricity around 2030. Nearly 60% of the world's electricity investment will flow into the renewable energy sector between 2015 and 2040. With photovoltaics, wind power and hydropower, the representative renewable energy will be the main force for future power installations.

Growth in primary energy and inputs to power



Fuel shares in power



Source: BP Energy Outlook 2019 edition

(2) PV will become the most economical method of power generation in recent years, and economics has gradually become the main driving force for the growth of global PV market demand.

In recent years, with the continuous scale expansion of the PV industry, technology iteration and industrial upgrading have been accelerated. PV power generation cost has been declined continuously in a rapid way as its widespread application. The cost of PV power generation in many countries and regions around the world has been lower than that of conventional energy sources. Some countries have realized PV grid parity and economics has gradually become the main driving force for industry development. In June 2018, the price of the power purchase agreement, effective at the end of 2020, signed for the 30MW PV project in Arizona was 2.49 cents/kWh. In November 2017, in the tender of 2.3GW PV project by Mexican Ministry of Energy, the Italian ENEL Green Power quoted 1.77 US cents/KWh, refreshed the lowest record of PV prices. At the same time, the co-development of the decentralized global PV market will effectively reduce the volatility of industry policies and major markets. According to EnergyTrend, the number of countries with an installed capacity of more than 1 GW per year has increased from 6 in 2016 to 14 in 2018. The industry is entering into a new phase with health, balance and sustainability.

(II) Company development strategy

√Applicable □Non-applicable

1. Strategic Positioning

Focusing on customer value, we will seize the new round of development opportunities in the industry to promote the international energy transformation and the application of green energy, expand the PV application scenarios and scale, improve the internal management level

comprehensively and complete the global layout, which will lead to a comprehensive leading edge.

2. Safeguard measures

The company will continue to strengthen the global leadership in mono wafers and modules manufacture, integrate existing technology advantages and accelerate new technology R&D reserves. It will continuously improve R&D management level, maintain core technology leadership, product leadership and cost advantages. By increasing marketing resources and functions to support resource input, and strengthening product planning capabilities based on market and technology, LONGi aims to improve capabilities of overseas market expansion and support, system integration planning and internationalization; to strengthen internal management capabilities, and then improve cost and quality control.

(III) Business plan

Applicable Non-applicable

1. Production Capacity Target in 2019

Mono wafer and module capacity will reach 36GW and 16GW respectively as of the end of 2019.

2. Operation target in 2019

The shipment of mono wafers in 2019 is 6 billion pieces (including self-consumption) and the modules shipment is 9.5GW (including self-consumption).

3. Income target in 2019

It is expected that the total revenues in 2019 will be RMB30 billion.

(IV) Potential risks

Applicable Non-applicable

1. International trade protection risk

Solar PV power generation is one of the most promising renewable energy sources, and aroused close attention from countries all over the world. In recent years, for protecting the domestic PV industry, countries such as Europe, the United States, and India have successively launched anti-dumping and anti-subsidy(hereinafter as “Double-anti”) investigations against China's PV companies. Constant international trade friction has caused a certain impact on the development of China's photovoltaic industry and it is possible that other countries will follow the suit,

resulting in more trade frictions. Therefore, China's PV industry will still face severe international trade barriers, and uncertain risks arising from changes in trade policies.

2. The impacts of domestic industry policy and the risks of market competition

Affected by the issue of the “5.31 New Policy” in China, the installed capacity of the domestic market will decline significantly in short term, and the whole industry will implement adjustment measures. The intensified market competition may lead to the adjustment of the price of PV products. The changes in the market competition pattern will further concentrate the dominant enterprises in the market, while it also aggravated the degree of competition among key enterprises in the industry. In March 2019, a Korea competitor, Q-CELLS, filed a 337 investigation and lawsuit to the US International Trade Commission and local courts in the United States and Australia, alleging that some of the Chinese PV companies and their downstream products, including the company, infringed their patent rights. Since the company's products are inconsistent with the technical methods used in the patents involved, the Korean Q-CELLS patents have ineffective doubts about innovation, scarcity, and exclusivity. The allegations will have no impact on LONGi. As a leading mono company, LONGi has strong advantages in business scale, high technology, good product quality, low cost and brand reputation. If LONGi fails to use its competitive advantages to further consolidate and enhancing the existing market position and effectively responding to the challenges of competitors in the future industry, it will face the risk of losing competitive advantage and falling market share.

3. Management risks brought about by the accelerated expansion of operation scale

With the continuous expansion of the company's asset and business scale, the company will face greater risks and challenges. Therefore, more requirements are proposed to the company's management team in terms of operation and management, scientific decision-making, resource integration, internal control, market development and human resources. Facing the complex and ever-changing operating environment, as well as the increasingly fierce market competition, the company will suffer adverse impact on comprehensive competitiveness and operating efficiency if it fails to carry out risk control and internal control management effectively, or fails to further enhance management level and market adaptability.

4. Macroeconomic fluctuation risks

The PV industry has features such as large scale of investment, long payback period and high power generation cost. It caused the possibility of affecting by the macroeconomic environment. At present, the large scale investment in PV power stations lead to long payback period. A large proportion of total power station investment depends on bank loans. The changes in the macroeconomic environment will affect the financing arrangements and financing costs of system operators, thus affecting the return on investment of the terminal market, and ultimately affecting

the terminal needs of the PV industry chain. The global economy is still in a slow recovery stage with uncertain factors exist, and Chinese economy is also in the period of shifting and transformation. Therefore, macroeconomic changes will have an important impact on the development of the industry. That's why the company may face certain risks of macroeconomic fluctuations.

(V) Others

Applicable Non-applicable

IV. Situations and reasons that the Company fails to disclose in accordance with guidelines due to inapplicable principle regulations or state secrets and trade secrets

Applicable Non-applicable

Section V Important Matters

I. Profit Distribution of Common Stocks or Pre-plan of Capital Reserve Increase

(I) 1. The formulation, implementation or adjustment of the cash dividend policy

Applicable Non-Applicable

Article 155 of the Articles of Association clearly stipulates the company's profit distribution policy, specifies the standard and proportion of cash dividends, establishes the supervision and restraint mechanism of independent directors and supervisors on the company's profit distribution, and formulates the conditions and procedures for standardized and transparent adjustment or change of the profit distribution policy. The formulation and implementation of the company's profit distribution policy conforms to the Listed Companies. Regulations such as Regulation Guideline No. 3 - Cash Dividend of Listed Companies and Notice on Further Implementing Cash Dividend of Listed Companies can ensure the continuity and stability of the company's profit distribution policy and fully protect the legitimate rights and interests of small and medium-sized investors. During the reporting period, the company's profit distribution policy was not adjusted.

The company's profit distribution plan for 2017 is as follows: 1,994,053,635 shares of the company's total equity before the implementation of the plan are taken as the base, and 0.18 yuan (including tax) of cash dividend per share is distributed; 0.4 shares are allocated to all shareholders from capital reserve. 358,929,654.30 yuan of cash dividend is distributed and 797,621,454 shares are increased. The profit distribution scheme has been approved by the third annual meeting of the board of directors of the company in 2017 and the annual shareholder meeting in 2017. The independent directors have approved and issued independent opinions beforehand. The formulation of the scheme takes into account the characteristics of the company's industry, the stage of development, the level of profitability and the demand for shareholder returns. It conforms to the provisions of the articles of association and the review procedure and effectively maintains the plan, reasonably safeguarding the legitimate rights and interests of minority shareholders. The above scheme was implemented on May 29, 2018 (see company announcement No. 2018-060 released on May 22, 2018).

(II) The general dividend distribution plan or pre-arranged planning of the Company for the past three years (including the reporting period), the plan or pre-arranged planning of transferring the capital reserve to the share capital

Unit: Yuan; Currency: RMB

Dividend year	Number of dividends paid per 10 shares (shares)	Dividend per 10 shares (RMB) (including tax)	Increments per 10 shares (shares)	The amount of cash dividend (including tax)	Net profits attributable to common shareholders of the listed company in consolidated statement of dividend year	Proportion of net profit attributable to common shareholders of the listed company in consolidated statements (%)
Year2018	0	1.00	0	362,364,674.30	2,557,964,089.73	14.17
Year2017	0	1.80	4	358,929,654.30	3,564,525,604.84	10.07
Year2016	0	1.00	0	199,589,082.90	1,547,235,762.30	12.90

Note: The "amount of cash dividend" and "proportion of net profit attributable to common shareholders of the listed company in consolidated statements" in the above table are calculated based on the total equity of the company on April 8, 2019, and the total equity of 576,254 shares of restricted stocks of the company that are not involved in the profit distribution is deducted from the total equity of the company. The actual data are based on the equity of the company. The distribution and implementation announcement shall prevail.

(III) Cash-based offer repurchased shares included in cash dividends

Applicable Non-applicable

(IV) Where the profit is made during the reporting period and the profit allotted by the parent company to the common shareholders is positive, but no plan for the cash profit allotment of the common stock has been put forward, the company shall disclose in detail the reasons and the purpose and use plan of the undistributed profit.

Applicable Non-applicable

II. Commitment Performance

(I) Commitments made by the actual controllers, shareholders, affiliates, acquirers and other promising parties of the company during the reporting period or up to the reporting period

Applicable Non-applicable

Commitment background	Commitment types	Commitment party	Commitment contents	Commitment time and duration	Whether there is a deadline for performance	Whether to perform strictly and promptly	If it fails to perform in time, the specific reasons for the failure should be explained.	If not fulfilled in time, the next step should be explained.
Commitments related to initial public offerings	Resolving Inter-industry Competition	Li Zhenguo and Li Xiyan, controlling shareholders and actual controllers; Li Chun'an, major shareholder and the person acting in concert with actual controllers	Note	N/A	No	Yes	N/A	N/A
	Resolving Related Transactions	Li Zhenguo and Li Xiyan, controlling shareholders and actual controllers; Li Chun'an, major shareholder and the person acting in concert with actual controllers	Note	N/A	No	Yes	N/A	N/A
	Others	Li Zhenguo and Li Xiyan, controlling shareholders and actual controllers	Note	July 7, 2011, valid for the period of holding shares	No	Yes	N/A	N/A
	Others	Li Chun'an, major shareholder and the person acting in concert with actual	Note	July 27, 2011, from the date of	No	Yes	N/A	N/A

		controllers		commitment				
Commitments related to refinancing	Others	Li Zhenguo, Li Xiyan and Li Chun'an, controlling shareholders and their concerted actor	Note	August 3, 2018	Yes	Yes	N/A	N/A
Other commitments	Others	Li Zhenguo, Controlling shareholder	Note	June 6, 2018	Yes	Yes	N/A	N/A
Other commitments	Others	Shaanxi Coal Industry Co., Ltd., which holds more than 5% of the shares	Note	January 18, 2018	Yes	Yes	N/A	N/A

Notes:

① Legitimate and effective measures will be taken to ensure that other companies, enterprises and other economic organizations under their control as well as their associated enterprises. Do not engage directly or indirectly in any business that is the same or similar to the company, constitutes or may constitute competition with the company in any form, and to ensure that no other activities that impair the legitimate rights and interests of the company and other shareholders will be carried out.

② We will strictly abide by the provisions of the Company Law, the Articles of Association, the Related Transaction System, the Rules of Procedure of the General Meeting of Shareholders and the Rules of Procedure of the Board of Directors, avoid and reduce related transactions, consciously safeguard the interests of the joint stock company and all shareholders, and will not use my status as a shareholder in the Company to seek illegitimate interests in the related transactions. If the Company must conduct related party transactions with the enterprises under its control, I promise to strictly implement the relevant legal procedures and follow the principle of fair market transactions, which will promote fair and reasonable prices, relevant agreement terms and trading conditions, and will not require the company to grant more favorable conditions than those of the third party.

③ Commitment to be a concerted actor

④ Commitment to be the joint actors of controlling shareholders and actual controllers, Mr. Li Zhenguo and Ms. Li Xiyan.

⑤ Commitment will be made to fully subscribe for the allotted shares in cash according to the proportion of shares held, and confirm the legal compliance of the sources of funds used to subscribe for the allotted shares; Commitment will be made to fully subscribe for the allotted shares in cash in accordance with the allotment proportion finally approved by CSRC if the allotment scheme is adjusted in accordance with the provisions and requirements of CSRC. Up to the disclosure date of this report, this allotment has been implemented, and the above subscription commitments have been fulfilled (see company Announcement No. 2019-054 released on April 17, 2019).

⑥ Mr. Li Zhenguo, the controlling shareholder, plans to increase the company's shares in the next three months from June 7, 2018, with a total of no less than 1 million shares and no more than 2 million shares. The plan has been implemented (see Announcement No. 2018-119 released by the company on September 7, 2018).

⑦ Within 12 months as of January 18, 2018, it is proposed to increase the company's share holdings by no less than 1% of the company's total share capital and no more than 4.99% of the company's total share capital. The plan has been implemented (see Announcement No. 2019-005 released by the company on January 19, 2019).

(II) The company has a profit forecast for its assets or projects, and the reporting period is still in the period of the profit forecast. The company explains whether the assets or projects have reached the original profit forecast and its reasons.

Reached Un-reached Non-applicable

(III) The Completion of Performance Commitment and Its Impact on Goodwill Impairment Testing

Applicable Non-applicable

III. The Occupancy of Funds and the Progress of Settlement during the Reporting Period

Applicable Non-applicable

IV. Company's explanation on "Non-standard Opinion Audit Report" of Accounting Firms

Applicable Non-applicable

V. Analysis and explanation of the reasons and effects of the company's accounting policies, changes in accounting estimates or correction of major accounting errors

(I) Analysis and Explanation of the Reasons and Influences of the Change of Accounting Policy and Accounting Estimate

√Applicable □Non-applicable

1. Reasons for the Change of Accounting Policy

On March 31, 2017, the Ministry of Finance revised and issued Accounting Standards for Enterprises No. 22 - Recognition and Measurement of Financial Instruments (Accounting No. 7), Accounting Standards for Enterprises No. 23 - Transfer of Financial Assets (Accounting No. 8), Accounting Standards for Enterprises No. 24 - Hedging Accounting (Accounting No. 9), Accounting Standards for Enterprises No. 37 - Gold. Financial Instruments Presentation (Accounting No. 14, 2017) (hereinafter referred to as the "New Financial Instruments Guidelines") requires listed companies in China to implement it as of January 1, 2019.

In June 2018, the Ministry of Finance issued the Circular on Revising and Issuing the Format of General Enterprise Financial Statements for 2018 (Accounting No. 15, hereinafter referred to as "Accounting No. 15"), requiring non-financial enterprises implementing enterprise accounting standards to prepare financial statements in accordance with enterprise accounting standards and notification requirements.

In order to make the company's accounting policy consistent with the above provisions, the fourth annual meeting of the board of directors in 2018 and the fourth annual meeting of the board of supervisors in 2018 deliberated and adopted the Bill on the Change of Accounting Policy.

2. The Impact of Accounting Policy Change on Companies

(1) The Company prepares financial statements for 2018 in accordance with the Circular of the Ministry of Finance on Revising and Issuing the Format of General Enterprise Financial Statements for 2018 (No. 15 of Finance and Accounting) and its interpretation and requirements of Enterprise Accounting Standards. This accounting policy change adopts the retrospective adjustment method. The items and amounts of financial statements that are significantly affected by the 2017 financial statements are as follows:

Unit: Yuan

Items and amounts of the original statement		Items and amounts of new statements	
Notes receivable	2,205,568,990.63	Notes Receivable and Accounts Receivable	6,131,332,766.52
Accounts receivable	3,925,763,775.89		
Interest receivable		Other receivables	324,211,505.16
Dividend Receivable	29,065,322.08		

Other receivables	295,146,183.08		
fixed assets	10,803,548,307.89	fixed assets	10,803,548,307.89
Liquidation of Fixed Assets			
Construction in progress	1,358,593,723.02	Construction in progress	1,381,081,955.87
Engineering materials	22,488,232.85		
Notes payable	3,801,774,265.25	Notes payable and accounts payable	7,350,185,311.64
Accounts payable	3,548,411,046.39		
Interest payable	59,536,541.09	Other accounts payable	1,567,625,319.39
Dividends payable			
Other accounts payable	1,508,088,778.30		
Long-term accounts payable	645,377,397.72	Long-term accounts payable	645,377,397.72
Special accounts payable			
Management cost	664,420,033.90	Management cost	500,100,035.65
		Research and development expenses	164,319,998.25
Other cash received in connection with business activities	502,389,180.10	Other cash received in connection with business activities	588,828,199.10
Other cash received in connection with fund-raising activities	478,439,019.00	Other cash received in connection with fund-raising activities	392,000,000.00

Note: The Company will adjust the government subsidy of 86,439,019.00 yuan in cash actually received in 2017 from "other cash received in connection with fund-raising activities" to "other cash received in connection with business activities".

(2) Implementing New Financial Instruments Guidelines

In accordance with the requirements of the new Financial Instruments Standards, the Company will implement the new Financial Instruments Standards from January 1, 2019, and prepare its financial statements after January 1, 2019 in accordance with the new Financial Instruments Standards.

According to the convergence provisions, on the date of implementation of these standards, enterprises should classify and measure financial instruments (including impairment) according to the provisions of these standards, involving inconsistencies between the data of comparative financial statements in the earlier period and the requirements of these standards, and need not adjust. Therefore, the company does not restate the comparability at the end of 2018, implements the new financial instrument standards from January 1, 2019, and discloses the financial

statements according to the requirements of the new financial instrument standards from the first quarter of 2019.

(II) Analysis and explanation of the causes and effects of the company's correction of major accounting errors

Applicable Non-applicable

(III) Communication with former accounting firms

Applicable Non-applicable

Other explanations

Applicable Non-applicable

VI. Appointment and dismissal of accounting firms

Unit: Ten Thousand Yuan; Currency: RMB

	Current appointment
Name of Domestic Accounting Firms	Ruihua Certified Public Accountants (Special General Partnership)
Remuneration of Domestic Accounting Firms	185
Audit Years of Domestic Accounting Firms	6

	Name	Remuneration
Internal Control Audit Accounting Firm	Ruihua Certified Public Accountants (Special General Partnership)	35

Explanation on appointment and dismissal of accounting firms

Applicable Non-applicable

After deliberation and approval by the third annual meeting of the board of directors in 2017 and the annual shareholders' meeting in 2017, the company retained Ruihua Certified Public Accountants (Special General Partnership) as the company's auditing body in 2018 (see the announcements of Lin2018-035 and Lin2018-047 disclosed by the company on March 29, 2018 and April 20, 2018).

Explanation of appointment and dismissal of accounting firm

Applicable Non-applicable

VII. Situations facing the risk of suspension of listing

(I) Reasons for suspension of listing

Applicable Non-applicable

(II) Measures to be taken by the Company

Applicable Non-applicable

VIII. Situation and Reasons for Termination of Listing

Applicable Non-applicable

IX. Matters related to bankruptcy reorganization

Applicable Non-applicable

X. Major litigation and arbitration matters

Major litigations and arbitrations for the Company in this year No major litigations or arbitrations for the Company in this year

XI. Punishments and Rectifications of the Listed Company and Their Directors, Supervisors, Senior Managers, Controlling Shareholders, Actual Controllers and Purchasers

Applicable Non-applicable

XII. Explanation of the integrity of the company, its controlling shareholders and actual controllers during the reporting period

Applicable Non-applicable

During the reporting period, the Company, its controlling shareholders and the actual controllers did not fail to fulfill the effective judgment of the court, as well as the large amount of debt due and unliquidated.

XIII. The situation and influence of company equity incentive plan, employee stock ownership plan or other employee incentive measures

(I) The relevant incentives have been disclosed in the interim announcement and no progress or change has been made in the subsequent implementation.

Applicable Non-applicable

Issues overview	Query index
<p>At the 21st meeting of the Company's third Board of Directors in 2017, the followings were reviewed and passed: <i>Proposal on Unlocking and Listing the First Phase of the Second Restricted Share Incentive Plan, Proposal on Unlocking and Listing the Second Phase of the Reserved Shares in the First Restricted Share Incentive Plan and Proposal on Unlocking and Listing the Third Phase of the First Granted Share in the First Restricted Share Incentive Plan</i>. A total of 9,286,340 shares granted to 1,637 targets were unlocked. The listed circulation date was January 8, 2018.</p>	<p>See the Announcement of No.2018-003 released by the company on January 3, 2018 for details.</p>
<p>The fourth meeting of the Fourth Board of directors in 2018 and the third provisional shareholders' meeting in 2018 deliberated and adopted the <i>Proposal on Repurchase and Revocation of Partially Restricted Stocks</i>. The repurchase and revocation of 897,162 restricted stocks (the number of repurchases has been adjusted according to the profit allocation schemes for 2014 and 2017) have been granted to 45 incentive targets in the first and second stock incentive plans but unlocked. On November 19, 2018, the relevant cancellation procedures were completed.</p>	<p>Detailed information can be found in the announcements of No. 2018-096, No.2018-104, No. 2018-108 and No.2018-133 disclosed by the Company on August 4, August 21, 2018 and November 17, 2018.</p>
<p>At the 9th meeting of the 4th Board of Directors in 2018 and the 5th meeting of the 4th Board of Supervisors in 2018, the Company deliberated and adopted the <i>Proposal on the Third Phase Unlocking and Listing of Reserved Shares in the First Stock Incentive Plan</i> and the <i>Proposal on the Second Phase Unlocking and Listing of the Second Stock Incentive Plan</i>. A total of 5,370,785 shares granted to 1,146 targets were unlocked. The date of listing and circulation is December 3, 2018.</p>	<p>See company announcement of No. 2018-136 released on November 28, 2018 for details.</p>
<p>At the eleventh meeting of the Fourth Board of directors in 2018 and the sixth meeting of the Fourth Board of supervisors in 2018, the Company deliberated and passed the <i>Proposal on the Fourth Phase Unlocking and Listing of Firstly Granted Shares in the First Share Incentive Plan</i>. A total of 10,517,976 shares granted to 429 targets were unlocked. The date of listing and circulation was December</p>	<p>See company Announcement of No. 2018-149 released on December 18, 2018 for details.</p>

21, 2018.

(II) Incentives for undisclosed or follow-up progress in interim announcements

Equity incentives

Applicable Non-applicable

Other explanations

Applicable Non-applicable

Employee Stock Ownership Plan

Applicable Non-applicable

Other incentives

Applicable Non-applicable**XIV. Major Related Transactions****(I) Related Transactions Related to Daily Business****1. Issues disclosed in interim announcements and without progress or change in subsequent implementations**Applicable Non-applicable**2. Issues disclosed in interim announcements and with progress or change in subsequent implementations**Applicable Non-applicable

During the reporting period, in order to regulate the daily affiliated transactions, the First Meeting of the Third Board of Directors in 2018 and the First Provisional Shareholders' Meeting in 2018 deliberated and passed the Proposal on Daily Affiliated Transactions in 2018 (see the Announcement No. 2018-013 disclosed on January 20, 2018), which reasonably predicted the signing of daily affiliated transactions contracts in 2018. During the reporting period, the actual amount of the daily affiliated transaction contract signed by the company is within the annual estimated amount. The actual signing situation is as follows:

Unit: Ten Thousand Yuan

Related Transaction Categories	Related party	Contents of Related Transactions	Expected contract amount (including tax) in 2018	The actual amount of contract signed in 2018 (including tax)
Commodity	Dalian Linton NC Machine Co.,	Equipment	147,840	18,547

purchased	Ltd. and its subsidiaries	Equipment spare parts	1,128	63
	Shenyang LONGi Magnet Co. Ltd.	Equipment	3,261	0
		Equipment	110	40
	Zhejiang MTCN Technology Co., Ltd. and its subsidiaries	Raw material	632	610
	Ningxia LONGi Ningguang Instrument Co., Ltd.	Raw material	4,000	0
Labor service accepted	Dalian Linton NC Machine Co., Ltd. and its subsidiaries	Technical renovation and maintenance services	3,338	83
Sales of goods	Ningxia LONGi Ningguang Instrument Co., Ltd.	Photovoltaic System Materials	0	35
	Dalian Linton NC Machine Co., Ltd.	Mono ingot	0	4
	Zhejiang MTCN Technology Co., Ltd.	Silicon wafer	0	5
In total			160,309	19,387

Note: The actual amount of the contract signed by the Company and its holding subsidiaries for the purchase of equipment related transactions from Dalian Liancheng CNC Machinery Co., Ltd. and its subsidiaries is quite different from expected. The main reason is that the implementation of the "531 New Policy" has limited new domestic photovoltaic installations to a certain extent in 2018. Therefore, the Company will expand the production of Lijiang, Baoshan and Chuxiong in the second phase of Yunnan and some technological renovation projects. Major equipment procurement is included in the procurement plan for 2019.

3. Items not disclosed in the interim announcement

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Related party	Relationship	Related transaction type	Related transaction content	Pricing principle of related transactions	Related transaction price	Related transaction amount	Proportion accounted by in similar transaction amount (%)	Settlement of related transactions	Market price	Reason for the large difference between the transaction price and the market reference price
Dalian Liancheng CNC Machinery Co., Ltd.	Others	Commodity purchase	Spare parts	Refer to the market price	/	528,377.44	0.14	By cash	/	N/P
Dalian Liancheng CNC Machinery Co., Ltd.	Others	Commodity purchase	Production equipment	Refer to the market price	/	912,869,951.47	28.72	By cash	/	N/P
Ningxia MTCN Technology Co., Ltd.	Others	Commodity purchase	Spare parts	Refer to the market price	/	1,793,421.76	0.48	By cash	/	N/P
Ningxia MTCN Technology Co., Ltd.	Others	Commodity purchase	Poly Crystalline Silicon	Refer to the market price	/	908,199.96	0.02	By cash	/	N/P
Pingmei LONGi New Energy Technology Co., Ltd.	Others	Commodity purchase	Cell processing	Refer to the market price		783,640,560.15	30.64	By cash	/	N/P

Shanghai Fuchuan Automation Equipment Co., Ltd.	Others	Commodity purchase	Spare parts	Refer to the market price	/	688,280.96	0.18	By cash	/	N/P
Shanghai Fuchuan Automation Equipment Co., Ltd.	Others	Commodity purchase	Production equipment	Refer to the market price	/	49,645,560.88	1.56	By cash	/	N/P
Shenyang LONGi Magnet Co. Ltd.	Others	Commodity purchase	Spare parts	Refer to the market price	/	500,136.22	0.13	By cash	/	N/P
Shenyang LONGi Magnet Co. Ltd.	Others	Commodity purchase	Production equipment	Refer to the market price	/	12,376,051.17	0.39	By cash	/	N/P
Dalian Liancheng CNC Machinery Co., Ltd.	Others	Goods sales	Mono ingots	Refer to the market price	/	30,581.78	0.01	By cash	/	N/P
Ningxia LONGi Ningguang Instrument Co., Ltd.	Others	Goods sales	Photovoltaic equipment	Refer to the market price	/	296,369.66	0.41	By cash	/	N/P
Ningxia MTCN Technology Co., Ltd.	Others	Goods sales	Electricity	Refer to the market price	/	11,261,556.45	1.41	By cash	/	N/P
Ningxia MTCN Technology Co.,	Others	Rendering of	Water, Meal	Refer to the	/	960,899.81	1.11	By cash	/	N/P

Ltd.		service	fee	market price						
Pingmei LONGi New Energy Technology Co., Ltd.	Others	Goods sales	Wafers	Refer to the market price	/	112,797,383.89	1.84	By cash	/	N/P
Pingmei LONGi New Energy Technology Co., Ltd.	Others	Rendering of service	Technical service	Refer to the market price	/	3,350,979.06	3.86	By cash	/	N/P
Xi'an MTCN Technology Co., Ltd.	Others	Goods sales	Electricity	Refer to the market price	/	1,696,373.74	0.21	By cash	/	N/P
Xi'an MTCN Technology Co., Ltd.	Others	Rendering of service	Others	Refer to the market price	/	74,186.57	0.09	By cash	/	N/P
Xi'an MTCN Technology Co., Ltd.	Others	Goods sales	Water	Refer to the market price	/	175,707.98	0.20	By cash	/	N/P
Ningxia MTCN Technology Co., Ltd.	Others	Rendering of service	House lease	Refer to the market price	/	1,799,526.99	2.07	By cash	/	N/P
Ningxia MTCN Technology Co., Ltd.	Others	Rendering of service	Assets tenancy	Refer to the market price	/	56,952.00	0.07	By cash	/	N/P
In total				/	/	1,895,451,057.94	/	/	/	/
Details of the return of large sales					No					

Explanation of related transactions	<p>The aforementioned related party transactions are helpful to the development and execution of the Company's daily business operations. They meet the objective needs of the normal production and operation of the company and the expansion of its production capacity.</p> <p>There is no harm to the interests of the company and other shareholders, especially the small and medium shareholders. They will not affect the independence of the company, nor will they depend on the related parties.</p>
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(II) Related Transactions in the Acquisition and Sale of Assets or Equity

1. Issues disclosed in interim announcements and without progress or change in subsequent implementations

Applicable Non-applicable

2. . Issues disclosed in interim announcements but there are progress or change in subsequent implementations

Applicable Non-applicable

3. Issues not disclosed in the interim announcement

Applicable Non-applicable

4. Where performance agreements are involved, the performance realization during the reporting period shall be disclosed.

Applicable Non-applicable

(III) Major Related Transactions of Joint Overseas Investment

1. Issues disclosed in interim announcements and without progress or change in subsequent implementations

Applicable Non-applicable

2. Issues disclosed in interim announcements but there are progress or change in subsequent implementations

Applicable Non-applicable

3. Issues not disclosed in the interim announcement

Applicable Non-applicable

(IV) Related creditor's rights and liabilities

1. Issues disclosed in interim announcements and without progress or change in subsequent implementations

Applicable Non-applicable

2. Issues disclosed in interim announcements but there are progress or change in subsequent implementations

Applicable Non-applicable

3. Issues not disclosed in the interim announcement

Applicable Non-applicable

(V)Others

Applicable Non-applicable

XV. Major contracts and their performance

(I) Trusteeship, Contracting and Lease

1. Trusteeship

Applicable Non-applicable

2. Contracting

Applicable Non-applicable

3. Lease

Applicable Non-applicable

(II) Guarantee

Applicable Non-applicable

Unit: Ten Thousand Yuan; Currency: RMB

External Guarantees of the Company (excluding guarantees to subsidiaries)													
Guarantor	Relationship between the guarantor and the listed company	Secured party	Amount guaranteed	Date of guarantee occurrence (signing date of agreement)	Starting date of guarantee	Expiry date of guarantee	Type of guarantee	Guarantee complete or not	Guarantee overdue or not	Overdue amount	Counter-guarantee or not	Guaranteee for related parties or not	Relationship
LONGi	the Company	Tongxin LONGi	12,201	2015-8-28	2015-8-28	2030-8-27	Joint liability guarantee	No	No	0	Yes	No	Associated company
LONGi	the Company	Tongxin LONGi	11,221	2015-8-28	2015-9-15	2030-9-14	Joint liability guarantee	No	No	0	Yes	No	Associated company
LONGi	the Company	Tongxin LONGi	3,724	2015-8-28	2015-9-15	2030-9-14	Joint liability guarantee	No	No	0	Yes	No	Associated company
LONGi	the Company	LONGi Tianhua	7,448	2015-8-28	2015-9-15	2030-9-14	Joint liability guarantee	No	No	0	Yes	No	Associated company
Total accrual of guarantee during the report period (excluding guarantee to subsidiaries)						0							
Total guarantee balance at the end of the report period (A) (excluding guarantee to subsidiaries)						34,594.00							
Guarantee of the Company and its subsidiaries to subsidiaries													
Total accrual of guarantee during the report period						719,721.06							
Total guarantee balance at the end of the report period (B)						952,809.12							
the Companys guarantee (including guarantee to subsidiaries)													
Total amount guaranteed (A+B)						987,403.12							

Proportion of total amount guaranteed to the Company's net assets (%)	60.02
Wherein:	
Amount guaranteed is provided for shareholders, actual controllers and their related parties (C)	0
The amount of debt guarantee is provided directly or indirectly for the guaranteed object with debt ratio exceeding 70% (D)	384,367.48
Total amount guaranteed exceeding 50% of net assets (E)	165,335.02
Total amount guaranteed of above three (C+D+E)	494,683.48
Explanation of the potential liability for satisfaction affiliated to the unexpired guarantee	No
Explanation of guarantee conditions	Notes

Notes:

① “Among the total amount of the above three guarantees (C+D+E),” the same guaranty item is calculated for once and non-repetitively;

② Foreign currency guarantee amount was converted into RMB amount in accordance with the middle exchange rate on December 28, 2018.

The Company's decision-making procedures for the performance of guarantees at the end of the report period were as follows:

(1)The Company's decision-making procedures for external guarantee (without guarantee to subsidiaries):

Serial No.	Secured party	Amount guaranteed (ten thousand yuan)	Guarantee content	Disclosure date	Procedure for examination and approval
1	Tongxin LONGi	12,201	Provided guarantees for the project loan from Tongxin LONGi to China Development Bank,	2015-7-7	The Eighth Meeting of the Third Board of Directors in 2015; Second

			Ningxia Branch	Extraordinary General Meeting in 2015
2	Tongxin LONGi	11,221	Provided guarantees for the project loan from Tongxin LONGi to China Development Bank, Ningxia Branch	
3	Tongxin LONGi	3,724	Provided guarantees for the project loan from Tongxin LONGi to China Development Bank, Ningxia Branch	
4	LONGi Tianhua	7,448	Provided guarantees for the project loan from LONGi Tianhua to China Development Bank, Ningxia Branch	

(2) The Company's decision-making procedures for financing guarantee to subsidiaries:

Serial No.	Secured party	Amount guaranteed (ten thousand yuan)	Guarantee content	Disclosure date	Procedure for examination and approval
1	Yinchuan LONGi	11,000	Provided guarantee for financing leases of Yinchuan LONGi and AVIC International Leasing Co., Ltd.	2014-10-23	The Seventh Meeting of the Third Board of Directors in 2014
2	LONGi Anfang	5,300	Provided guarantee for project loan application from LONGi Anfang to Bank of Beijing Co., Ltd., Xi'an Branch	2016-9-6	The Eleventh Meeting of the Third Board of Directors in 2016
3	Shouguan g Jinhe	22,400	Provided guarantee for project loan application from Shouguan Jinhe to Bank of Beijing Co., Ltd., Xi'an Branch	2016-9-6	The Eleventh Meeting of the Third Board of Directors in 2016
4	Hami Liurui	12,000	Provided guarantee for project loan application from Hami Liurui to Bank of Beijing Co.,	2016-9-29	The Thirteenth Meeting of the Third Board of Directors in 2016; Seventh Extraordinary

			Ltd., Xi'an Branch		General Meeting in 2016
5	Hami Liuyang	10,000	Provided guarantee for project loan application from Hami Liuyang to Bank of Beijing Co., Ltd., Xi'an Branch	2016-9-29	The Thirteenth Meeting of the Third Board of Directors in 2016; Seventh Extraordinary General Meeting in 2016
6	Yinchuan LONGi	15,000	Provided guarantees for other fixed asset loans application from Yinchuan LONGi to Bank of Ningxia Co., Ltd., Xicheng Branch	2016-12-13	The 17th Meeting of the Third Board of Directors in 2016; The First Extraordinary General Meeting in 2017
7	Wuxi LONGi	6,000	Provided guarantee for the credit business applied by Wuxi Longji to Wuxi Branch of Shanghai Pudong Development Bank Co., Ltd.	2017-1-5	The First Meeting of the Third Board of Directors in 2017; The First Extraordinary General Meeting in 2017
8	Yinchuan LONGi	20,000	Provided guarantee for project loan application from Yinchuan LONGi to Agricultural Bank of China Limited, Zhongning Branch	2017-1-14	The Second Meeting of the Third Board of Directors in 2017; The Second Extraordinary General Meeting in 2017
9	Yinchuan LONGi	14,400	Provided guarantee for the granting of credit application by Yinchuan LONGi to Agricultural Bank of China Limited, Zhongning Branch	2017-1-14	The Second Meeting of the Third Board of Directors in 2017; The Second Extraordinary General Meeting in 2017
10	Yinchuan LONGi	10,000	Provided guarantee for Yinchuan LONGi to apply for granting credit to Everbright Bank Co., Ltd., Yinchuan Branch	2017-3-11	Annual Meeting of Board of Directors in 2016
11	Zhejiang LONGi Solar	5,500	Provided guarantee for the financing application from Zhejiang LONGi Solar to Shanghai Pudong Development Bank Co., Ltd., Quzhou Branch	2017-3-11	Annual Meeting of Board of Directors in 2016; AGM (Annual General Meeting) in 2016

12	Cao-County Lezhao	42,800	Provided guarantees for project loan application from Cao-County Lezhao to Bank of Beijing Co., Ltd., Xian Branch	2017-4-1	The Fourth Meeting of the Third Board of Directors in 2017;The Third Extraordinary General Meeting in 2017
13	Yinchuan LONGi	24,000	Provided guarantee for the granting of credit application by Yinchuan LONGi to Agricultural Bank of China Limited, Zhongning Branch	2017-6-9	The Seventh Meeting of the Third Board of Directors in 2017;The Fourth Extraordinary General Meeting in 2017
14	Longxing New Energy	15,608	Provided guarantee for the financial leasing business applied for by CITIC Financial Leasing Co., Ltd. for Longxing New Energy	2017-6-9	The Seventh Meeting of the Third Board of Directors in 2017;The Fourth Extraordinary General Meeting in 2017
15	Zhejiang LONGi Solar	16,500	Provided guarantee for the credit business application from Zhejiang LONGi Solar to Hangzhou Bank Co., Ltd., Quzhou Branch	2017-7-19	The Tenth Meeting of the Third Board of Directors in 2017;The Fourth Extraordinary General Meeting in 2017
16	Zhejiang LONGi Solar	11,000	Provided joint and several liability guarantee for bank debts applied for by Zhejiang LONGi Solar to Quzhou Branch of Industrial and Commercial Bank of China Limited	2017-10-20	The 15th Meeting of the Third Board of Directors in 2017;The Fourth Extraordinary General Meeting in 2017
17	Huanglong Clean Energy	22,412	Provided collateral guarantee for financing leasing business application from Huanglong Clean Energy to CITIC Financial Leasing Co., Ltd.	2017-12-22	The 20th Meeting of the Third Board of Directors in 2017;The Fourth Extraordinary General Meeting in 2017
18	Yanchuan Solar	10,867	Provided joint and several guarantee for the financial leasing business applied for by Yanchuan Solar to CITIC Financial Leasing Co., Ltd.	2017-12-22	The 20th Meeting of the Third Board of Directors in 2017;The Fourth Extraordinary General Meeting in 2017

19	Taizhou LONGi Solar	15,000	Provided joint and several liability guarantee for the financing agreement applied by Taizhou LONGi Solar to Taizhou Branch of Industrial and Commercial Bank of China Limited	2018-1-20	The First Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
20	Yinchuan LONGi	12,000	Provided guarantee for the comprehensive credit line applied by Yinchuan LONGi to Yinchuan Branch of Shanghai Pudong Development Bank Co., Ltd.	2018-3-10	The Fourth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
21	LONGi Solar	1,500	Provided guarantee for LONGi Solar's application for credit to Xi'an Branch of HSBC Bank (China) Co., Ltd.	2018-3-10	The Fourth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
22	LONGi Solar	34,400	Provided guarantee for LONGi Solar's application for project loan to Xi'an Branch of Industrial Bank Co., Ltd.	2018-3-10	The Fourth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
23	Taizhou LONGi Solar	6,000	Provided guarantee for Taizhou LONGi Solar to apply for credit from Xi'an Branch of Shanghai Pudong Development Bank Co., Ltd.	2018-3-10	The Fourth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
24	LONGi Solar	10,000	The company transfers its credit quota to LONGi Solar from its branch of Xi'an Hi-tech Industrial Development Zone of China Construction Bank Co., Ltd. and undertakes irrevocable joint and several liability guarantee for its business under the credit quota	2018-3-24	The Fifth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018

25	Wuxi LONGi	10,000	Provided guarantee for Wuxi LONGi's credit granting in Wuxi Branch of Ningbo Bank Co., Ltd.	2018-3-24	The Fifth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
26	Taizhou LONGi Solar	50,000	Provided guarantee for Taizhou LONGi Solar to apply for credit from Taizhou Branch of Jiangsu Bank Co., Ltd.	2018-3-29	Annual Board of Directors in 2017; The First Extraordinary General Meeting in 2018
27	LONGi Solar	30,000	Provided guarantee for LONGi Solar's application for credit granting to Xi'an Branch of CITIC Bank Co., Ltd.	2018-4-26	The Sixth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
28	LONGi New Energy	20,000	Provided guarantee for LONGi New Energy to apply for credit toXi'an Branch of Ping An Bank Co., Ltd.	2018-4-26	The Sixth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
29	Lijiang LONGi	32,692	Provided collateral guarantee for Lijiang LONGi's financial leasing business application to China Foreign Trade Financial Leasing Company	2018-5-9	The Seventh Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
30	Lijiang LONGi	16,964	Provided collateral guarantee for Lijiang LONGi's financial leasing business application to China Foreign Trade Financial Leasing Company	2018-5-9	The Seventh Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
31	LONGi (H.K.)	20,000	Provided guarantee for LONGi (H.K.) to apply for loan from syndicate and sign guarantee contract	2018-6-9	The Ninth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
32	Longle Solar	4,218	Provided guarantee for the financial leasing business which Longle Solar applied to CITIC Financial Leasing Co., Ltd.	2018-6-16	The Tenth Meeting of the Third Board of Directors in 2018;The First Extraordinary General Meeting in 2018
33	Ningde LONGi	7,148	Provided guarantee for Ningde LONGi Solar's financial leasing	2018-6-16	The Tenth Meeting of the Third Board of Directors in

	Solar		business application to CITIC Financial Leasing Co., Ltd.		2018;The First Extraordinary General Meeting in 2018
34	Lechang LONGi Solar	6,679	Provided guarantee for Lechang LONGi Solar's financial leasing business application to CITIC Financial Leasing Co., Ltd.	2018-6-16	The Tenth Meeting of the Third Board of Directors in 2018; The First Extraordinary General Meeting in 2018
35	Jinli New Energy	3,398	Provided guarantee for Jinli New Energy's financial leasing business application to CITIC Financial Leasing Co., Ltd.	2018-6-16	The Tenth Meeting of the Third Board of Directors in 2018; The First Extraordinary General Meeting in 2018
36	Lemou Solar	6,796	Provided guarantee for Lemou Solar's financial leasing business application to CITIC Financial Leasing Co., Ltd.	2018-6-16	The Tenth Meeting of the Third Board of Directors in 2018; The First Extraordinary General Meeting in 2018
37	LONGi Solar	17,400	Provided guarantee for LONGi Solar to apply for credit from Xi'an Branch of China Everbright Bank Co., Ltd.	2018-7-14	The Second Meeting of the Fourth Board of Directors in 2018; The First Extraordinary General Meeting in 2018
38	Xinwei New Energy	10,101	Provided guarantee for Xinwei New Energy's financial leasing business application to CITIC Financial Leasing Co., Ltd.	2018-8-31	The Fifth Meeting of the Fourth Board of Directors in 2018; The First Extraordinary General Meeting in 2018
39	Leheng Solar	3,993	Provided guarantee for Leheng Solar's financial leasing business application to CITIC Financial Leasing Co., Ltd.	2018-8-31	The Fifth Meeting of the Fourth Board of Directors in 2018; The First Extraordinary General Meeting in 2018
40	Kuching LONGi, Thailand New Energy	15,000	Took responsibility for Kuching LONGi or Thailand New Energy as per the guarantee items	2018-8-31	The Fifth Meeting of the Fourth Board of Directors in 2018;The First Extraordinary General Meeting in 2018
41	LONGi Solar	20,000	Provided guarantee for LONGi Solar's application for credit granting to Xi'an Branch of Minsheng Bank Co., Ltd.	2018-9-22	The Sixth Meeting of the Fourth Board of Directors in 2018; The First Extraordinary General Meeting in 2018
42	LONGi	12,750	Provided guarantee for LONGi Solar's application for credit to	2018-9-22	The Sixth Meeting of the Fourth Board of Directors in

	Solar		Shaanxi Branch of Bank of Communications		2018; The First Extraordinary General Meeting in 2018
43	Yinchuan LONGi	32,000	Provided guarantee for Yinchuan LONGi to apply for credit business from Zhongning County Branch of Ningxia Branch of Agricultural Bank of China Co., Ltd.	2018-10-31	The Eighth Meeting of the Fourth Board of Directors in 2018; The First Extraordinary General Meeting in 2018
44	LONGi Solar	5000	Provided guarantee for LONGi Solar's application to Citibank (China) Limited for a credit equivalent to USD\$50 million or less	2018-10-31	The Eighth Meeting of the Fourth Board of Directors in 2018; The First Extraordinary General Meeting in 2018
45	LONGi Solar	30,000	Provided guarantee for LONGi Solar's financing business in Xi'an East Street Branch of Industrial and Commercial Bank of China Co., Ltd.	2018-11-28	The Ninth Meeting of the Fourth Board of Directors in 2018; The First Extraordinary General Meeting in 2018
46	Taizhou LONGi Solar	14,000	Provided guarantee for Taizhou LONGi Solar's financing business in Taizhou Branch of Industrial and Commercial Bank of China Limited	2018-11-28	The Ninth Meeting of the Fourth Board of Directors in 2018; The First Extraordinary General Meeting in 2018

(3) The Company's decision-making procedures for guarantee to subsidiaries

Serial No.	Secured party	Amount guaranteed (ten thousand dollars)	Guarantee content	Disclosure date	Procedure for examination and approval
1	Germany LONGi	8,017	Providing performance guarantee for German LONGi	2018-6-16	The Tenth Meeting of the Third Board of Directors in 2018; The Second Extraordinary General Meeting in 2018
2	The	3000	Providing	2018-6-16	The Tenth Meeting of the Third

	United States LONGi		performance guarantee for The United States LONGi		Board of Directors in 2018; The Second Extraordinary General Meeting in 2018
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(III) Entrusted Cash Assets Management

1. Entrusted Asset Management

(1) Overall Situation of Entrusted Asset Management

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Type	Capital source	Accrual	Unexpired balance	Uncollected amount overdue
Bank financial products	Self-owned capital	14,227,000,000.00	0	0

Other situations

Applicable Non-applicable

At the First Meeting of the Third Board of Directors held on January 19, 2018, the Company deliberated and adopted the Bill on the Use of Self-Owned Capital for Entrusted Financing in 2018. It was agreed that the Company (including holding subsidiaries) should use temporary idle Owned Funds with a maximum amount not exceeding RMB 3 billion for purchasing in 2018 without affecting the normal operating capital demand and capital security. Financial products of commercial banks can be invested and used on a rolling basis within the above quota. The financial management period shall not exceed one year, and the general manager of the company shall be authorized to handle relevant matters. During the reporting period, within the scope of the above board resolutions, the Company complied with the regulations to entrust its own funds for financial management, which improved the efficiency of the use of funds.

(2)Single Entrusted Asset Management

√Applicable □Nom-applicable

Unit: Yuan; Currency: RMB

Trustee	Type of entrusted asset management	Amount of entrusted asset management	Starting date of entrusted asset management	Expiry date of entrusted asset management	Capital source	Funds allocation	Confirmation of remuneration	Annual yield rate	Actual income or loss	Actual recovery	Statutory procedures passed or not
China Guangfa Bank	Bank financial products	200,000,000	2018-1-26	2018-2-26	Self-owned capital	Monetary market and bonds	Interest calculation based on actual financial days	4.24%	730,410.96	Full amount recovery	Yes
Industrial and Commercial Bank of China	Bank financial products	100,000,000	2018-1-10	2018-3-28	Self-owned capital	High liquidity assets such as bonds, deposits and other portfolios	Interest calculation based on actual financial days	3.03%	647,260.27	Full amount recovery	Yes
Shanghai Pudong Development Bank	Bank financial products	800,000,000	2018-1-17	2018-2-23	Self-owned capital	Interbank Market Central Ticket	Interest calculation based on actual	3.97%	3,266,666.67	Full amount recovery	Yes

							financial days				
China Guangfa Bank	Bank financial products	300,000,000	2018-2-23	2018-4-24	Self-owned capital	Monetary market and bonds	Interest calculation based on actual financial days	4.44%	2,219,178.08	Full amount recovery	Yes
Shanghai Pudong Development Bank	Bank financial products	1,000,000,000	2018-2-26	2018-3-30	Self-owned capital	Interbank Market Central Ticket	Interest calculation based on actual financial days	4.41%	3,919,444.44	Full amount recovery	Yes
China Everbright Bank	Bank financial products	400,000,000	2018-3-7	2018-3-22	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.10%	683,287.68	Full amount recovery	Yes
China Everbright Bank	Bank financial products	300,000,000	2018-3-14	2018-3-26	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.24%	424,109.59	Full amount recovery	Yes
Industrial and Commercial Bank of China	Bank financial products	100,000,000	2018-4-8	2018-5-16	Self-owned capital	High liquidity assets such as bonds, deposits and other portfolios	Interest calculation based on actual financial days	3.75%	395,616.44	Full amount recovery	Yes
Industrial and	Bank financial	100,000,000	2018-5-17	2018-6-21	Self-owned	High liquidity assets	Interest	3.45%	335,616.44	Full amount	Yes

Commercial Bank of China	products				capital	such as bonds, deposits and other portfolios	calculation based on actual financial days			recovery	
China Everbright Bank	Bank financial products	300,000,000	2018-7-12	2018-08-08 2018-08-09	Self-owned capital	Fixed income assets	Interest calculation based on actual financial days	4.03%	939,857.51	Full amount recovery	Yes
China Everbright Bank	Bank financial products	300,000,000	2017-12-4	2018-1-4	Self-owned capital	Fixed income assets	Interest calculation based on actual financial days	3.87%	1,000,000.00	Full amount recovery	Yes
China Everbright Bank	Bank financial products	500,000,000	2017-12-21	2018-2-22	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.29%	3,754,166.67	Full amount recovery	Yes
China Everbright Bank	Bank financial products	300,000,000	2018-1-4	2018-2-5	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	3.90%	1,040,000.00	Full amount recovery	Yes
China Everbright Bank	Bank financial products	400,000,000	2018-1-5	2018-3-5	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.32%	2,833,333.33	Full amount recovery	Yes

							financial days				
China Everbright Bank	Bank financial products	300,000,000	2018-1-10	2018-3-12	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.27%	2,170,000.00	Full amount recovery	Yes
China Minsheng Banking Corp.Ltd.	Bank financial products	300,000,000	2018-3-30	2018-5-7	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.16%	1,316,436.83	Full amount recovery	Yes
China Guangfa Bank	Bank financial products	300,000,000	2018-3-28	2018-5-2	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.39%	1,280,136.99	Full amount recovery	Yes
China Minsheng Banking Corp.Ltd.	Bank financial products	300,000,000	2018-4-26	2018-6-5	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.09%	1,364,383.56	Full amount recovery	Yes
China Minsheng Banking Corp.Ltd.	Bank financial products	1,000,000,000	2018-4-4	2018-5-14	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.34%	4,821,917.81	Full amount recovery	Yes
China	Bank financial	300,000,000	2018-5-3	2018-6-19	Self-owned	Bond portfolio, etc.	Interest	3.66%	1,432,191.78	Full amount	Yes

Minsheng Banking Corp.Ltd.	products				capital		calculation based on actual financial days			recovery	
Ping An Bank	Bank financial products	300,000,000	2018-5-16	2018-7-16	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.68%	2,381,506.85	Full amount recovery	Yes
China Minsheng Banking Corp.Ltd.	Bank financial products	300,000,000	2018-5-9	2018-6-12	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.93%	1,397,260.27	Full amount recovery	Yes
China Minsheng Banking Corp.Ltd.	Bank financial products	400,000,000	2018-5-16	2018-6-25	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.19%	1,863,013.70	Full amount recovery	Yes
China Minsheng Banking Corp.Ltd.	Bank financial products	300,000,000	2018-6-20	2018-7-30	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.49%	1,495,890.41	Full amount recovery	Yes
China Guangfa Bank	Bank financial products	300,000,000	2018-6-6	2018-7-11	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.34%	1,265,753.42	Full amount recovery	Yes

							financial days				
China Guangfa Bank	Bank financial products	300,000,000	2018-6-13	2018-7-18	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.47%	1,303,150.68	Full amount recovery	Yes
China Guangfa Bank	Bank financial products	300,000,000	2018-7-13	2018-8-20	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.45%	1,408,602.74	Full amount recovery	Yes
China Minsheng Banking Corp.Ltd.	Bank financial products	300,000,000	2018-7-20	2018-8-29	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.24%	1,413,698.63	Full amount recovery	Yes
Ping An Bank	Bank financial products	300,000,000	2018-7-18	2018-8-17	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	3.85%	961,643.84	Full amount recovery	Yes
China Guangfa Bank	Bank financial products	300,000,000	2018-7-31	2018-9-5	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.11%	1,233,863.01	Full amount recovery	Yes
China	Bank financial	600,000,000	2018-8-21	2018-9-25	Self-owned	Bond portfolio, etc.	Interest	3.95%	2,301,369.86	Full amount	Yes

Guangfa Bank	products				capital		calculation based on actual financial days			recovery	
China Guangfa Bank	Bank financial products	300,000,000	2018-9-6	2018-10-12	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	3.92%	1,174,684.93	Full amount recovery	Yes
Bank of Communications	Bank financial products	500,000,000	2018-9-29	2018-10-30	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.24%	1,826,027.40	Full amount recovery	Yes
Industrial Bank	Bank financial products	40,000,000	2018-10-12	2018-10-19	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	2.96%	23,013.70	Full amount recovery	Yes
Bank of Communications	Bank financial products	600,000,000	2018-10-18	2018-11-19	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.04%	2,156,712.33	Full amount recovery	Yes
Hang Seng Bank	Bank financial products	277,000,000	2018-10-24	2018-11-26	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	4.00%	1,015,759.00	Full amount recovery	Yes

							financial days				
China Guangfa Bank	Bank financial products	210,000,000	2018-11-22	2018-12-28	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	3.92%	811,923.29	Full amount recovery	Yes
China Guangfa Bank	Bank financial products	300,000,000	2018-11-2	2018-12-10	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	3.92%	1,159,890.41	Full amount recovery	Yes
China Guangfa Bank	Bank financial products	400,000,000	2018-11-23	2018-12-28	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	3.90%	1,495,890.41	Full amount recovery	Yes
China Guangfa Bank	Bank financial products	300,000,000	2018-11-21	2018-12-27	Self-owned capital	Bond portfolio, etc.	Interest calculation based on actual financial days	3.92%	1,205,589.04	Full amount recovery	Yes

Other situations

Applicable Non-applicable

(1) Devaluation preparation for entrusted asset management

Applicable Non-applicable

2. Entrusted loan

(1) Overall situation of entrusted loan

Applicable Non-applicable

Other situations

Applicable Non-applicable

(2) Single entrusted loan

Applicable Non-applicable

Other situations

Applicable Non-applicable

(3) Devaluation preparation for entrusted asset management

Applicable Non-applicable

3. Other situations

Applicable Non-applicable

(IV) Other Major Contracts

Applicable Non-applicable

(1) As of the disclosure date of this Report, the progress of major contracts for daily operations signed by the Company was as follows:

Serial No.	Contract type	Contract content	Contractor name	/Amount/ quantity	Date of signing	Progress
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1	Sales Framework Contract	Module sales	LONGi Solar and Tibet Dongxu Electric Power Engineering Co., Ltd.	303.5MW	2016/12/26	Actual implementation of 151.57 MW, the rest of the execution terminated
2	Long order purchase contract	Purchase of silicon material	OCI Company Ltd.and its subsidiary, OCIM Sdn. Bhd.	64,638 tons	2018/2/5	In progress
3	Long order purchase contract	Purchase of silicon material	Xinjiang DAQO New Energy Co., Ltd.	39,600 tons	2018/4/2	In progress
4			Sichuan Yongxiang Co., Ltd., Sichuan Yongxiang Polysilicon Co., Ltd. and Inner Mongolia Tongwei High Purity Silicon Co., Ltd.	55,000 tons	2018/5/22	
5	Long order purchase contract	Module sales	Developer of a Ground Power Station in the United States	About \$600 million	2018/7/17	Contract period not started yet
6		Purchase of silicon material	Xinte Energy Co., Ltd. and Xinjiang Xinte Crystal Silicon High-tech Co., Ltd.	91,080 tons	2018/7/27	Contract period not started yet
Serial No.	Contract type	Investment target	Contractor	Date of signing	Investment scale	Progress
1	Investment Agreement	5GW mono-silicon ingots, 5GW wafers and 500MW modules Project	The Company and Management Committee of Yinchuan Economic& Technology Development District	2015/9/8	5GW mono-silicon ingots, 5GW wafers and 500MW modules project	Production of silicon ingots and wafers realized;. Module project construction completed and production underway
2	Investment Agreement	Project of 500MW solar cells and modules in India	The Company and Andhra Pradesh Government, India	2015/9/23	500MW solar cells and modules	Due to the change of business environment, the project is suspended
3	Investment Agreement	Project with annual output of 500MW	LONGi Solar and Management Committee of Xi'an	2015/12/16	500MW modules	Partial

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		high-efficiency mono PV modules	Economic Technological Development Zone			production realized
4	Investment Agreement	Project with annual output of 5GW mono-silicon ingots in Lijiang	The Company and People's Government of Lijiang City	2016/7/26	5GW mono-silicon ingots	production realized
5	Investment Agreement	Project with annual output of 5GW mono ingots in Baoshan	The Company and People's Government of Baoshan City	2016/9/30	5GW mono-silicon ingots	production realized
6	Investment Agreement	Project with annual output of 10GW wafers in Chuxiong	The Company and People's Government of Chuxiong City	2016/12/2	10GW mono-silicon wafers	Production realized for the most part
7	Investment Agreement	Project with annual output of 5GW modules in Chuzhou	LONGi Solar and Committee of Chuzhou Economic & Technology Development District, Anhui Province	2018/1/4	5GW mono crystal modules	Production began in the first quarter of 2019
8	Investment Agreement	Project with annual output of 6GW mono-silicon ingots in Baoshan	The Company, People's Government of Baoshan City and the Government of Longling County	2018/3/28	6GW mono-silicon ingots	Construction in preparation
9	Investment Agreement	Project with annual output of 6GW mono-silicon ingots	The Company and People's Government of Lijiang City	2018/4/3	6GW mono-silicon ingots	Construction in preparation
10	Investment Agreement	Project with annual output of 10GW mono-silicon wafers	The Company, People's Government of Chuxiong Yi Autonomous Prefecture and People's Government of Lufeng County	2018/4/15	10GW mono-silicon wafers	Construction in preparation
11	Investment Agreement	Project with annual output of 5GW cells in Yinchuan	Ningxia LONGi Solar and Management Committee of Yinchuan Economic & Technology Development District	2018/9/13	5GW 5GW cells	Under construction, production is expected to start in June 2019

(2) By the end of this report, the implementation progress of major investment contracts signed by the company is as follows:

XVI.Explanation of Other Major Issues

Applicable Non-applicable

With the approval of the First Meeting of the Fourth Board of Directors in 2018 and the Third Provisional Shareholders' Meeting in 2018, the Company applies to the China Association of Interbank Market Traders (hereinafter referred to as the "Traders Association") for the registration and issuance of medium-term bills and short-term financing bills. On December 4, 2018, the Traders' Association issued the Notice of Acceptance of Registration, accepting the registration amount of the company's medium-term bills to be RMB 2 billion yuan, and the registration amount of short-term financing bills to be 2 billion yuan. Until the end of the reporting period, the company has issued its first batch of short-term financing bills in 2018 totaling 500 million yuan, with a period of 365 days and the payment date being 24 December 2019. (See the Announcements of Lin2018-085, Lin2018-150 and Lin2018-152 disclosed by the Company on July 3, December 21, and December 26, 2018 respectively for details)

Approved by the First Meeting of the Company's Fourth Board of Directors in 2018 and the Third Provisional Shareholders' Meeting in 2018 and confirmed by China Securities Regulatory Commission's "Approval of the Rights Issue of LONGi Green Energy Technology Co., Ltd" (Securities Regulatory License [2019] 202), the Company allotted shares to all shareholders with the ratio of 3 new shares per every 10 existing shares. Until the disclosure date of this report, the allocation has been completed. The actual number of allocations is 833,419,462 shares. On April 29, 2019, the new shares are listed. (See the Announcements of No. 2018-098, No. 2019-020, No. 2019-054 and No. 2019-056 disclosed by the Company on July 3, 2019, February 23, 2019, April 17, 2019 and April 24, 2019 respectively)

XVII. Active Taking of Social Responsibility

(I) Targeted Poverty-relief Work of the Listed Company

Applicable Non-applicable

1. Precise poverty alleviation planning√Applicable Non-applicable

As a promoter of renewable energy development and guided by the principle of sustainable development, the company actively responds to the national call for poverty alleviation, relying on the photovoltaic poverty alleviation project and the enterprise's own technology and industry support. It comprehensively implements the precise poverty alleviation policy from the aspects of investment and construction of photovoltaic poverty alleviation power stations, efficient photovoltaic products and solutions, and helps the people in poor areas to get rid of poverty and increase income, achieving sustainable development of the economy and environment.

2. Overview of annual precise poverty alleviation√Applicable Non-applicable

During the reporting period, the Company included poverty alleviation projects in the social responsibility construction plan, and combined it with the advantages of photovoltaic industry in poverty alleviation, carrying out precise poverty alleviation work in the fields of photovoltaic power station construction, fixed-point assistance and education.

(1) The Company actively promotes the construction of photovoltaic poverty alleviation power plants, and has completed the system unification of the Datong 30MW photovoltaic poverty alleviation project, Guangling 30MW photovoltaic poverty alleviation project and Shenrao 20MW photovoltaic poverty alleviation project. The total investment of the three projects is 540 million yuan, directly benefiting 2667 poor households with archived licenses. It ensured that the poor households can obtain long-term and stable power generation income with high efficiency and reliability. For more than 20 years, hematopoietic poverty alleviation has promoted local sustainable development.

(2) The Company carries out fixed-point assistance work, aiming at building a "sustainably developing community". It cultivates local characteristic industries and improves residential conditions by supporting apiculture, donating solar street lamps and subsidizing poor students in Hongcheng Water, Tongxin County, Ningxia. In addition, Baoshan LONGi helps more than 20 poverty-stricken families renovate their dilapidated houses and improve living conditions in Mengla Town, Longling County.

(2) The Company actively carries out educational poverty alleviation by setting up scholarships and grants and donating photovoltaic modules to schools in poor areas, and organizes and encourages company managers and other employees to actively participate in various forms of educational poverty alleviation public welfare activities.

3. Precise Poverty Alleviation Achievements

√Applicable □Non-applicable

Unit: Ten Thousand Yuan; Currency: RMB

Indicators	Quantity and implementation
I. Overall situation	
Wherein: 1. Funds	54,059.50
2. Material Value in Monetary Terms	19.5
II. Sub-category devotion	
1. Industrial Development to Eliminate Poverty	
Wherein: 1.1 Types of Industrial Poverty Alleviation Projects	<input type="checkbox"/> Poverty Alleviation by agriculture and forestry industry <input type="checkbox"/> Poverty Alleviation by tourism <input type="checkbox"/> Poverty Alleviation by E-commerce <input checked="" type="checkbox"/> Poverty Alleviation by assets income <input type="checkbox"/> Poverty Alleviation by science and technology <input type="checkbox"/> Others
1.2 Number of Poverty Alleviation Projects in Industry (Number)	3
1.3 Investment Amount of Industrial Poverty Alleviation Projects	54,000
1.4 Number of archived people lifted out of poverty	2,667
4. Educational poverty alleviation	
Wherein: 4.1 Amount of investment in subsidizing poor students	37
4.2 Number of Poor Students (Persons)	140
4.3 Investment Amount of improving Educational Resources in Poverty-stricken Areas	3.5

8. Social Poverty Alleviation	
8.2 Amount of Investment in Poverty Alleviation at Fixed Points	22.5
9. Other projects	
Wherein:9.1 project number (number)	1
9.2 Amount of investment	16
9.3 Other project explanation	Donation of 120 high-efficiency PERC monocrystal modules and 108 monocrystal bifacial modules to Tangtou Village Poverty Alleviation Power Station, Gaozhou City, Guangdong Province
III. Awards (Content, Level)	In December 2018, the Company won the "Outstanding Corporate Award for Social Responsibility" at the 11th China Corporate Social Responsibility Summit co-sponsored by Xinhua Net and the Chinese Academy of Social Science. In September 2018, the Company won the award for "Most Influential Poverty Alleviation Photovoltaic Enterprise" in the China Energy Industry Poverty Alleviation Summit 2018 sponsored by China Reform Daily. LONGi Solar was awarded the "Social Responsibility Award for Poverty Alleviation in China's Energy Industry". In March 2018, the Clean Energy Company was awarded the "Advanced Social Organizations for Helping the Poor" for its outstanding demonstration and driving role in the poverty alleviation work of Hainan Province in 2017 through the Baisha 20MW Photovoltaic Poverty Alleviation Project.

3. Future Precise Poverty Alleviation plans

√Applicable Non-applicable

In 2019, the Company will continue to actively respond to the call for precise poverty alleviation and continue to deepen the content of poverty alleviation projects. In the construction of photovoltaic poverty alleviation power plants, it will ensure high power generation volume by keeping high conversion rate and offering high stability products, so that more poor households can continue to benefit steadily. At the same time, the Company will carry out various ways of precise poverty alleviation work and take corporate social responsibility.

(II) Social Responsibility Work

√Applicable Non-applicable

See more details in Annual Social Responsibility Report in 2018 disclosed on the same day by the Company.

(III) Environment

Key sewage discharge units	Key pollutants Discharged	Ways of discharge	Number of discharge outlet	Discharge concentration	Discharge standard	Total discharge volumes	Verified discharge volumes

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Parent company-key monitored unit of state-controlled waste water	COD, Ammonia Nitrogen, PH, SS, Petroleum	Continuous discharge	2	"COD: 102 mg/L; Ammonia nitrogen: 1.03mg/L; Ph:7.3; SS: 3.8 mg/L; Petroleum: 0.045 mg/L"	Yellow River Basin Integrated Waste water Discharge Standard (Shaanxi Section) (DB61/224-2011) level II standard and Level 3 of Comprehensive Sewage Discharge Standard (GB8978-1996)	"COD: 58.62 t; Ammonia nitrogen: 0.58 t; SS:9.76 T; Petroleum: 0.18 t"	COD \leq 163.5 t/a; Ammonia nitrogen \leq 1.7 t/a; SS \leq 196.1 t/a; Petroleum \leq 4.5 t/a
Yinchuan LONGi, Key Monitored Unit of Local Waste water	PH, COD, SS, fluoride	Continuous discharge	3	"PH: (6-9); COD \leq 71 mg/L; SS \leq 102.7 mg/L; Fluoride \leq 8.61mg/L"	Level 3 of Comprehensive Sewage Discharge Standard	"Total discharge of waste water: 2.5137 million cubic meters; COD 151.75t; Ss183.97t; 17.247t fluoride; Ammonia nitrogen 7.808t"	"Total discharge of waste water: 2.6 million cubic metres per year (including drainage from three factories) COD445.3t/a; ss356.24t/a; 18 t/a fluoride; Ammonia nitrogen 40.07 t/a"
Yinchuan LONGi, Key Monitored Unit for Dangerous Waste	Waste oil residue and resin	Entrusting qualified units to centralized disposal	-	-	(GB18957-2001) Pollution Control Standard for Hazardous Waste Storage (GB18957-2001)	"Waste oil residue: 91.71 t; Waste resin: 0.52 t"	"Waste oil residue: 315 t/a; Waste resin: 5.5 t/a"

Ningxia LONG, Autonomous Region and Local Key Monitored Unit for Dangerous Waste	Waste sludge	Entrusting qualified units to centralized disposal	-	-	(GB18957-2001) Pollution Control Standard for Hazardous Waste Storage (GB18957-2001)	Waste sludge: 38.03 t	Waste sludge: 65 t/a
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1. Environmental Protection explanation of companies with key pollutant discharge units listed by the environmental protection department, and their important subsidiaries

Applicable Non-applicable

(1) Discharge information

Applicable Non-applicable

During the reporting period, the parent company of the company is the national key unit being monitored on waste water, the wholly-owned subsidiary Yinchuan LONGi is the key unit monitored by the government of Yinchuan on waste water and hazardous wastes, and the wholly-owned subsidiary Ningxia LONGi is the key unit monitored by the government of the autonomous region and the local prefectures on hazardous wastes. The relevant units' sewage discharge information is as follows:

(1) Construction and operation of pollution prevention facilities

Applicable Non-applicable

The Company and its subsidiaries carry out production and operation in strict accordance with the requirements of environmental protection, and have complete environmental protection facilities. During the reporting period, the Company's key pollutant discharge units' pollution prevention facilities operate normally to ensure that the pollutants are discharged up to the standard after treatment. The specific situation is as follows:

The existing physical and chemical waste water treatment system in the northern part of the parent company has a design capacity of 3800 tons per day, and the current treatment capacity is 1500 tons per day. The daily treatment capacity of the existing physical and chemical waste water treatment system in the southern part is about 800 tons, which ensures the discharge of waste water up to the standard.

Yinchuan LONGi No.1 Plant has a cleaning acid-base waste water treatment system with comprehensive waste water treatment capacity of 27,456 m³/a, a machine-added waste water treatment system with comprehensive waste water treatment capacity of 250 m³/d, a 500 MW machine-added waste water treatment facility and a machine-added waste water treatment capacity of 250 m³/d; The No.2 plant has a design capacity of 150 m³/d, three septic tanks with a capacity of 80 m³/d, one acid-containing waste water treatment facility with a capacity of 250m³/d, two coagulation-sedimentation-air flotation pretreatment facilities, one high-pressure plate-frame pretreatment facility, one comprehensive waste water treatment system with a capacity of 6 000 m³/d, and one advanced treatment facility with a capacity of "Ultrafiltration+reverse osmosis"; two hazardous waste warehouses have been established. It guarantees the discharge of waste water and the treatment of waste oil residue and resin meet the standard.

There is a hazardous waste warehouse in Ningxia LONGi, which guarantees the legitimatedisposal of waste sludge.

(4)Environmental Impact Assessment of Construction Projects and Other Administrative Licenses for Environmental Protection

Applicable Non-applicable

The environmental impact assessment and other administrative permits for environmental protection of the construction projects of the key sewage discharge units mentioned above are as follows:

Parent company: 1) WEDM technology transformation project completed environmental impact assessment on August 19, 2016, and environmental protection acceptance on April 12, 2017. The project was approved by the National Civil Space Industry Base Branch of Xi'an Environmental Protection Bureau. The number of replies were: Xihang Ring Approval (2016) 33 and (2017) 09, respectively; 2) Annual production of 1.15GW wafers expansion. The environmental impact assessment of the project was completed on August 19, 2016, and the environmental acceptance of the project was completed on September 9, 2017. The approval numbers are: Xihang Ring Approval (2016) 34 and (2017) 15 respectively. The discharge of various pollutants including waste water, exhaust gas, noise and solid waste (including hazardous waste) has been approved by Xi'an Environmental Protection Bureau and the discharge permit code is 91610116710181352. 1001W.

Yinchuan LONGi: 1) The annual production of 2000 tons of mono-silicon ingots construction project was approved by the EIA report in January 2010, and the approval number was "Silver Environmental Protection Examination Letter" [2010] 27. The EIA acceptance was completed in November 2011, and the approval number was "Environmental Examination No. 120". 2) The annual production of 500MW mono-silicon ingots/wafers project was approved by the EIA report in July 2015. The approval number is "Silver Assessment [Ring] Letter [2015] 214, and the EIA acceptance was completed in September 2017. The approval number is"Silver Ring Inspection [2017] 46". (3) The annual production of 1.2GW mono-silicon ingots project was approved by the EIA report in August 2014 with the approval number of Silver Environmental Protection Examination Letter [2014] 187, and the

approval number of the EIA acceptance was Silver Ring Inspection [2017] 45 in September 2017; (4) The annual production of 5GW mono-silicon ingots and 5GW wafers project was approved by the EIA on April 13, 2017. The approval number is [2018] 59 issued by Yinchuan LONGi on December 15, 2018.(5) Yinchuan LONGi applies to the Environmental Protection Bureau for permission to discharge waste water and waste gas every year, and completes the review of discharge permit in April, 2018. The number of discharge permit is "Yinchuan LONGi Permit [2012] CGYX0006.

Ningxia LONGi: (1) LONGi 1000t/a monocrystal project, 1800t/a monocrystal project, machine adding and cleaning project in Ningxia completed EIA on January 4, 2007, February 23, 2010 and November 4, 2010 respectively, and obtained the EIA approval from the local environmental protection administrative department. The approval documents were: Zhongning Jianhuan [2007] 2, Ninghuan [2010] 11, Zhongning Environmental Distribution [2010] 105. 28 December 2007, 22 January 2013 and 21 June 2011, the three projects passed the environmental protection completion acceptance. The competent administrative departments of environmental protection gave approval for the completion acceptance of Zhongning Jianhuan Inspection (2007) 08, Ninghuan Inspection (2013) 6 and Environmental Inspection (2011) 003 respectively. (2) The 1000MW monocrystal silicon construction project of LONGi New Construction Project in Ningxia was organized for acceptance in December 2017 (acceptance number: Ninglu Ring Inspection Certificate (2017) No. 444). The project was announced on the website of Zhongning County Government on January 23, 2018. On December 20, 2018, the Zhongning Environmental Protection Bureau approved the project for record with 640521 2018010 record number. (3) Ningxia LONGi applies to the Environmental Protection Bureau for permission of waste water and exhaust gas discharge every year, and completes the processing of discharge permit in February 2018. The number of discharge permit is Ningxia (Zhongning) ring discharge permit [2018] 03.

(5)Contingency Plan for Emergency Environmental Events

Applicable Non-applicable

The Company attaches great importance to environmental emergency warning and risk prevention and control. The above key pollutant discharge units have completed the Contingency Plan for Emergency Environmental Events and put it on record in the local environmental protection department.The details are as follows:

The parent company's Contingency Plan for Emergency Environmental Events (2015 edition) has been put on record in the Space Branch of Xi'an Environmental Protection Bureau. The number of the plan is 610100-2015-001

Yinchuan LONGi Contingency Plan for Emergency Environmental Events (revised version 2018) has been put on record by Yinchuan Environmental Protection Bureau. The number of the plan is 6401002018009L/6401002018010L (the first and second factories are respectively put on record).

Ningxia LONGi Contingency Plan for Emergency Environmental Events (2016 Revised Edition) has been put on record in Zhongning County Environmental Protection Bureau, the record number is 642124 2016005.

(6)Environmental self-monitoring program;

Applicable Non-applicable

According to the actual production situation of the enterprises, all the key pollutant discharging units of the company have formulated their self-monitoring schemes of the environment, which are as follows:

Wastewater monitoring of parent company: (1) Real-time online monitoring of waste water, uploading monitoring data every 2 hours; monthly out-of-commission testing of petroleum and SS pollutants; (2) Internal self-testing at the total discharge port 3 times a day, comparing with online data, to ensure that the discharge standards are met.

Yinchuan LONGji Waste water and Dangerous Waste Monitoring: (1) Internal monitoring once a day at the total outlet of waste water, and external monitoring once a year; (2) Hazardous Waste Disposal Contract signed with qualified units, and Dangerous Waste Disposal Joint List was declared and disposed of through the "Dynamic Monitoring Information System of Solid Hazardous Waste".

Ningxia LONGi hazardous waste monitoring: monthly internal supervision and inspection of the five lists of hazardous waste disposal and compliance disposal.

(7)Other environmental information that should be made public

Applicable Non-applicable

2. Explanation of Environmental Protection of Companies Other than Key Sewage Disposal Units

Applicable Non-applicable

The Company and its subordinate enterprises always attach importance to environmental protection, strictly follow the requirements of environmental protection to build and improve environmental protection facilities, consciously fulfill environmental protection social responsibility. During the reporting period, by continuously strengthening daily production and management, strengthening environmental protection publicity, improving environmental management system and emergency treatment system for environmental emergencies, strengthening energy management, carrying out process improvement and technological transformation, energy saving, consumption reduction and waste reduction are realized, and pollutants discharge up to standard and compliance disposal are ensured.

3. Explanation of the reasons why companies other than key pollutant discharge units do not disclose environmental information

Applicable Non-applicable

4. Explanation of the follow-up progress or changes in the disclosure of environmental information during the reporting period

Applicable Non-applicable

(4) Other explanations

Applicable Non-applicable

XVIII.Convertible corporate bonds

(I) Issuing of convertible bonds

Applicable Non-applicable

Approved by the China Securities Regulatory Commission (CSRC) on the approval of LONGi Green Energy Technology Co., Ltd. to publicly issue convertible bonds (CSRC License [2017] 1594), the Company issued 28 million convertible bonds on November 2, 2017 (Bond Abbreviation: LONGi Convertible Bonds, Bond Code: 113015). The issuance price is 100 yuan each, and the total amount of fund raised is RMB2.8 billion. The actual net amount of fund raised is RMB 2761.26 million. The fund raised has arrived on November 8, 2017, and has been verified by Ruihua Certified Public Accountants (Special General Partnership) and issued Ruihua Verification Report No. 01290004.

This issuing of convertible bonds has been listed on the Shanghai Stock Exchange on November 20, 2017. The date of survival is from November 2, 2017 to November 1, 2023, and the date of conversion is from May 8, 2018 to November 1, 2023. (See Proclamation No. 2017-111 and Proclamation No. 2017-122 disclosed by the Company on October 31, 2017 and November 16, 2017 for details)

(II) The situation of the holders and guarantors of convertible bonds in the reporting period

Applicable Non-applicable

Possessors of end-of-term convertible bond	7,353
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Cautioner of the Company's convertible bond	No	
Information of top 10 possessors of convertible bond is as follows:		
Name of possessor of the Company's convertible bond	Number of debts held at the enthe period (Yuan)	Holding ratio (%)
UBS AG	344,291,000	12.31
Social Security Fund-117 portfolio	180,735,000	6.46
China Life Insurance Co., Ltd. -Dividend-Individual Dividend-005L-FH002 Shanghai	138,977,000	4.97
Social Security Fund-1002 portfolio	95,678,000	3.42
China Merchants Bank Co., Ltd. - Xingquan Suitable for Flexible Allocation of Mixed Securities Investment Funds	78,312,000	2.8
Social Security Fund-105 portfolio	68,983,000	2.47
Guoyuan International Holding Co., Ltd. - Customer Funds (Stock Exchange)	60,337,000	2.16
Bank of China-E Fund Steady Income Bond Investment Fund	52,002,000	1.86
Social Security Fund-215 portfolio	45,027,000	1.61
Industrial Bank Co., Ltd. - AEGON Organic Growth and Flexible Allocation of Mixed Securities Investment Funds	43,528,000	1.56

Note: The number of holders of convertible bonds in the table above is the number of people who have consolidated general accounts and margin and margin credit accounts, while the number of people who have not consolidated general accounts and margin and margin credit accounts is 7,192.

(III) Change of convertible bonds in the reporting period

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Name of Convertible Corporate Bond	Before this change	Increase or decrease in this change			After this change
		Conversion of shares	Redeem	Resale	
LONGi Convertible Bond	2,800,000,000	2,315,000	0	0	2,797,685,000

Accumulated Conversion of Reporting Period Debt to Equity

Applicable Non-applicable

Transfer of shares in the reporting period (RMB)	2,315,000
Number of shares converted during the reporting period (shares)	74,422
Accumulated number of shares converted (shares)	74,422
Proportion of the cumulative number of shares converted to the total number of shares issued by the Company before the conversion (%)	0.004
Unconverted shares (yuan)	2,797,685,000
The proportion of non-convertible bonds to total convertible bond issuance (%)	99.917

(IV) Price adjustment of converted shares

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Conversion Price Adjustment Date	Adjusted share price	Disclosure time	Media disclosure	Explanation on Price Adjustment of Conversion Stock
May 29, 2018	22.98	May 22, 2018	China Securities Daily Shanghai Securities Daily	During the reporting period, in view of the Company's implementation of the equity allocation plan for 2017, according to the relevant provisions of the Instructions for Public Issuance of Convertible Corporate Bonds, the initial conversion price was adjusted accordingly, and the initial conversion price was 32.35 yuan per share.

			Securities Times Securities Daily	
The latest convertible price as of the end of this report	22.98			

(V)The Company's liabilities, changes in creditworthiness and cash arrangements for repayment of debts in future years
Applicable Non-applicable

As of December 31, 2018, the assets-liability ratio of the consolidated statements of the company was 57.58%.

On May 28, 2018, United Credit Rating Co., Ltd. issued a related rating report on the above convertible corporate bonds (bond code: 113015, bond abbreviation: LONGi Convertible Bond) to maintain the long-term credit rating of the main body of the Company as "AA+" and the rating outlook as "stable"; meanwhile maintaining the credit rating of the debt as "AA+".

In the future, the capital of the Company to pay the principal and interest of the convertible bonds mainly comes from the cash flow generated by the Company's business activities. Until the end of the reporting period, the Company's main business is stable, its financial situation and cash flow generated by business activities are good, and it has strong solvency.

(VI)Explanation on other situations of debt conversion

Applicable Non-applicable

Section VI Changes in Common Shares and Shareholders

I. Changes in common stock

(1) Table of changes in common shares

1. Table of changes in common shares

Unit: Share

	Before this change		Increase or decrease in this change (+,-)					After this change	
	Quantity	Proportion (%)	New shares issued	Bonus share issued	Transfer shares of reserved funds	Others	Subtotal	Quantity	Proportion (%)
I. Stock with restricted sales conditions	27,746,490	1.39	0	0	7,384,060	-26,072,263	-18,688,203	9,058,287	0.32
1. State shareholdings	0	0	0	0	0	0	0	0	0
2. Shareholdings of national legal personnel	0	0	0	0	0	0	0	0	0
3. Shareholdings of other domestic enterprises	27,746,490	1.39	0	0	7,384,060	-26,072,263	-18,688,203	9,058,287	0.32

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Including: shareholdings of domestic non-state- owned legal personnel	0	0	0	0	0	0	0	0	0
Shareholdings of domestic natural personnel	27,746,490	1.39	0	0	7,384,060	-26,072,263	-18,688,203	9,058,287	0.32
4. Foreign shareholdings	0	0	0	0	0	0	0	0	0
Including: shareholdings of foreign legal personnel	0	0	0	0	0	0	0	0	0
Shareholdings of foreign natural personnel	0	0	0	0	0	0	0	0	0
II. Circulating stock without restricted sales conditions	1,966,243,159	98.61	0	0	790,237,394	25,249,523	815,486,917	2,781,730,076	99.68
1. RMB common shares	1,966,243,159	98.61	0	0	790,237,394	25,249,523	815,486,917	2,781,730,076	99.68

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2. Domestically listed foreign shares	0	0	0	0	0	0	0	0	0
3. Overseas-listed foreign shares	0	0	0	0	0	0	0	0	0
4. Others	0	0	0	0	0	0	0	0	0
III. Total common shares	1,993,989,649	100	0	0	797,621,454	-822,740	796,798,714	2,790,788,363	100.00

2. Description of changes in common shares

√Applicable □Non-applicable

(1) The company completed the unlocking and listing of the first phase and the second phase of reserved shares in the first restricted share incentive plan on January 8, 2018, December 3, 2018, and December 21, 2018, respectively, and the restricted shares unlocked and listed for circulation amounted to 9,286,340 shares, 5,370,785 shares, and 10,517,976 shares respectively (for more details, please refer to the Company's relevant announcements disclosed on January 3, 2018, Pro 2018-003, Pro 2018-136, Pro 2018-149).

(2) During the reporting period, the company implemented the annual equity distribution in 2017. According to the relevant equity distribution plan, based on the company's total share capital of 1,994,053,635 shares before the implementation, a cash dividend of 0.18 yuan (including tax) per share was distributed, transferring 0.4 shares per share to all shareholders by capital reserve fund, and the total share capital was 797,621,454 shares (please refer to Announcement No. 2018-060 disclosed by the company on May 22, 2018).

(3) On November 19, 2018, the company completed a partial repurchase and cancellation of 897,162 restricted shares that have been granted to the first phase and the second phase restricted stock incentive plans and have not been unlocked (please refer to Announcement No. 2018-133 disclosed by the company on November 17, 2018).

(4) Since May 8, 2018, the company's convertible corporate bonds (the bond referred to as "LONGi Convertible Bonds", bond code "113015") began to convert shares. As of December 31, 2018, the cumulative number of shares converted was 74,422 shares. (Please refer to Announcement No. 2019-001 disclosed by the company on January 3, 2019).

3. The impact of changes in common stocks on financial indicators such as earnings per share and net assets per share for the most recent year and the most recent period (if any)

Applicable Non-applicable

During the reporting period, due to the completion of the company's implementation of capital reserve conversion to share capital, repurchase of restricted stocks of some equity incentive plans that do not meet the unlocking conditions, and the change of share capital of the company's convertible bonds, the company's total share capital increased from 1,993,989,649 shares to 2,790,788,363 shares, which led to the company's earnings per share in the most recent year diluting, and the net assets per share decreasing.

4. Any other content that the Company deems necessary or should be disclosed under the requirements of securities regulator

Applicable Non-applicable

(II) Changes in restricted shares

Applicable Non-applicable

Unit: Share

Name of Shareholders	Number of shares with restricted sales at the beginning of the year	Number of shares with restriction relief by this year	Number of shares with restricted shares increased in this year	Number of restricted shares at end of this year	Reasons for restriction	Date of release of restricted sales
Incentive objects granted for the first time in the first phase of restricted share incentive plan	14,128,290	16,771,176	3,150,036	57,960	Locked shares granted for the first time in the first phase of restricted share incentive plan	Unlocked and listed in four phases (Note ③)
Reserved targets in the first phase of restricted share incentive plan	1,840,000	2,216,000	460,000	84,000	Locked shares of the reserved targets in the first phase of restricted share incentive plan	Unlocked and listed in three phases(Note ③)

Incentive targets granted for the first time in the second phase of restricted share incentive plan	11,778,200	6,187,925	3,774,024	8,916,327	Locked shares granted for the first time in the second phase of restricted share incentive plan	Unlocked after November 7, 2019 (Note④)
In total	27,746,490	25,175,101	7,384,060	9,058,287		

Note:

- ① "Increased number of restricted shares this year" refers to the increase in the number of restricted shares caused by the company's implementation of 2017 capital reserve to increase share capital.
- ② On November 19, 2018, the company completed the repurchase and cancellation of 897,162 restricted shares that have been granted by the company's partial first phase and second phase restricted stock incentive plans and have not been unlocked, resulting in a decrease of 897,162 shares in this year. .
- ③ The shares held at the end of the year due to the incentives of the first phase restricted stock incentive plan are those whose holders have resigned but have not been submitted to repurchase and cancellation, and will be repurchased by the company.
- ④ The actual release date of the remaining restricted shares of the second phase restricted stock incentive plan is subject to the announcement of the relevant unlocked listing disclosed by the company.

II. Securities Issuing and Listing

(I) Securities issuing as of the reporting period

Applicable Non-applicable

Explanation of the issuing of securities as of the reporting period (deposits with different interest rates during the duration of the period, please specify separately):

Applicable Non-applicable

(II) Changes in the total number of common shares, shareholder structure and company's assets and liabilities structure

Applicable Non-applicable

During the reporting period, due to the implementation of capital reserve conversion to share capital, equity incentives for restricted stock unlocking and repurchase, and share transfer of convertible bonds, the total number of shares and shareholder structure of the company changed. For details, please refer to the “Changes in common stock” in this section. Changes in related shares have relatively small impact on the company's assets and liabilities structure.

(III) Existing Internal Staff Shares

Applicable Non-applicable

III. Information of Shareholders and Actual Controllers

(I) Total Shareholders

The total number of common shareholders at the end of the report period (residential)	64,709
Total number of common shareholders at the end of previous month prior to the disclosure of the Annual Report (residential)	72,435

Note: The total number of shareholders mentioned above is the consolidated ordinary account and the margin account data of the margin financing and securities lending account. The data of the unconsolidated ordinary account and the margin financing and securities lending account are: 60,851 ordinary shareholders at the end of the reporting period. At the end of the previous month, the number of common stockholders was 68,083.

(II) Table for Shareholding of Top Ten Shareholders and Top Ten Circulating Shareholders (or shareholders without restricted conditions) at the end of the Report Period

Unit: Share

Shareholding of Top 10 Shareholders							
Shareholders (full name)	Increase or decrease during the reporting period	Number of shares held at the end of the period	Proportion (%)	Number of shares with limited sales conditions	Conditions of pledge or freeze		Nature of shareholder
					Stock status	Quantity	

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Li Zhenguo	120,455,182	418,845,437	15.01	0	Pledge	229,496,000	Natural person in the territory
Li Chun'an	87,479,824	306,179,384	10.97	0	Pledge	101,000,000	Natural person in the territory
Li Xiyan	42,674,239	149,359,835	5.35	0	Pledge	8,120,000	Natural person in the territory
Western Trust Co., Ltd.-Western Trust Shaanxi Coal and Chemical Industry-Rosefinch Industry Investment Single Money Trust	39,836,017	139,426,060	5.00	0	None	0	State-owned legal person
China Merchants Bank Co., Ltd. - Aegon HeYi Flexible Allocation of Hybrid Securities Investment Fund	Unknown	118,321,708	4.24	0	None	0	Unknown
Hong Kong Central Clearing Co., Ltd.	69,014,952	83,819,216	3.00	0	None	0	Offshore legal person
Shaanxi Coal Industry Co., Ltd.	83,340,004	83,340,004	2.99	0	None	0	State-owned legal person

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Central Huijin Asset Management Co., Ltd.	16,379,960	57,329,860	2.05	0	None	0	State-owned legal person
Industrial Bank Co., Ltd. - Aegon Trend Investment Hybrid Securities Investment Fund	51,171,654	51,171,654	1.83	0	None	0	Unknown
Chen Fashu	44,476,953	49,852,756	1.79	0	None	0	Natural person in the territory
Shareholding of Top 10 Shareholders without Limited Sales Conditions							
Shareholders	The number of circulation shares held without limited sales conditions		Stock category and quantity				
			Category			Quantity	
Li Zhenguo	418,845,437		RMB common stock			418,845,437	
Li Chunan	306,179,384		RMB common stock			306,179,384	
Li Xiyan	149,359,835		RMB common stock			149,359,835	
Western Trust Co., Ltd.-Western TrustShaanxi Coal and Chemical Industry-Rosefinch Industry Investment Single Money Trust	139,426,060		RMB common stock			139,426,060	

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China Merchants Bank Co., Ltd. - Aegon HeYi Flexible Allocation of Hybrid Securities Investment Fund	118,321,708	RMB common stock	118,321,708
Hong Kong Central Clearing Co., Ltd.	83,819,216	RMB common stock	83,819,216
Shaanxi Coal Industry Co., Ltd.	83,340,004	RMB common stock	83,340,004
Central Huijin Asset Management Co., Ltd.	57,329,860	RMB common stock	57,329,860
Industrial Bank Co., Ltd. - Aegon Trend Investment Hybrid Securities Investment Fund	51,171,654	RMB common stock	51,171,654
Chen Fashu	49,852,756	RMB common stock	49,852,756
Description of aforementioned shareholders' relationship or concerted action	Mr. Li Zhenguo, Ms. Li Xiyan and Mr. Li Chunan were acting in concert; The principal and beneficiary of Western Trust Co., Ltd.-Western TrustShaanxi Coal and Chemical Industry-Rosefinch Industry Investment Single Money Trust is Shaanxi Coal Industry Co., Ltd., and is in concerted action with Shaanxi Coal Industry Co., Ltd.; It was unknown about the associated relationship or concerted action among the other shareholders mentioned above in the Company.		

The number of shares held by the top ten shareholders with restrictions on sales and the conditions for restricted sales
Applicable Non-applicable

Unit: Share

Serial No.	Shareholder with limited sales conditions	Number of shares held with limited sales conditions	Listed transactions of shares with limited sales conditions		Limited sales conditions
			Time allowed for listed transactions	Number of newly-added shares allowed for listed transactions	
1	Li Jia	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company

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2	Zheng Xianlin	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
3	Zheng Zhi	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
4	Chen Runqing	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
5	Tang Yulei	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
6	Liu Xiao	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
7	Li Hua	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
8	Shi Chen	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
9	Shang Yaohua	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
10	Wei Chenggui	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company

11	Chen Xi	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
12	Fu Shijin	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
13	Zhou Yicheng	77,000	Unlocked in two phases after November 7, 2019	35,000 shares and 42,000 shares can be unlocked in phases	Locked in accordance with requirements of second phase of Restricted Stock Incentive Plan of the Company
Description of the above-mentioned shareholders' relationship or concerted actions		The above-mentioned shareholders refer to incentive targets granted for the first time by the Company's second phase of restricted share incentive plan. It was unknown about the associated relationship or concerted action among the above-mentioned shareholders in the Company.			

Notes:

- ① The above “time allowed for listed transactions” and “number of newly-added shares allowed for listed transactions” refer to the premise that unlocking conditions of shares granted for the first time in the Company's second phase restricted share incentive plan were met. The actual listed transaction status shall be subject to relevant unlocking and listing announcements disclosed by the Company at that time.
- ② The second phase of the company's restricted stock incentive plan restricted stocks will be unlocked in four phases from the date of grant. As of the end of the reporting period, two phases have been unlocked.

(III) Strategic investors or General Legal Personnel Becoming Top 10 Shareholders due to Rights Issue

Applicable Non-applicable

IV. Controlling Shareholders and Actual Controllers

(I) Controlling Shareholders

1. Legal Person

Applicable Non-applicable

2. Natural Person

Applicable Non-applicable

Name	Li Zhenguo, Li Xiyan
Nationality	China
Whether residence in other countries or regions is obtained	No
Major occupation and title	Mr. Li Zhenguo is currently the Director and General Manager of the company. Li Xiyan has no current position.

Special explanation for the absence of controlling shareholders in the company

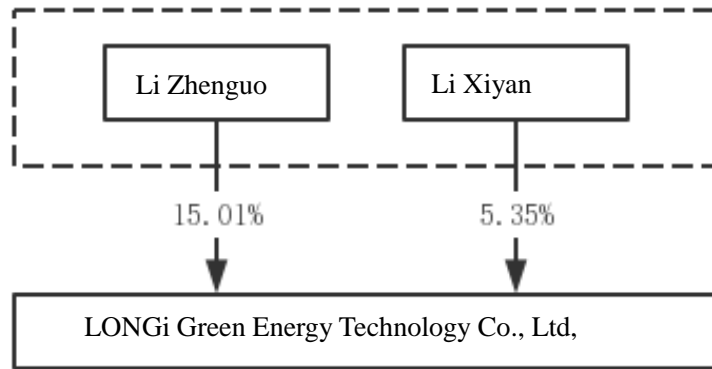
Applicable Non-applicable

Index and date of changes of controlling shareholders during the reporting period

Applicable Non-applicable

1. Block diagram of property rights and control relationships between the company and its controlling shareholder

Applicable Non-applicable



(II) Actual Controllers

1. Legal person

Applicable Non-applicable

2. Natural person

Applicable Non-applicable

Name	Li Zhenguó, Li Xiyan
Nationality	China
Whether residence in other countries or regions is obtained	No
Major occupation and title	Mr. Li Zhenguó is currently the Director and General Manager of the company. Li Xiyan has no current position.
Information about the listed company held at home and abroad in past ten years	None

3. Special explanation for the absence of controlling shareholders in the company

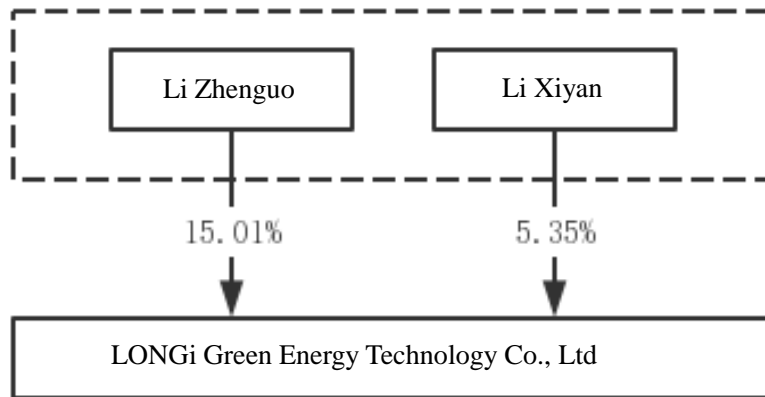
Applicable Non-applicable

4. Index and date of changes of controlling shareholders during the reporting period

Applicable Non-applicable

5. Block diagram of property rights and control relationships between the company and its controlling shareholder

Applicable Non-applicable



6. The actual controller controls the company through trust or other asset management methods

Applicable Non-applicable

(III) Introduction of other controlling shareholders and actual controllers

Applicable Non-applicable

7. Other legal person shareholders holding more than 10% of shares

Applicable Non-applicable

8. Explanation of the restrictions on shareholding reduction

Applicable Non-applicable

Section VII Preferred Stock

Applicable Non-applicable

Section VIII Directors, Supervisors, Senior Management and Employees

I. Changes in Shareholdings and Remuneration

(I) Changes in Shareholdings and Remuneration of Current Directors, Supervisors and Senior Management Personnel during the Reporting Period

√Applicable □Non-applicable

Unit: Share

Name	Title (note)	Gender	Age	Start date of term	Expiry date of term	Shareholdings at the beginning of the year	Shareholdings at the end of the year	Annual increase or decrease in shareholdings	Reasons for increase and decrease	Total pre-tax compensation received from the Company during report period (ten thousand yuan)	Whether receiving remuneration from related parties of the Company
Zhong Baoshen	Director	Male	52	July 2 ,2018	July 1, 2021	35,265,302	49,371,423	14,106,121	Annual equity distribution in 2017	152.2	No
Li Zhenguao	Director	Male	51	July 2 ,2018	July 1,2021	298,390,255	418,845,437	120,455,182	Annual equity distribution and increasing secondary market holdings in 2017	180.5	No
Liu Xuewen	Director	Female	52	July 2 , 2018	July 1,2021	610,619	854,867	244,248	Annual equity distribution in 2017	149.8	No
Xu Dapeng	Director	Male	45	July 2, 2018	July 1,2021	1,057,500	1,480,500	423,000	Annual equity distribution in 2017	120.1	No
Zou Zonghai	Director	Male	43	July 2, 2018	July 1,2021	450,000	630,000	180,000	Annual equity distribution in 2017	73.3	No
Zhang Rumin	Director	Female	55	July 2 ,2018	July 1,2021	0	0	0	N/A		Yes
Li Chun'an(Ex-se	Director	Male	51	June 10 2014	July 2,2021	218,699,560	306,179,384	87,479,824	Annual equity distribution in		Yes

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ving Officer)									2017		
Tian Gaoliang	Independent Director	Male	54	July 2 , 2018	July 1,2021	0	0	0	N/A	11	No
Li Shoushuang	Independent Director	Male	40	July 2 , 2018	July 1,2021	0	0	0	N/A	11	No
Guo Ju'e	Independent Director	Female	58	July 2 , 2018	July 1,2021	0	0	0	N/A	5.5	No
Sun Zhuo(Ex-serving officer)	Independent Director	Male	51	December 12 2014	July 2,2018	0	0	0	N/A	5.6	No
Qi Chengjun	Supervisor	Male	49	July 2 , 2018	July 1,2021	0	0	0	N/A	58	No
He Jing	Supervisor	Female	38	June 28, 2018	July 1,2021	0	0	0	N/A	25.2	No
Li Xiangju	Supervisor	Female	56	July 2, 2018	July 1,2021	0	0	0	N/A	9	No
Liu Xiaodong	Executive	Male	46	July 2, 2018	July 1,2021	150,000	210,000	60,000	Annual equity distribution in 2017	69.6	No
Wang Xiaozhe (Ex-serving officer)	Executive	Male	47	November 25, 2014	July 2, 2018	1,760,000	2,464,000	704,000	Annual equity distribution in 2017	67.9	No
Total	/	/	/	/	/	556,383,236	780,035,611	223,652,375	/	938.7	/

Name	Main working experience
Zhong Baoshen	Mr. Zhong served as the director and general manager of the company; Currently, he is the chairman of the company, and the president of the China New Energy Chamber of Commerce, the chairman of Ningxia LGG Instrument Co., Ltd (LONGi), the chairman and general manager of Shenyang Huizhi Investment Co., Ltd., and The director of the Dalian Linton NC Machine Co., Ltd , Director of Shenyang LONGi Magnet Co., Ltd, Chairman and General Manager of Xi'an Manis Diamond Tools Co.,Ltd, Director of Guangdong Audiowell Electronics (Guangdong) Co., Ltd., The chairman of the E-Fly Optoelectronic Materials Co., Ltd. Meanwhile, he holds other posts in the company's subsidiaries.
Li Zhenguo	Mr. Li served as the chairman of the company, and now serves as the director and general manager of the company, while holding other posts in the company's subsidiaries.
Liu Xuewen	Ms. Liu has been serving as the director of the company and the head of the Financial Center for the past five years.
Xu Dapeng	Mr. Xu served as the executive deputy general manager of Wuxi LONGi, and now serves as the director of the company and the head of the Silicon Wafer Division.
Zou Zonghai	Mr. Zou served as the head of the company's Supply Chain Management Center, and now serves as the company's director and the Senior Vice President of the Module Division.
Zhang Rumin	Ms. Zhang served as the manager of the operational management department of the Shannxi Coal Industry Company Limited. and the supervisor of Shaanxi Northwest Chemical Industry Group Co., Ltd. Currently, she serves as the director of the company and the secretary of the board of the Shannxi Coal Industry Company Limited

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Li Chun'an (Ex-serving officer)	Mr. Li served as director of the company; Currently, he serves as the chairman of the director of the Dalian Linton NC Machine Co., Ltd, the vice chairman of Shenyang Huizhi Investment Co., Ltd., the director of Shenyang LONGi Magnet Co., Ltd , and the director of Ningxia Ningxia LGG Instrument Co., Ltd (LONGi)
Tian Gaoliang	Mr. Tian served as an independent director of AVIC Aircraft Co., Ltd., Shaanxi Natural Gas Co., Ltd. and AVIC-Zhonghang Electronic Measuring Instruments Co. Ltd. Currently He serves as the director, professor and doctoral tutor of the Accounting and Finance Department of the School of Management of Xi'an Jiaotong University. Independent director of the company and Xi'an Catering Co.,Ltd., Jinduicheng Molybdenum Co., Ltd., CCOOP Group Co., Ltd., Supervisor of Changan Fund Management Co., Ltd.
Li Shoushuang	Mr. Li served as an independent director of Kunming Sinobright (Group) Co., Ltd., an independent director of Shijiazhuang Kelin Electric Co., Ltd., and a director of Jiangsu Qinghan Environmental Protection Technology Co., Ltd. Currently, he serves as a senior partner of Beijing Dacheng Law Firm, an independent director of the company, a director of Jinshi Yifu (Beijing) Technology Co., Ltd., an independent director of Yellow River Property & Casualty Insurance Co. Ltd., an independent director of Beijing Automic Technology Co.,Ltd., and a supervisor of the Quanlian Industrial Investment Fund Management Co., Ltd.
Guo Ju'e	Ms. Guo serves as a professor at Xi'an Jiaotong University in the past five years, and is an independent director of the company.
Sun Zhuo(Ex-serving officer)	Mr. Sun served as an independent director of the company. Currently, he serves as a professor at East China Normal University, chairman and general manager of Shanghai Najing Technology Co., Ltd., and chairman of Suzhou Jingneng Technology Co., Ltd.
Qi Chengjun	He served as the director of HR Department of the company. Currently, he is the chairman of the company's supervisory board.
Li Xiangju	In the past five years, Ms. Li has been a professor and doctoral supervisor at the School of Economics and Finance of Xi'an Jiaotong University. She is currently a supervisor of the company.
He Jing	Ms. He served as the head of the company's Planning and Control Department, the Planning Ms. He served of the Module Business Department, and the purchasing supervisor of the Supply Chain Management Center; Currently, she serves as the deputy manager and employee supervisor of the Material Management Department of LONGi New Energy Project Management Department.
Liu Xiaodong	Mr. Liu serves as the general manager of Xi'an Sales Department of Xiangcai Securities Co., Ltd. Currently, he serves as the secretary of the board of directors of the company and the director of Xi'an Xichi Electric Co., Ltd.
Wang Xiaozhe(Ex-serving officer)	Mr. Wang served as the Director of Company Operations, deputy general manager and general manager of the Wafer Division, and director of the company. Currently, he serves as the general manager of the company's Support Service Center, and concurrently serves as the director of Zhejiang MTCN Technology Co., Ltd..

Explanation of other conditions

Applicable Non-applicable

The remuneration of the above directors, supervisors and senior executives mainly covers basic wages, bonuses, allowances, subsidies, employee welfare and various insurance premiums, provident funds, annuities and other forms of remuneration received from the company, including the annual performance bonus of 2018 (issued in 2019).

(I) Equity Incentives Granted to Directors and Senior Executives during the Reporting Period

Applicable Non-applicable

Unit: share

Name	Title	The number of restricted shares held at the beginning of the year	The number of new restricted shares granted during the reporting period	Granted price of restricted shares (Yuan)	Unlocked shares	Locked shares	The number of restricted shares held at the end of the year	Market price at the end of the reporting Period (Yuan)
Zhong Baoshen	Director	247,500	54,000	9.9	301,500	0	0	17.44
Liu Xuewen	Director	247,500	54,000	9.9	301,500	0	0	17.44
Xu Dapeng	Director	247,500	54,000	9.9	301,500	0	0	17.44
Zou Zonghai	Director	247,500	54,000	9.9	301,500	0	0	17.44
Wang Xiaozhe(Ex-serving officer)	Executive	247,500	54,000	9.9	301,500	0	0	17.44
Liu Xiaodong	Executive	120,000	30,000	6.26	150,000	0	0	17.44
In Total	/	1,357,500	300,000	/	1,657,500	0	0	/

Note:

- ①The “unlocked shares” is the number of shares unlocked by each grantee during the reporting period;
 ②“The number of new restricted shares granted during the reporting period” is the new restricted stocks issued by converting equity capital from capital reserves to individual shareholders (2017);
 ③ “Granted price of restricted shares” is the initial price granted.

2. Status of Serving Directors, Supervisors and Senior Management Personnel during the Current and Reporting Period

(I) Status in the shareholders' company

Applicable Non-applicable

Name	Shareholders' company name	Position held in a shareholder unit	Date of Appointment	Date of Cessation
Zhang Rumin	Shaanxi Coal Industry Co., Ltd.	Secretary of the board	March 28, 2011	
Additional status information	None			

(II) Status in other companies

Applicable Non-applicable

Annual Report 2018

Name	The name of other companies	Positions held in other companies
Zhong Baoshen	China New Energy Chamber of Commerce	President
Zhong Baoshen	Dalian Linton NC Machine Co., Ltd	Director
Zhong Baoshen	Shenyang Huizhi Investment Co., Ltd.	Chairman and General Manager
Zhong Baoshen	LONGi Magnet Co., Ltd	Director
Zhong Baoshen	Ningxia LGG Instrument Co., Ltd (LONGi)	Chairman
Zhong Baoshen	Xi'an Manis Diamond Tools Co.,Ltd	Chairman and General Manager
Zhong Baoshen	Guangdong Audiowell Electronics (Guangdong) Co., Ltd.	Director
Zhong Baoshen	Huizhou E-Fly Optoelectronic Materials Co., Ltd.	Chairman
Tian Gaoliang	School of Management, Xi'an Jiaotong University	Head of Accounting and Finance, Professor, Doctoral Tutor
Tian Gaoliang	Xi'an Catering Co.,Ltd	Independent director
Tian Gaoliang	Jinduicheng Molybdenum Industry Co. , Ltd.	Independent director
Tian Gaoliang	CCOOP Group Co., Ltd	Independent director
Tian Gaoliang	Changan Fund Management Co., Ltd.	Supervisor
Li Shoushuang	Beijing Dacheng Law Firm	Senior Partner
Li Shoushuang	Jinshi Yifu (Beijing) Technology Co., Ltd.	Director
Li Shoushuang	Yellow River Property & Casualty Insurance Co. Ltd.	Independent director
Li Shoushuang	Beijing Automic Technology Co.,Ltd.	Independent director
Li Shoushuang	Quanlian Industrial Investment Fund Management Co., Ltd.	Supervisor
Guo Ju'e	School of Management, Xi'an Jiaotong University	Professor
Li Xiangju	School of Economics and Finance, Xi'an Jiaotong University	Professor, Doctoral Tutor
Liu Xiaodong	Xian Spread Electric Co., Ltd	Director
Li Chun'an(Ex-serving officer)	Dalian Linton NC Machine Co., Ltd	Chairman
Li Chun'an(Ex-serving officer)	LONGi Magnet Co., Ltd	Director
Li Chun'an(Ex-serving officer)	Shenyang Huizhi Investment Co., Ltd.	Vice chairman
Li Chun'an(Ex-serving officer)	Ningxia LGG Instrument Co., Ltd (LONGi)	Director
Sun Zhuo(Ex-serving officer)	East China Normal University	Professor
Sun Zhuo(Ex-serving officer)	Shanghai Najing Technology Co., Ltd.	Chairman,General manager
Sun Zhuo(Ex-serving officer)	Suzhou Jingneng Technology Co., Ltd.	Chairman
Wang Xiaozhe(Ex-serving officer)	Zhejiang MTCN Technology Co., Ltd.	Director
Additional status information	Apart from the listed personnel, no directors, supervisors and senior management personnel of the company hold positions in	

	other affiliated companies other than the company and subsidiaries.
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3. Remuneration of Directors, Supervisors and Senior Management Personnel

√Applicable Non-applicable

Decision-making procedures for the remuneration of directors, supervisors and senior executives	According to the <i>Articles of Association</i> , the remuneration of directors and supervisors of the company is determined by the general meeting of shareholders; the remuneration of senior management personnel is determined by the board of directors.
Basis for determining the remuneration of directors, supervisors and senior management personnel	1. The remuneration of directors, supervisors and senior executives of the company is determined according to the salary level of the industry and region where the company is located, combined with the actual operation of the company; 2. The remuneration of senior management personnel is evaluated by the remuneration and appraisal committee of the board of directors based on the actual operation of the company. Afterwards, it is reviewed and confirmed by the board of directors; independent directors and external supervisors will receive allowances from the company according to the subsidy standards reviewed and approved by the company's general meeting of shareholders, and the necessary and reasonable expenses incurred in the course of performing their duties are borne by the company; None of the other directors and supervisors receives remuneration from the Company by virtue of their duties as directors or supervisors.
Actual payment of remuneration of directors, supervisors and senior management personnel	9.387 million yuan
Total remuneration actually received by all directors, supervisors and senior management personnel at the end of the reporting period	9.387 million yuan

4. Changes in the Company's Directors, Supervisors and Senior Management Personnel

√Applicable Non-applicable

Name	Position	Changing Status	Reason for change
Li Chun'an	Director	Left the post	Term expires
Sun Zhuo	Independent director	Left the post	Term expires
Zhang Rumin	Director	Election	Board election
Guo Ju'e	Independent director	Election	Board election
Wang Xiaozhe	Deputy general manager	Left the post	Term expires

V. Explanation of the Punishment by Securities Regulatory Agencies in the Past Three Years

Applicable Non-applicable

6. Employees of the Parent Company and Major Subsidiaries

(1) Employees

Number of employees in the parent company	1,775
Number of active employees in major subsidiaries	19,281
Total number of active employees	21,056
Number of retired employees whose fees should be paid by the parent company and major subsidiaries	0
Employee composition	
Types of employee	Number
Production personnel	15,524
Sales personnel	404
Technical personnel	2,403
Financial staff	224
Administrative staff	2,501
In total	21,056
Educational level	
Types of educational level	Number
Doctor	18
Master	465
Undergraduate and junior college	7,674
Below junior college	12,899
In total	21,056

(II) Remuneration Policy

Applicable Non-applicable

During the reporting period, the company completed a new grade and salary system conversion, established a more competitive salary standard, and reserved sufficient space for the career development of employees. In addition, the company further optimized the *Remuneration Management System*, clarified the methods and contents of compensation management and control for each business unit, set the guideline on implementing differentiated incentives for different key employee groups, and promoted the combination of core employee incentives with business performance. The long-term incentive program provides strong support for the long-term stability of the company's core positions and the introduction of high-level talents.

(III) Training Plan

Applicable Non-applicable

During the reporting period, the company promoted the corporate culture of “Reliability, Adding value, Delight” in employee training, and promoted employee development and employer brand building. We optimized the resources of lecturers and curriculum resources, improved the ability of the training service business system; carried out multi-level and multi-dimensional training programs for all levels of employees, promoted team integration and management personnel competency; combined the company's globalization development strategy and based on the company's globalized development strategy, we also carried out talents cultivation in areas including: language, professional skills, corporate culture. In 2019, the company will optimize and upgrade the training management system and training system while focusing on core talent growth projects in accordance with the principle of

“energizing, empowerment and stimulating vitality” to implement the company’s strategy. The company will focus on the core personnel, especially the management team, the R&D team and the marketing team, to achieve the continuous improvement of the management team's strategic thinking and professional skills. The company will also focus on the core competencies of all levels of staff, sort out business requirements, and promote all employees’ competence and the company’s operational and managerial efficiency.

(4) Labor Outsourcing

Applicable Non-applicable

Total number of working hours of labor outsourcing	The company's labor outsourcing payment is based on piece-rate or service satisfaction, etc., and does not involve working hours' statistics.
Total payment of labor outsourcing	93.167 million yuan

VII. Others

Applicable Non-applicable

Section IX Corporate Governance

I. Description of the Corporate Governance

Applicable Non-applicable

During the reporting period, the company continued to standardize the company's operations, and formulated the *Debt Financing Instrument Information Disclosure Management System* based on relevant regulations such as *Company Law*, *Code of Corporate Governance for Listed Companies* and the *Articles of Association*, as well as the company's actual conditions. The Company's *Articles of Association*, the *Rules of Procedure for the General Meeting of Shareholders*, the *Rules of Procedure for the Board of Directors*, the *Rules of Procedure for the Supervisory Committee*, and the *System of Independent Directors* were improved to further enhance the effectiveness of internal control and promote the sustainable and healthy development of the company. The relevant situation of corporate governance is as follows:

1. About controlling shareholders and listed companies

The company has independent and complete business and self-management capabilities. The controlling shareholders of the company are natural persons. The company and controlling shareholders are independent from each other in areas such as business, personnel, assets, organization, finance, etc., and the company and the controlling shareholders independently bear responsibility and risk. The controlling shareholders of the company have been exercising the rights of shareholders in good faith in strict accordance with the laws and regulations and the relevant provisions of the *Articles of Association*. They strongly support the healthy development of the company by providing free guarantees for listed companies. They do not use the status of controlling shareholders to directly or indirectly interfere with the company's decision-making and operating activities.

2. Operation of shareholders and shareholders' general meeting

The company convened and held general meetings of shareholders in strict accordance with the *Company Law*, *Articles of Association* and *Rules of the General Meeting of Shareholders* and other relevant requirements to ensure that all shareholders have equal rights to know and decide on major issues, and actively expand communication channels with shareholders, to promote a comprehensive understanding of the company by shareholders and fully protect the legitimate rights and interests of all shareholders.

3. Operation of director and board of directors

The Board of Directors of the company continuously strengthens the professional operation. The Board of Directors consists of four special committees: Strategy Committee, Audit Committee, Nomination Committee and Remuneration and Appraisal Committee, which form a governance structure that adapts to the characteristics of the industry and the strategic development of the enterprise. The board of directors of the company earnestly fulfilled the rights and obligations endorsed by the shareholders' meeting. The directors were faithful, honest, and diligent in the performance of their duties, giving full play to the functions of the board of directors, ensuring the scientific and rational decision-making of the company's major issues, and actively safeguarding the interests of the company's shareholders. During the reporting period, the company won the "Best Board of Directors" of the "Golden Round Table Award" for its scientific and efficient board governance.

4. Operation of supervisor and Board of Supervisors

The company's Board of Supervisors operated in accordance with the *Company Law* and the *Articles of Association*. Supervisors, in accordance with the spirit of being responsible to shareholders, independently supervised and inspected the performance of the company's Board of Directors and

directors and senior management personnel, and the company's operations during the reporting period. Major matters such as related party transactions, management and use of raised funds, implementation of equity incentives, and internal control were effectively supervised. They also expressed opinions safeguarding the legitimate rights and interests of the company and its shareholders.

5. Implementation of management system of internal information insiders

The company has established a perfect insider information management system. During the reporting period, the company strictly enforced the system requirements, and carried out the insider information registration management and reporting timely and completely during the major events such as periodic reports and allotment of shares, and urged relevant insider Information insiders strictly abide by the obligation of confidentiality and maintain the clarify, fairness and justice of company information disclosure. During the reporting period, no inside information disclosure and insider trading of the company were found.

Whether there is a significant difference between the requirements of corporate governance and the relevant provisions of the China Securities Regulatory Commission; if any, the reasons should be given.

Applicable Non-applicable

II. General Meetings of Shareholders

Session	Date of convening	Query index of the designated website of the published resolution	Date of disclosure of the published resolution
First Extraordinary General Meeting of Shareholders in 2018	February 5, 2018	www.sse.com.cn	February 6, 2018
2017 Annual General Meeting	April 19, 2018	www.sse.com.cn	April 20, 2018
Second Extraordinary General Meeting of Shareholders in 2018	July 2, 2018	www.sse.com.cn	July 3, 2018
Third Extraordinary General Meeting of Shareholders in 2018	August 20, 2018	www.sse.com.cn	August 21, 2018
Fourth Extraordinary General Meeting of Shareholders in 2018	December 28, 2018	www.sse.com.cn	December 29, 2018

Explanation of the shareholders' general meeting

Applicable Non-applicable

III. Directors' Performance of Duties

Director name	Independent director or not	Attendance of Board of Directors						Attendance of Shareholders' General Meeting
		Required attendance of Board of Directors	Personal attendance	Attendance by communication mode	Entrusted attendance	Absence	Absence from meeting in person for two consecutive times or not	
Zhong Baoshen	No	23	23	15	0	0	No	5
Li Zhenguo	No	23	23	15	0	0	No	5
Liu Xuwen	No	23	23	15	0	0	No	5

Xu Dapeng	No	23	23	21	0	0	No	5
Zou Zonghai	No	23	23	15	0	0	No	5
Zhang Rumin	No	12	12	9	0	0	No	2
Li Chun'an(Ex-serving officer)	No	11	11	10	0	0	No	3
Tian Gaoliang	Yes	23	23	16	0	0	No	5
Li Shoushuang	Yes	23	23	23	0	0	No	5
Guo Ju'e	Yes	12	12	7	0	0	No	2
Sun Zhuo (Ex-serving officer)	Yes	11	11	10	0	0	No	3

(I) The Participation of Directors Attending the Board of Directors and Shareholders' General Meeting

Explanation of absence from the Board Meeting in person for two consecutive times

Applicable Non-applicable

Times of board meetings held during the year	23
Wherein: times of on-site meeting	0
Times of meeting held by communication modes	15
Times of meeting held by virtue of communication modes and on-site modes	8

(II) Objections Proposed by Independent Directors on the Relevant Matters of the Company

Applicable Non-applicable

(III) Others

Applicable Non-applicable

IV. The Important Opinions and Suggestions Put Forward by the Special Committee under the Board of Directors during the Reporting Period, if There Are Any Objections, the Specific Circumstances Shall be Disclosed.

Applicable Non-applicable

The company's board of directors consists of four special committees: Strategy Committee, Audit Committee, Nomination Committee, Remuneration and Assessment Committee. During the reporting period, all members of the committee worked diligently and actively, focused on corporate governance and operations, and provided professional and scientific information on major issues such as strategic planning, internal control, financial reporting, equity incentive unlocking and repurchase, and performance evaluation of directors and senior executives. It is recommended that there are no objections.

V. Explanation of the Board of Supervisors on the Existence of Risks

Applicable Non-applicable

VI. Description of Incapability in Independence and Independent Operation in Terms of Business, Personnel, Assets, Organization and Finance of the Company and its Controlling Shareholders

Applicable Non-applicable

If there is competition in the same industry, the Company should adopt corresponding solutions, work schedule and follow-up work plans

Applicable Non-applicable

VII. Assessment Mechanism for Senior Management Personnel, and the Establishment and Implementation of Incentive Mechanisms during the Reporting Period

Applicable Non-applicable

The remuneration of the company's senior management personnel is determined by the Board of Directors. The senior management personnel shall report to the Board of Directors on an annual basis according to the company's appraisal and performance management related systems. The company shall determine the remuneration according to its annual performance appraisal results. In addition, the company established a medium- and long-term incentive mechanism for senior management personnel through equity incentives, reflecting the consistency of personal interests and corporate interests, and promoting the company's overall strategy.

VIII. Whether Internal Control Self-Evaluation Report Is Disclosed

Applicable Non-applicable

Please refer to the website of Shanghai Stock Exchange (www.sse.com.cn) for the full text of the company's 2018 Internal Control Self-evaluation Report.

Explanation of material defects in internal control during the reporting period

Applicable Non-applicable

IX. Explanation of Relevant Internal Control Audit Report

Applicable Non-applicable

The Ruihua Certified Public Accountants (Special General Partnership) hired by the company independently audited the effectiveness of the company's internal control in 2018 and issued a standard full internal control audit report. Please refer to the website of the Shanghai Stock Exchange for details. (www.sse.com.cn).

Whether internal control audit report is disclosed: yes

X. Others

Applicable Non-applicable

Section X Relevant Information about Corporation Bonds

√Applicable □ Non-applicable

I. Basic Information of Corporation Bonds

Unit: Yuan; Currency: RMB

Bond name	Abbreviation	Code	Issue date	Expiration date	Bond balance	Interest rate(%)	Capital and interest payment method		Trading venue
Corporation bonds in 2016 (the first phase) issued by LONGi New Energy Materials Corp.	16 LONGi 01	136264	2016-3-7	2021-3-8	99,631.94	5.63	Interest is calculated on a yearly basis for single interest, excluding compound interest. The interest should be paid once a year, and the principal should be repaid for once at maturity; the interest should be paid together with the principal in the last phase		Shanghai Stock Exchange

Interest payment of corporation bonds

√Applicable □ Non-applicable

The value date of the Company's public offering of 2016 corporation bonds (the first phase) was March 7, 2016. The Company had paid the interest of bonds in the current period arising from March 7, 2016 to March 6, 2019 on March 7, 2017, March 7, 2018, March 7, 2019, as scheduled. (For more details, please refer to relevant interest payment announcements disclosed on March 1, 2017, March 1, 2018, March 1, 2019 by the Company).

Other corporation bonds

√Applicable □ Non-applicable

After the review of the Company's Fifth Extraordinary General Meeting in 2015, and the verification of Approval and Reply on Public Issuance of Corporate Bonds of LONGi New Energy Materials Corp to Qualified Investors by CSRC (ZJXX [2016] No.296), the Company completed the issuance and listing of 2016 corporation bonds (the first phase) on March 24, 2016, with bonds duration of five years. The options that issuers raised coupon rate and investor's option to sell back at the end of the third year were attached. (Please refer to the *Public Issuance of 2016 Corporate Bonds (Phase 1) Prospectus* disclosed by the company on March 3, 2016.)

The coupon rate of the bonds in the previous three years is 5.63%. According to the current market environment, the company will adjust the coupon rate of the last two interest-bearing years (March 7,

2019 to March 6, 2021) to 5.85% (Please refer to the announcement of the company No. 2019-007 disclosed on January 31, 2019). On March 7, 2019, the company completed the put-back of the bonds, the total amount of the put-back was 2,435,000 yuan (excluding interest). After the completion of the put-back, the total face value of the bond was 997,565,000 yuan (see Company Announcement No. 2019-023 disclosed on March 5, 2019 for more details).

II. Contact, Contact Information of Commissioned Managers of Corporation Bonds and Contact Information of Credit Rating Agency

Bond trustee	Name	Guosen Securities Co., Ltd.
	Office address	16-26F, Guosen Securities Tower, No. 1012 Hongling Middle Road, Shenzhen City, P.R.China
	Contact	Wang Yanxiang
	Contact Number	021-60893210
Credit rating agency	Name	United Credit Ratings co., LTD.
	Office address	12F, PICC Building, No.2, Jianguomen Outer Street, Chaoyang District, Beijing City, P.R. China

Other explanations:

Applicable Non-applicable

III, The Use of Corporate Bonds Raised Funds

Applicable Non-applicable

The Company issued 2016 corporation bonds (the first phase), and the actual issue scale was RMB 1 billion, of which the basic issue scale was RMB 500 million, the over-allotment scale was RMB 500 million, and the net amount of placement was RMB 992 million. The purpose of the raised funds was to supplement the Company's working capital, and the above-mentioned raised funds had been used in accordance with the purposes agreed in the bond prospectus.

IV. Rating of Corporation Bonds

Applicable non-applicable

During the reporting period, United Credit Rating Co., Ltd. issued the *Track Rating Report for Corporation Bonds of LONGi Green Energy Technology Co., Ltd. in 2018* on June 28, 2018. United Credit Rating Co., Ltd. has issued a follow-up rating on the credit status of the "16 LONGi 01" and "LONGi Convertible Bonds" issued by the Company. The company's long-term credit rating maintained as "AA+", indicating a stable rating outlook; while maintaining the debt rating of "16 LONGi 01" and "LONGi Convertible Bonds" as "AA+" (For details, please refer to Announcement No. 2018-064 disclosed by the company on May 29, 2018).

V. Corporate Bond Credit Enhancement Mechanism, Debt Repayment Plan and Other Relevant Information during the Reporting Period

Applicable Non-applicable

During the reporting period, the company strictly implemented the corporate bond credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures in accordance with the agreement in the prospectus.

VI. Meetings Held for Holders of Corporation Bonds

Applicable Non-applicable

VII. Duty-performance of Commissioned Managers of Corporation Bonds

√Applicable □Non-applicable

Guosen Securities Co., Ltd., as the trustee of corporate bonds, kept track of the company's credit status, management of fundraising, interest repayment, etc. in strict accordance with the relevant regulations and the *Trustee Management Agreement* during the duration of corporate bonds. It actively exercised the duties of the bond trustee and safeguarded the legitimate rights and interests of bondholders.

During the reporting period, Guosen Securities Co., Ltd. issued the *Report on Trustee Management of Corporate Bonds (2017)* (For details, please refer to the relevant report disclosed by the company on June 1, 2018).

VIII. Accounting Data and Financial Indicators of the Company for the Past 2 Years as of the End of the Reporting Period

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Main indicators	Year 2018	Year 2017	Increase or decrease in current period over the previous year (%)	Reasons for change
Earnings before interest, taxes, depreciation and amortization (EBITDA)	4,477,861,582.44	5,017,347,332.93	-10.75	Declining product prices led to falling profits
Current ratio	1.54	1.53	0.65	Receivables increased as sales expanded
Quick ratio	1.25	1.34	-6.72	Increased payables
Debt-to-assets ratio(%)	57.58	56.68	0.90	Increased operating payables
Total debt ratio of EBITDA	5.10	3.72	37.10	Increased financing scale
Interest coverage ratio	8.01	15.88	-49.56	Reduced total profit
Cash interest coverage ratio	5.77	8.91	-35.24	Reduced income tax
EBITDA Interest coverage ratio	10.95	18.58	-41.07	Reduced total profit
Loan repayment rate (%)	100.00	100.00		
Interest repayment rate (%)	100.00	100.00		

IX. Interest Payment and Cashing of Other Bonds and Debt Financing Instruments of the Company

√Applicable □Non-applicable

In December 2018, the company issued the First Phase Short-term Financing Bonds in 2018 (abbreviation: 18 LONGi CP001), with a total issued amount of 500 million yuan, a coupon rate of 5.3%, and a maturity date of December 24, 2019. The report period has not expired by the end of the reporting period.

X. Bank Credit of the Company during the Reporting Period

√Applicable □Non-applicable

As of the end of the reporting period, the total amount of credit granted by the banks to the company totaled 14.499 billion yuan, of which the used quota was 6.007 billion yuan and the unused amount was 8.492 billion yuan; the company's bank loans were not overdue.

XI. Implementation of Relevant Provisions and Commitments in Corporation Bond Prospectus during the Report Period

Applicable Non-applicable

During the reporting period, the company strictly fulfilled the relevant agreements and commitments of the company bond prospectus to protect the interests of bond investors.

XII. Major Issues in the Company and Their Influence on the Company's Operation and Debt Paying Capability

Applicable Non-applicable

Section XI. Financial Report

I. Audit Report

√Applicable □Non-applicable

Audit Report

RHS ZI [2019] No. [02360049]

To all shareholders of LONGi Green Energy Technology Co., Ltd.:

I. Audit Opinions

We have audited the financial statements of LONGi Green Energy Technology Co., Ltd. (hereinafter referred to as "LONGi Stock"), including the consolidation and balance sheet of the Company on December 31, 2018, the consolidation and profit statement of the Company in 2018, the consolidation and cash flow statement of the Company, and consolidation and statement of change in stockholder equity, as well as notes on related financial statements in 2018. We hold that the attached financial statements are prepared in accordance with the provisions of the Accounting Standards for Business Enterprises in all major aspects, which fairly reflect the consolidation of LONGi Stock on December 31, 2018 and the Company's financial status, as well as the consolidation of LONGi Stock in 2018 and the Company's operating results and cash flows.

II. Basis to Form Audit Opinions

We performed the audit in accordance with Auditing Standards for the Chinese Certified Public Accountants. The "CPA's Responsibility for Auditing Financial Statements" section of the Audit Report further elaborated our responsibilities under these guidelines. In accordance with the China Code of Ethics for Certified Public Accountants, we are independent of LONGi Stock and perform other professional ethics duties. We believe that the audit evidence we have obtained was sufficient and appropriate to provide a basis for issuing audit opinions.

III. Critical Audit Items

The critical audit items are those we consider most important in the current financial statements audit according to our professional judgment. These items are dealt with in the context of auditing the financial statements as a whole and forming audit opinions. We do not comment on these items separately. We have identified the following critical audit issues that need to be communicated in the audit report.

(I) Revenue recognition of wafers and solar module products

1. Item description

As stated in Notes IV, 25 and VI, 39 to the financial statements, LONGi's total revenue in 2018 was RMB 21,987,614,949.84, of which the sales revenue of wafers and solar module products were RMB 6,115,844,611.85 and RMB 13,090,864,540.33 respectively, accounting for 27.81% and 59.54% of LONGi's combined revenues.

On the one hand, issuance and receipt confirmation documents of solar monocrystalline modules provided by many photovoltaic enterprises in different regions show that the sales revenue is significant. On the other hand, there may be risks of revenue recognition due to products which failed to meet

revenue recognition requirements. Those were shipped at the end of the year, but still in passage. Therefore, we listed revenue recognition of wafers and solar module products as a critical audit issue.

2. Audit response

For revenue recognition of single wafers and solar module products, the main audit procedures we performed are as follows:

- (1) Evaluating and testing design and operating effectiveness of revenue-related internal controls;
- (2) Through reviewing sales contracts and interviewing with the management, we can understand and evaluate LONGi's revenue recognition policy, and then evaluate whether the revenue recognition meets the requirements of Accounting Standards for Business Enterprises;
- (3) Implementing analysis procedures for income and cost, including monthly income, cost and gross profit fluctuation analysis for the current year, and comparative analysis of the major products with the previous year in the current year's income, cost and gross interest rate;
- (4) Referring to confirmation of accounts receivable procedure, we have carried out sampling check of the relevant documents of revenue recognition to check the authenticity of the revenue that has been confirmed;
- (5) For sales revenue recognized before and after the balance sheet date, the cut-off test is carried out, checking the relevant time from inventory delivery to documents signed by customers, to assess whether sales revenue is recorded in the appropriate accounting period.

(II) Provision for bad debts in accounts receivable

1. Item description

As stated in Notes IV, 10 and VI, 2 to the financial statements, the book balance of LONGi Stock Accounts Receivable was RMB 4,512,430,204.23 on December 31, 2018, and the provision balance for bad debts was RMB 149,788,532.44.

As the above accounts receivable balances are significant to LONGi Stock's consolidated financial statements, the assessment of the recoverability of the accounts receivable balances involves the management's significant judgments. The actual situation may differ from the expected judgments. Therefore, we regarded the provision for bad debts in accounts receivable as a critical audit issue.

2. Audit response

For the provision for bad debts in accounts receivable, the main audit procedures we have implemented are as follows:

- (1) Evaluating and testing the management's critical control in the assessment of the recoverability of accounts receivable, including the age analysis of accounts receivable and the periodic assessment of the recoverability of accounts receivable balance;
- (2) Externally confirming the large accounts receivable balance and small accounts receivable at the end of the year;
- (3) Testing the accuracy of accounts receivable age compiled by the management;
- (4) Obtaining the management's assessment documents of the recoverability of large accounts receivable, checking the balance of accounts older than one year, and evaluating the rationality of the management's judgment through investigating customer's background, operation and cash flow status, consulting historical transactions and checking repayment status.
- (5) For the portion of the bad debt provision that has been calculated, check the accuracy of bad debt provision calculation by checking the evidence showing significant financial difficulties of customers. For the write-off of bad debts, it is necessary to examine the evidence, such as the bankruptcy announcement and the agreement for the cancellation of creditor's rights, that LONGi Stock no longer have the right to recover such funds.

IV. Other Information

LONGi Stock management is responsible for other information. Other information includes information covered in the annual report, but excludes financial statements and our audit reports.

Our audit opinions on financial statements do not cover other information, nor do we publish any form of forensic conclusions on other information.

Considering our audit of financial statements, our responsibility is to read other information. In this process, we should consider whether there are significant inconsistencies or seemingly significant misstatements between other information and financial statements or what we have learned during the audit process.

Based on what we have done, if we ensure that there are major misstatements in other information, we should report that fact. In this respect, we have nothing to report.

V. Responsibility of Management and Governance to Financial Statements

LONGi Stock management (hereinafter referred to as the management) is responsible for preparing financial statements in accordance with the provisions of the Accounting Standards of Business Enterprises to achieve fair reflection, and to design, implement and maintain the necessary internal controls so that the financial statements do not contain major misstatements caused by fraud or error.

In preparing the financial statements, the management is responsible for assessing the sustainability of LONGi Stock, disclosing matters related to continuing operations (if applicable), and applying the assumption of continuing operations, unless the management plans to liquidate LONGi Stock, terminate operations or has no other realistic options.

The LONGi Stock governance is responsible for supervising the financial reporting process of LONGi Stock.

VI. CPA's Responsibility for Auditing Financial Statements

Our goal is to obtain reasonable assurance as to whether the financial statements as a whole do not contain material misstatements due to fraud or error, and to issue audit reports containing audit opinions. Reasonable assurance is a high-level assurance, but it can not guarantee that audits carried out in accordance with audit standards will always be found in the presence of a major misstatement. Misreporting may be caused by fraud or error. If it is reasonably expected that misreporting alone or aggregately may affect the economic decisions made by users of financial statements on the basis of financial statements, then the misreporting is generally considered to be significant.

In the process of carrying out audit work according to the auditing standards, we use professional judgment and maintain professional suspicion. At the same time, we also carry out the following tasks:

- (1) Identifying and evaluating the risk of material misstatement of financial statements caused by fraud or error, then designing and implementing audit procedures to deal with these risks, and obtaining sufficient and appropriate audit evidence as the basis for issuing audit opinions. As fraud may involve collusion, forgery, deliberate omission, false statements or override internal control, the risk of failure to detect significant misstatement due to fraud is higher than the risk of failure to detect significant misstatement due to error.
- (2) Understanding the internal controls associated with auditing in order to design appropriate auditing procedures.
- (3) Evaluating the appropriateness of management's choice of accounting policies and the reasonableness of making accounting estimates and related disclosures.
- (4) Drawing a conclusion on the appropriateness of the assumption of going concern used by the Management. At the same time, according to the audit evidence obtained, we can draw a conclusion on

whether there are significant uncertainties in matters or situations that may lead to serious doubts about LONGi's sustainability. If we come to the conclusion that there are significant uncertainties, the auditing standards require that we draw the attention of the users of the financial statements to the relevant disclosures in the auditing reports; if the disclosures are insufficient, we should issue non-unreserved opinions. Our conclusions are based on information available as of the audit report date. However, future events or circumstances may lead to the unsustainable operation of LONGi Stock.

(5) Evaluating the overall presentation, structure and content (including disclosure) of financial statements, and evaluating whether the financial statements fairly reflect relevant transactions and matters.

(6) Obtaining sufficient and appropriate audit evidence on the financial information of entities or business activities in LONGi Stock in order to express opinions on the financial statements. We are responsible for guiding, supervising and executing group audits. We are fully responsible for the audit opinions.

We communicate with the Management on the scope, timing and major audit findings of the planned audit, including the internal control deficiencies that we identified in the audit.

We also provide a statement to the Management that we have complied with the professional ethics requirements related to independence, and inform the management of all relationships and other matters that may reasonably be considered to affect our independence, as well as relevant preventive measures (if applicable).

From the matters we have communicated with the Management, we determine which items are most important for the current financial statements audit and thus constitute the critical audit items. We describe these matters in audit reports. Unless laws and regulations prohibit public disclosure of these matters, or in very few cases, if we reasonably expect the negative consequences of communicating an item in an audit report to outweigh the benefits in the public interest, we are sure that we should not communicate the matter in an audit report.

Ruihua Certified Public Accountants

Chinese Certified Public Accountant

(Special General Partnership)

(Project partner): Shi Yuchun

Beijing, China

Chinese Certified Public Accountant

Han Xin

April 26, 2019

II. Financial statements

Consolidated Balance Sheet

31 December 2018

Compiled by: LONGi Green Energy Technology Co., Ltd.

Unit: Yuan; Currency: RMB

Items	Notes	Closing balance	Initial balance
Current assets:			
Monetary Fund	VII,1	7,707,905,516.74	8,546,040,327.88
Settlement reserve			
Lendings to Banks and Other Financial Institutions			
Financial Assets Measured at Fair Value and Their Changes Included in Current Profits and Losses			
Derivative financial assets			
Notes Receivable and Accounts Receivable	VII,4	8,453,462,415.04	6,131,332,766.52
Among them:Notes receivable		4,090,820,743.25	2,205,568,990.63
Accounts receivable		4,362,641,671.79	3,925,763,775.89
Advance payment	VII,5	608,685,522.88	443,672,896.91
Premium receivable			
Accounts receivable reinsurance			
Reserve for reinsurance receivable contracts			
Other receivables	VII,6	715,232,201.39	324,211,505.16
Among them: interest receivable			
Dividend Receivable		20,541,737.10	29,065,322.08
Buying back the sale of financial assets			
Stock	VII,7	4,282,544,118.95	2,380,398,156.96
Holding assets for sale			
Non-current assets maturing within one year	VII,9	11,000,000.00	33,650,000.00
Other current assets	VII,10	1,122,058,298.26	1,068,093,887.38
Total current assets		22,900,888,073.26	18,927,399,540.81
Non-current assets:			
Loans and advances			
Sellable financial assets	VII,11	78,046,182.96	60,193,548.39
Holding up to maturity investment			
long-term receivables	VII,13	58,185,669.56	32,076,415.78
Long-term equity investment	VII,14	733,169,655.02	515,189,968.88

Investment Real Estate			
Fixed assets	VII,16	13,259,978,743.24	10,803,548,307.89
Construction in progress	VII,17	855,562,075.19	1,355,008,931.84
Productive biological assets			
Oil and gas assets			
Intangible assets	VII,20	226,404,404.80	212,875,254.11
Development expenditure			
Goodwill	VII,22	11,011,065.47	11,011,065.47
Long-term pending expenses	VII,23	959,403,051.71	643,382,464.16
Deferred tax assets	VII,24	316,660,831.89	296,941,738.74
Other non-current assets	VII,25	259,934,377.83	26,073,024.03
Total non-current assets		16,758,356,057.67	13,956,300,719.29
Total Assets		39,659,244,130.93	32,883,700,260.10
Current liabilities:			
Short term loan	VII,26	687,673,591.48	1,611,789,619.09
Borrowing from the Central Bank			
Absorbing deposits and interbank deposits			
Loans from other banks			
Financial liabilities measured at fair value and recorded in current profits and losses			
Derivative financial liabilities payable			
Notes payable and accounts payable	VII,29	8,506,848,626.88	7,350,185,311.64
Advance payment	VII,30	962,367,659.73	771,594,195.23
Financial Assets Sold for Repurchase			
Handling charges and commissions			
Payable remuneration	VII,31	329,862,581.28	248,680,508.90
Taxes payable	VII,32	286,668,460.82	230,156,500.18
Other accounts payable	VII,33	2,470,128,708.87	1,567,625,319.39
A			
Among them: interest payable		59,022,846.84	59,536,541.09
Dividends payable			
Accounts payable reinsurance			
Insurance Contract Reserve			
Agent buying and selling securities			
Acting underwriting securities			
Holding liabilities for sale			
Non-current liabilities due within one year	VII,35	1,136,598,402.23	560,088,032.47
Other current liabilities	VII,36	498,335,194.34	
Total Current Liabilities		14,878,483,225.63	12,340,119,486.90
Non-current liabilities:			
Long term loan	VII,37	2,658,904,838.15	1,655,781,628.41

Bonds payable	VII,38	3,261,567,354.99	3,148,179,879.56
Among them: preferred stock			
perpetual capital securities			
Long-term accounts payable	VII,39	1,306,492,612.61	645,377,397.72
Long-term salary payable	VII,40	4,242.00	15,564.40
Projected liabilities	VII,41	318,500,876.37	181,876,231.26
Deferred income	VII,42	362,541,839.31	243,205,552.28
Deferred Tax Liability	VII,24	47,988,911.97	
Other non-current liabilities	VII,43		425,000,000.00
Total Non-current Liabilities		7,956,000,675.40	6,299,436,253.63
Total liabilities		22,834,483,901.03	18,639,555,740.53
Owner's equity (or shareholder's equity):			
Paid-in capital (or equity)	VII,44	2,790,788,363.00	1,993,989,649.00
Other equity instruments	VII,45	628,807,241.85	629,305,966.83
Among them: preferred stock			
perpetual capital securities			
Capital surplus	VII,46	4,634,794,115.25	5,433,363,019.83
Reduction: Inventory Unit	VII,47	45,475,983.30	98,428,945.60
Other comprehensive benefits	VII,48	4,409,197.42	-1,892,375.43
Special reserve			
Surplus reserves	VII,50	463,568,796.04	342,109,822.28
General risk preparedness			
Undistributed profits	VII,51	7,974,695,023.80	5,896,910,885.84
Total Owner's Rights and Interests Attributable to the Parent Company		16,451,586,754.06	14,195,358,022.75
Minority shareholders' rights and interests		373,173,475.84	48,786,496.82
Total owner's equity (or shareholder's equity)		16,824,760,229.90	14,244,144,519.57
Total liabilities and owner's equity (or shareholder's equity)		39,659,244,130.93	32,883,700,260.10

Legal representative: Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

Balance Sheet of the Parent Company

December 31 2018

Compiled by: LONGi Green Energy Technology Co., Ltd.

Unit: Yuan; Currency: RMB

Items	Notes	Closing balance	Initial balance
Current assets:			
Monetary Fund		4,077,115,102.79	4,723,800,417.22
Financial Assets Measured at Fair Value and Their Changes Included in Current Profits and Losses			
Derivative financial assets			

Notes Receivable and Accounts Receivable	XVII,1	4,918,481,717.24	2,607,320,378.25
Among them: notes receivable		2,247,266,510.12	1,329,057,203.55
Accounts receivable		2,671,215,207.12	1,278,263,174.70
Advance payment		3,907,544.13	72,167,786.07
Other receivables	XVII,2	512,763,345.44	582,331,197.03
Among them: interest receivable			4,000,382.69
Dividend Receivable			
Stock		313,201,243.35	442,749,861.90
Holding assets for sale			
Non-current assets maturing within one year			
Other current assets		87,027,200.35	200,981,364.98
Total current assets		9,912,496,153.30	8,629,351,005.45
Non-current assets:			
Sellable financial assets		60,193,548.39	60,193,548.39
Holding up to maturity investment			
Long-term receivables		494,766.38	
Long-term equity investment	XVII,3	12,950,021,601.52	11,404,992,790.22
Investment Real Estate			
Fixed assets		382,631,062.88	427,250,215.21
Construction in progress		13,497,445.78	15,771,603.60
Productive biological assets			
Oil and gas assets			
Intangible assets		32,421,990.66	24,400,479.66
Development expenditure			
Goodwill			
Long-term pending expenses		26,166,255.07	8,436,631.94
Deferred tax assets		18,608,344.58	26,818,622.92
Other non-current assets			
Total non-current assets		13,484,035,015.26	11,967,863,891.94
Total Assets		23,396,531,168.56	20,597,214,897.39
Current liabilities:			
Short term loan		116,584,148.92	134,275,219.09
Financial liabilities measured at fair value and recorded in current profits and losses			
Derivative financial liabilities			
Notes payable and accounts payable		6,769,940,389.15	5,202,220,936.01
Advance payment		346,514,432.90	518,727,163.76
Payable remuneration		49,881,051.65	40,732,822.63
Taxes payable		16,891,008.80	49,254,164.41
Other accounts payable		195,986,649.52	294,508,819.24
Among them: interest payable		51,932,128.51	49,612,976.65
Dividends payable			
Holding liabilities for sale			
Non-current liabilities due within		302,435,000.00	200,000,000.00

one year			
Other current liabilities		498,335,194.34	
Total Current Liabilities		8,296,567,875.28	6,439,719,125.14
Non-current liabilities:			
Long term loan		200,000,000.00	300,000,000.00
Bonds payable		3,261,567,354.99	3,148,179,879.56
Among them: preferred stock			
perpetual capital securities			
Long-term accounts payable			
Long-term salary payable			7,622.00
Projected liabilities		47,673,475.66	47,673,475.66
Deferred income		39,071,996.48	29,205,230.40
Deferred Tax Liability			
Other non-current liabilities			
Total Non-current Liabilities		3,548,312,827.13	3,525,066,207.62
Total liabilities		11,844,880,702.41	9,964,785,332.76
Owner's equity (or shareholder's equity):			
Paid-in capital (or equity)		2,790,788,363.00	1,993,989,649.00
Other equity instruments		628,807,241.85	629,305,966.83
Among them: preferred stock			
perpetual capital securities			
Capital surplus		4,633,062,603.32	5,418,963,412.66
Reduction: Inventory Unit		45,475,983.30	98,428,945.60
Other comprehensive benefits			
Special reserve			
Surplus reserves		463,568,796.04	342,109,822.28
Undistributed profits		3,080,899,445.24	2,346,489,659.46
Total owner's equity (or shareholder's equity)		11,551,650,466.15	10,632,429,564.63
Total liabilities and owner's equity (or shareholder's equity)		23,396,531,168.56	20,597,214,897.39

Legal representative: Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

Consolidated Profit Statement

January-December 2018

Unit: Yuan; Currency: RMB

Items	Notes	Accrual in current period	Accrual in prior period
I. Gross Business Income		21,987,614,949.84	16,362,284,494.30
Among them: business income	VII,52	21,987,614,949.84	16,362,284,494.30
Interest income			
Earned premium			
Fee and commission income			
II. Total operating costs		20,049,536,970.86	12,967,343,515.45
Among them: operating cost	VII,52	17,095,694,430.48	11,081,826,922.22

Interest expense			
Processing fees and commission expenses			
Cash surrender value			
Net reimbursement expenditure			
Net withdrawal of insurance contract reserve			
Expenditures dividend policy			
Reinsurance expenses			
Taxes and surcharges	VII,53	117,181,507.86	151,646,978.35
Selling expenses	VII,54	1,017,354,564.70	664,250,891.42
Management cost	VII,55	622,866,363.12	500,100,035.65
R & D expenses	VII,56	201,837,031.74	164,319,998.25
Financial cost	VII,57	266,876,523.25	197,847,895.60
Among them: interest expense		408,889,931.51	269,982,923.65
Interest income		128,645,025.63	75,685,980.38
Assets impairment loss	VII,58	727,726,549.71	207,350,793.96
Plus: Other benefits	VII,59	141,919,750.75	27,379,271.52
Income from investment (loss listed as "-")	VII,60	793,764,195.83	581,607,508.38
Among them: income from investment in cooperative venture and joint ventures		61,855,877.81	19,479,042.19
Fair Value Change Income (Losses listed as "-")			
Income from disposal of assets (loss listed as "-")	VII,62	-4,307,816.96	-8,313,582.71
Exchange gains (losses listed as "-")			
III. Operating Profits (Losses listed under -)		2,869,454,108.60	3,995,614,176.04
Plus: Out-of-business income	VII,63	7,717,688.70	47,427,945.94
Minus: Out-of-business expenses	VII,64	9,738,626.08	25,347,195.57
IV. Total Profit (Total Loss Enumerated by "-")		2,867,433,171.22	4,017,694,926.41
Minus: Income Tax Expenses	VII,65	300,809,100.42	468,296,508.75
V. Net Profit (Net Loss in "-"Number)		2,566,624,070.80	3,549,398,417.66
(I) Classification by business continuity			
1. Net Profit of Continuing Operation (Net Loss Listed as "-")		2,566,624,070.80	3,549,398,417.66
2. Net profit of terminating operation (net loss listed as "-")			
(II) Classification by ownership			
1. Net profit attributable to		2,557,964,089.73	3,564,525,604.84

shareholders of parent company			
2. Minority shareholders' profits and losses		8,659,981.07	-15,127,187.18
VI. Net after-tax amount of other comprehensive income	VII,66	6,270,935.42	9,061,399.89
Net after-tax amount of other comprehensive income attributable to the owner of the parent company		6,301,572.85	9,007,261.13
(I) Other comprehensive gains that cannot be reclassified as gains and losses			
1. Re-measurement of Benefit Plan Change			
2. Other Comprehensive Income Which Can't Transfer Profits and Losses under the Equity Law			
(II) Other comprehensive gains to be reclassified into gains and losses		6,301,572.85	9,007,261.13
1. Other Comprehensive Benefits of Convertible Profits and Losses under the Equity Law			
2. Fair Value Change Gains and Losses of Financial Assets for Sale			-4,556,340.32
3. Holding to maturity investments that are reclassified as gains and losses of financial assets available for sale			
4. The Effective Part of Cash Flow Hedging Profits and Losses			
5. Balance of Conversion of Foreign Currency Financial Statements		6,301,572.85	13,563,601.45
6. Other			
Net after-tax amount of other comprehensive income attributable to minority shareholders		-30,637.43	54,138.76
VII. Total Comprehensive Income		2,572,895,006.22	3,558,459,817.55
Total aggregate earnings attributable to the owner of the parent company		2,564,265,662.58	3,573,532,865.97
Total aggregate earnings attributable to minority shareholders		8,629,343.64	-15,073,048.42
VIII. Earnings per share:			
(I) Basic earnings per share (yuan/share)		0.93	1.29
(II) Diluted earnings per share (yuan/share)		0.92	1.29

Legal representative: Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

Parent company profit statement
January-December 2018

Unit: Yuan; Currency: RMB

Items	Notes	Accrual in current period	Accrual in prior period
I. Operating Income	XVII,4	11,638,878,016.81	10,937,182,019.31
Minus: Operating Cost	XVII,4	11,094,721,688.24	9,277,275,824.25
Taxes and surcharges		8,847,415.88	55,074,753.22
Selling expenses		56,453,049.29	61,015,152.15
Management cost		131,863,538.31	173,665,546.47
R & D expenses		53,848,871.83	58,103,419.17
Financial cost		156,351,275.55	129,716,590.24
Among them: interest expense		202,879,061.28	100,912,565.38
Interest income		71,620,739.12	29,327,581.27
Assets impairment loss		82,544,871.29	49,796,432.84
Plus: Other benefits		11,162,888.90	2,869,672.96
Income from investment (loss listed as "-")	XVII,5	1,167,628,470.81	541,609,330.41
Among them: income from investment in joint ventures and cooperative enterprise		4,562,298.95	8,293,719.48
Fair Value Change Income (Losses listed as "-")			
Income from disposal of assets (loss listed as "-")		-7,790,368.55	-7,226,155.03
II. Operating Profits (Losses listed under -)		1,225,248,297.58	1,669,787,149.31
Plus: Out-of-business income		473,513.93	11,497,863.91
Minus: Out-of-business expenses		1,061,912.63	2,000.00
III. Total Profit (Total Loss Enumerated by "-")		1,224,659,898.88	1,681,283,013.22
Minus: Income Tax Expenses		10,070,161.33	164,034,054.31
IV. Net Profit (net loss listed as "-")		1,214,589,737.55	1,517,248,958.91
(I) Net profit from continuing operation (net loss listed as "-")			
(II) Net profit from termination of operation (net loss listed as "-")			
V. Net after-tax amount of other comprehensive income			
(I) Other comprehensive gains that cannot be reclassified as gains and losses			
1. Re-measurement of Benefit Plan Change			
2. Other Comprehensive Income Which Can't Transfer Profits and Losses under the Equity Law			
(II) Other comprehensive gains to be reclassified into gains and losses			
1. Other Comprehensive Benefits of			

Convertible Profits and Losses under the Equity Law			
2. Fair Value Change Gains and Losses of Financial Assets for Sale			
.3. Holding to maturity investments that are reclassified as gains and losses of financial assets available for sale			
4. The Effective Part of Cash Flow Hedging Profits and Losses			
5. Balance of Conversion of Foreign Currency Financial Statements			
6. other			
VI. Total Comprehensive Income		1,214,589,737.55	1,517,248,958.91
VII. Earnings per share:			
(1) Basic earnings per share (yuan/share)			
(2) Diluted earnings per share (yuan/share)			

Legal representative: Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

Consolidated cash flow statement

January-December 2018

Unit: Yuan; Currency: RMB

Items	Notes	Accrual in current period	Accrual in prior period
I. Cash flows from business activities:			
Cash received for selling goods and providing services		17,906,547,582.66	10,945,265,411.95
Net Increase in Customer Deposits and Interbank Deposits			
Net increase in borrowing from the Central Bank			
Net increase in disbursements to other financial institutions			
Cash received from the premium of the original insurance contract			
Net cash received from reinsurance business			
Net increase of insured deposit and investment			
Net increase in the disposal of financial assets measured at fair value and recorded in current profits and losses			
Cash charged with interest, handling fees and commissions			

Net increase in disbursed funds			
Net increase in repurchase funds			
Refunds of taxes		833,349,194.78	120,768,849.87
Cash received related to other business activities	VII,67	1,168,558,181.95	588,828,199.10
Cash flow subtotal of operating activities		19,908,454,959.39	11,654,862,460.92
Cash for Purchase of Goods and Acceptance of Labor Services		14,437,997,794.31	6,888,152,882.77
Net increase in customer loans and advances			
Net increase in deposits with the Central Bank and its counterparts			
Cash for payment of original insurance contract claims			
Cash for payment of interest, handling fees and commissions			
Cash to pay policy dividends			
Cash paid to and for employees		1,904,725,392.73	1,359,494,020.28
Payments of all types of taxes		877,520,537.53	1,142,023,067.81
Payment of cash related to other business activities	VII,67	1,514,939,707.29	936,842,871.01
Cash flow subtotal of business activities		18,735,183,431.86	10,326,512,841.87
Net cash flow from operating activities		1,173,271,527.53	1,328,349,619.05
II. Cash flows from investment activities:			
Recovery of Cash Received from Investment		13,427,000,000.00	6,605,668,975.89
Cash received in return for investment		210,856,572.67	51,562,112.77
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets		686,306.96	352,310.60
Net cash recovered from disposal of subsidiaries and other business units		513,969,834.47	67,742,928.98
Cash received related to other investment activities	VII,67	78,803,794.84	183,267,371.82
Cash flow subtotal of investment activities		14,231,316,508.94	6,908,593,700.06
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		3,824,073,145.09	3,945,157,740.86
Cash for investment payments		13,506,735,279.13	6,659,900,000.00
Net increase in pledged loans			

Net cash payments for acquisition of subsidiaries and other business units			8,170,090.12
Payment of cash related to other investment activities	VII,67	69,495,298.44	69,407,879.94
Cash flow subtotal of investment activities		17,400,303,722.66	10,682,635,710.92
Net cash flow from investment activities		-3,168,987,213.72	-3,774,042,010.86
III. Cash flows from fund-raising activities:			
Cash received by investment absorption		307,840,000.00	62,800,000.00
Among them: cash received by subsidiary companies to absorb minority shareholders' investment		307,840,000.00	62,800,000.00
Acquire the cash received by borrowing		2,071,732,036.40	3,690,917,977.88
Cash received from issuing bonds		498,200,000.00	2,763,000,000.00
Cash received related to other fund-raising activities	VII,67	235,188,723.00	392,000,000.00
Cash flow subtotal of fund-raising activities		3,112,960,759.40	6,908,717,977.88
Cash for debt repayment		1,804,138,756.82	1,491,452,580.08
Cash paid for distributing dividends, profits, or interest payments		669,469,586.02	430,834,156.78
Among them: dividends and profits paid by subsidiaries to minority shareholders			
Payment of cash related to other fund-raising activities	VII,67	371,897,932.37	314,201,510.71
Cash flow subtotal of fund-raising activities		2,845,506,275.21	2,236,488,247.57
Net cash flow from fund-raising activities		267,454,484.19	4,672,229,730.31
IV. The Impact of Exchange Rate Changes on Cash and Cash Equivalents		37,701,940.64	-55,791,588.14
V. Net Increase in Cash and Cash Equivalents	VII,68	-1,690,559,261.36	2,170,745,750.36
Plus: Cash and cash equivalents balance at the beginning of the period	VII,68	7,355,599,429.44	5,184,853,679.08
VI. Cash and cash equivalents balance at the end of the period	VII,68	5,665,040,168.08	7,355,599,429.44

Legal representative: Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

Parent company cash flow statement

January-December 2018

Unit: Yuan; Currency: RMB

Items	Notes	Accrual in current period	Accrual in prior period
I. Cash flows from business activities:			
Cash received for selling goods and providing services		8,184,721,180.88	9,049,560,191.33
Refunds of taxes		357,390,217.50	52,921,667.79
Cash received related to business activities		5,733,154,430.50	1,990,299,438.85
Cash flow subtotal of operating activities		14,275,265,828.88	11,092,781,297.97
Cash for Purchase of Goods and Acceptance of Labor Services		7,589,805,252.66	4,558,882,432.76
Cash paid to and for employees		259,818,259.20	240,827,145.08
Payments of all types of taxes		76,481,417.68	226,458,069.43
Payment of cash related to other business activities		7,258,947,207.45	3,143,866,635.00
Cash flow subtotal of business activities		15,185,052,136.99	8,170,034,282.27
Net cash flow from operating activities		-909,786,308.11	2,922,747,015.70
II. Cash flows from investment activities:			
Recovery of Cash Received from Investment		13,519,822,400.00	3,929,251,248.99
Cash received in return for investment		1,167,304,475.81	536,270,357.53
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets		4,580,631.60	2,784,929.00
Net cash received from the disposal of subsidiaries and other business units			
Cash received related to other investment activities		394,329,450.49	310,453,947.50
Cash flow subtotal of investment activities		15,086,036,957.90	4,778,760,483.02
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		14,972,853.83	481,443,069.70
Cash for investment payments		14,962,728,635.42	7,968,475,505.21
Net cash payments for the acquisition of subsidiaries and other business units			
Payment of cash related to other		212,844,225.93	532,045,840.88

investment activities			
Cash flow subtotal of investment activities		15,190,545,715.18	8,981,964,415.79
Net cash flow from investment activities		-104,508,757.28	-4,203,203,932.77
III.Cash flows from fund-raising activities:			
Cash received by investment absorption			
Cash received by borrowing		495,450,028.81	1,036,727,977.88
Cash received from issuing bonds		498,200,000.00	2,763,000,000.00
Cash received related to other fund-raising activities			4,030,000.00
Cash flow subtotal of fund-raising activities		993,650,028.81	3,803,757,977.88
Cash for debt repayment		510,792,719.93	1,061,820,580.08
Cash paid for distributing dividends, profits, or interest payments		438,757,211.20	281,165,735.65
Payment of cash related to other fund-raising activities		21,394,605.50	46,502,324.96
Cash flow subtotal of fund-raising activities		970,944,536.63	1,389,488,640.69
Net cash flow from fund-raising activities		22,705,492.18	2,414,269,337.19
IV.The Impact of Exchange Rate Changes on Cash and Cash Equivalents		3,210,916.39	-30,198,134.77
V.Net Increase in Cash and Cash Equivalents		-988,378,656.82	1,103,614,285.35
Plus: Cash and cash equivalents balance at the beginning of the period		4,069,236,367.76	2,965,622,082.41
VI.Cash and cash equivalents balance at the end of the period		3,080,857,710.94	4,069,236,367.76

Legal representative: Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

Statement of changes in the rights and interests of consolidated owners

January-December 2018

Unit: Yuan; Currency: RMB

Items	Current period												Minority equity	Total owner's equity
	Owners equity attributable to the Parent Company													
	Capital stock	Other equity instruments			capital reserve	Minus: treasury stock	other comprehensive income	special reserves	Surplus reserves	General risk preparation	Undistributed profit			
Preferred stock		Perpetual bond	convertible bond											
I. Closing balance in the previous year	1,993,989,649.00			629,305,966.83	5,433,363,019.83	98,428,945.60	-1,892,375.43		342,109,822.28		5,896,910,885.84	48,786,496.82	14,244,144,519.57	
Plus: changes in accounting policies														
Correction of previous error														
Corporate consolidation under common control														
Others														
II. Initial balance in this year	1,993,989,649.00			629,305,966.83	5,433,363,019.83	98,428,945.60	-1,892,375.43		342,109,822.28		5,896,910,885.84	48,786,496.82	14,244,144,519.57	
III. Increase or decrease in the amount of change in the current period (decrease by "-")	796,798,714.00			-498,724.98	-798,568,904.58	-52,952,962.30	6,301,572.85		121,458,973.76		2,077,784,137.96	324,386,979.02	2,580,615,710.33	
(I) Total aggregate income							6,301,572.85				2,557,964,089.73	8,629,343.64	2,572,895,006.22	
(II) Owner input and capital reduction	74,422.00			-498,724.98	22,319,339.57	-52,952,962.30						315,757,635.38	390,605,634.27	
11. Common stock invested by the owner					10,329,409.98							310,340,000.00	320,669,409.98	
22. Investing capital by other equity instrument holders	74,422.00			-498,724.98	2,206,380.75								1,782,077.77	
33. Amount of Share Payment Included in Owner's Rights and Interests					9,783,548.84	-52,952,962.30							62,736,511.14	
44. other												5,417,635.38	5,417,635.38	
(III) Profit Distribution									121,458,973.76		-480,179,951.77		-358,720,978.01	
1. Drawing surplus reserve									121,458,973.76		-121,458,973.76			
22. Extracting General Risk Preparedness														
33. Distribution of owners (or											-358,720,978.01		-358,720,978.01	

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shareholders)													01
44. other													
(IV) Internal carry-over of owner's rights and interests	797,621,454.00				-797,621,454.00								
1 1. Conversion of capital reserve to additional capital (or equity)	797,621,454.00				-797,621,454.00								
22. Conversion of surplus reserve to additional capital (or equity)													
33. Surplus reserve to compensate for losses													
4. Setting up Benefit Plans to Transfer Retained Income													
5. other													
(V) Special reserves													
1. Extraction in this period													
2. Use in this period													
(VI) Equity incentive repurchase	-897,162.00				-2,420,701.80								-3,317,863.80
(VII) Some adjustments in the amount of cost and expense deductible before tax in share payment that are expected to exceed the requirements of accounting standards in the future					-20,846,088.35								-20,846,088.35
IV. Closing balance in current period	2,790,788,363.00			628,807,241.85	4,634,794,115.25	45,475,983.30	4,409,197.42		463,568,796.04		7,974,695,023.80	373,173,475.84	16,824,760,229.90

Item	Prior period												
	Owners equity attributable to the Parent Company										Minority equity	Total owners' equity	
	Capital stock	Other equity instruments			Capital reserve	Minus: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk preparation			Undistributed profit
Preferred stock		Perpetual bond	Convertible bond										
I. Last year's End Balance	1,996,636,029				5,383,819,905.85	150,855,695.00	-10,899,636.56		190,384,926.39		2,683,464,664.74	1,059,545.24	10,093,609,739.66
Plus: Accounting Policy Change													
Early error correction													
Merger of enterprises under the same control													
Other													

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II. Balance at the beginning of the current year	1,996,636,029				5,383,819,905.85	150,855,695.00	-10,899,636.56		190,384,926.39		2,683,464,664.74	1,059,545.24	10,093,609,739.66
III. Increase or decrease in the amount of change in the current period (decrease by "-")	-2,646,380			629,305,966.83	49,543,113.98	-52,426,749.40	9,007,261.13		151,724,895.89		3,213,446,221.10	47,726,951.58	4,150,534,779.91
(I) Total aggregate income							9,007,261.13				3,564,525,604.84	-15,073,048.42	3,558,459,817.55
(II) Owner input and capital reduction				629,305,966.83	59,866,139.98	-52,426,749.40						62,800,000.00	804,398,856.21
1. Common stock invested by the owner					24,729,354.81							62,800,000.00	87,529,354.81
2. Investing capital by other equity instrument holders				629,305,966.83									629,305,966.83
3. Amount of Share Payment Included in Owner's Rights and Interests					35,136,785.17	-52,426,749.40							87,563,534.57
4. other													
(III) Profit Distribution									151,724,895.89		-351,079,383.74		-199,354,487.85
1. Drawing surplus reserve									151,724,895.89		-151,724,895.89		
2. Extracting General Risk Preparedness													
3. Distribution of owners (or shareholders)											-199,354,487.85		-199,354,487.85
4. other													
(IV) Internal carry-over of owner's rights and interests													
1. Conversion of capital reserve to additional capital (or equity)													
2. Conversion of surplus reserve to additional capital (or equity)													
3. Surplus reserve to compensate for losses													
4. Setting up Benefit													

Plans to Transfer Retained Income													
5. other													
(V) Special reserves													
11. Extraction in this period													
2. Use in this period													
(VI) Equity incentive repurchase	-2,646,380				-10,323,026.00								-12,969,406.00
IV. Final Balance of the Current Period	1,993,989,649			629,305,966.83	5,433,363,019.83	98,428,945.60	-1,892,375.43		342,109,822.28		5,896,910,885.84	48,786,496.82	14,244,144,519.57

Legal representative: Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

Statement of Changes in Owners' Equity of the Parent Company

January-December 2018

Unit: Yuan; Currency: RMB

Item	Current period										
	Capital stock	Other equity instruments			Capital reserve	Minus: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preferred stock	Perpetual bond	Convertible bond							
I. Last year's End Balance	1,993,989,649			629,305,966.83	5,418,963,412.66	98,428,945.60			342,109,822.28	2,346,489,659.46	10,632,429,564.63
Plus: Accounting Policy Change											
Early error correction											
Other											
II. Balance at the beginning of the current year	1,993,989,649			629,305,966.83	5,418,963,412.66	98,428,945.60			342,109,822.28	2,346,489,659.46	10,632,429,564.63
III. Increase or decrease in the amount of change in the current period (decrease by "-")	796,798,714			-498,724.98	-785,900,809.34	-52,952,962.30			121,458,973.76	734,409,785.78	919,220,901.52
(I) Total aggregate income										1,214,589,737.55	1,214,589,737.55
(II) Owner input and capital reduction	74,422			-498,724.98	22,319,339.57	-52,952,962.30					74,847,998.89
1. Common stock invested by the owner					10,329,409.98						10,329,409.98
2. Investing capital by other equity instrument holders	74,422			-498,724.98	2,206,380.75						1,782,077.77

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3. Amount of Share Payment Included in Owner's Rights and Interests					9,783,548.84	-52,952,962.30					62,736,511.14
4. other											
(III) Profit Distribution									121,458,973.76	-480,179,951.77	-358,720,978.01
11. Drawing surplus reserve									121,458,973.76	-121,458,973.76	
2. Distribution of owners (or shareholders)										-358,720,978.01	-358,720,978.01
3. other											
(IV) Internal carry-over of owner's rights and interests	797,621,454				-797,621,454.00						
1. Conversion of capital reserve to additional capital (or equity)	797,621,454				-797,621,454.00						
2. Conversion of surplus reserve to additional capital (or equity)											
3. Surplus reserve to compensate for losses											
4. Setting up Benefit Plans to Transfer Retained Income											
5. other											
(V) Special reserves											
1. Extraction in this period											
2. Use in this period											
(VI) Equity incentive repurchase	-897,162				-2,420,701.80						-3,317,863.80
(VII) Some adjustments in the amount of cost and expense deductible before tax in share payment that are expected to exceed the requirements of accounting standards in the future					-8,177,993.11						-8,177,993.11
IV. Final Balance of the Current Period	2,790,788,363			628,807,241.85	4,633,062,603.32	45,475,983.30			463,568,796.04	3,080,899,445.24	11,551,650,466.15

Item	Capital stock	Other equity instruments			capital reserve	Minus: treasury stock	Other comprehensive income	special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		preferred stock	perpetual bond	convertible bond							
I. Last year's End Balance	1,996,636,029				5,382,665,503.29	150,855,695.00			190,384,926.39	1,180,320,084.29	8,599,150,847.97
Plus: Accounting Policy Change											
Early error correction											
Other											
II. Balance at the beginning of the	1,996,636,029				5,382,665,503.29	150,855,695.00			190,384,926.39	1,180,320,084.29	8,599,150,847.97

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current year											
III. Increase or decrease in the amount of change in the current period (decrease by "-")	-2,646,380		629,305,966.83	36,297,909.37	-52,426,749.40			151,724,895.89	1,166,169,575.17	2,033,278,716.66	
(I) Total aggregate income									1,517,248,958.91	1,517,248,958.91	
(II) Owner input and capital reduction			629,305,966.83	46,620,935.37	-52,426,749.40					728,353,651.60	
1. Common stock invested by the owner				9,164,975.73						9,164,975.73	
2. Investing capital by other equity instrument holders			629,305,966.83							629,305,966.83	
3. Amount of Share Payment Included in Owner's Rights and Interests				37,455,959.64	-52,426,749.40					89,882,709.04	
4. other											
(III) Profit Distribution								151,724,895.89	-351,079,383.74	-199,354,487.85	
1. Drawing surplus reserve								151,724,895.89	-151,724,895.89		
2. Distribution of owners (or shareholders)									-199,354,487.85	-199,354,487.85	
3. other											
(IV) Internal carry-over of owner's rights and interests											
1. Conversion of capital reserve to additional capital (or equity)											
2. Conversion of surplus reserve to additional capital (or equity)											
3. Surplus reserve to compensate for losses											
4. Setting up Benefit Plans to Transfer Retained Income											
5. other											
(V) Special reserves											
1. Extraction in this period											
2. Use in this period											
(VI) Equity incentive repurchase	-2,646,380				-10,323,026.00					-12,969,406.00	
IV. Final Balance of the Current Period	1,993,989,649		629,305,966.83	5,418,963,412.66	98,428,945.60			342,109,822.28	2,346,489,659.46	10,632,429,564.63	

Legal representative: Li Zhenguo; Chief Accountant: Liu Xuewen; Head of Accounting Department: Liu Xuewen

III. Basic Situation of the Company

1. Company Profile

Applicable Non-applicable

LONGi Green Energy Technology Co., Ltd. (hereinafter referred to as “our Company” or “the Company”) was incorporated in Xi'an Administration for Industry & Commerce in January 2000, and it is currently headquartered at No.388, Hangtian Mid Road, Xi'an, Shaanxi Province.

The Company and its subsidiaries (collectively referred to as “the Group”) belong to PV industry and are mainly engaged in the R&D, production and sales of PV products. The main products include: mono ingots, wafers, solar cells, and solar modules, development business of ground-mounting PV systems and distributed PV business. These financial statements were publicized with the approval of Board of Directors of the Company on April 26, 2019.

2. Scope of consolidated financial statements

Applicable Non-applicable

In 2018, a total of 217 subsidiaries were incorporated into the merger in 2018. Detailed information can be found in "Rights and Interests in Other Subjects". The Company's consolidation scope in this year increased by 24 households and decreased by 106 households compared with the previous year, as detailed in the Eighth and the Change of the scope of consolidation.

IV. Basis for the Preparation of Financial Statements

1. Compilation basis

The Company's financial statements are based on continuous operation.

2. Going-concern

Applicable Non-applicable

The Company's financial statements are based on the assumption of continuing operation, according to actual transactions and events, and in accordance with the Accounting Standards for Business Enterprises - Basic Standards issued by the Ministry of Finance (Ministry of Finance Decree No. 33, Ministry of Finance Decree No. 76), 42 specific accounting standards promulgated and revised on and after February 15, 2006, the Guidelines for the Application of Enterprise Accounting Standards, and the interpretation of Enterprise Accounting Standards Interpretation and other relevant provisions (hereinafter referred to as "Accounting Standards for Business Enterprises"), and the disclosure provisions of the China Securities Regulatory Commission "Rules for Compiling Information Disclosure of Companies Publicly Issuing Securities No. 15 - General Provisions for Financial Reporting" (revised in 2014).

According to the relevant provisions of the Accounting Standards for Business Enterprises, the accounting of the Company is based on accrual basis. Except for some financial instruments, the financial statements are based on historical costs. If assets are impaired, corresponding impairment provisions shall be made in accordance with relevant provisions.

V. Important Accounting Policies and Accounting Estimates

Specific accounting policies and accounting estimates suggest that:

Applicable Non-applicable

According to the characteristics of actual production and operation and the relevant Accounting Standards for Business Enterprises, the Company and its subsidiaries have formulated a number of specific accounting policies and accounting estimates for transactions and events such as income recognition and fixed assets, as detailed in the descriptions of 28. "Income" and 16. "Fixed assets". For explanations of significant accounting judgments and estimates made by management, please refer to 34. Other "significant accounting judgments and estimates".

1. Statement of Compliance with the Accounting Standards for Business Enterprises

The financial statements compiled by the Company conform to the requirements of the Accounting Standards for Business Enterprises. They truly and completely reflect the financial situation of the company on December 31, 2018 and the related information of the operating results and cash flow in 2018. In addition, the Company's financial statements in all significant respects meet the disclosure requirements of the financial statements and their notes in General Regulations No. 15 of the Compilation Rules for the Disclosure of Corporate Information for Public Securities Issues, revised by the China Securities Regulatory Commission in 2014.

2. Accounting period

The accounting year of the Company adopts the calendar year, which refers to the period from

From January 1 to December 31 per year.

3. Operating Cycle

Applicable Non-applicable

The normal operating cycle refers to the period from the Company's purchases of assets for processing to the realization of cash or cash equivalents. In the Company, 12 months are an operating cycle and it serves as partition criterion uses for the working capital of assets and liabilities.

4. Recording Currency

RMB is the currency in major economic environment in the operation of the Company and its domestic subsidiaries. The recording currency for the Company and its domestic subsidiaries is RMB. As for the Company's overseas subsidiaries, such as LONGi (KUCHING) SDN. BHD., LERRI Solar Technology K.K., LERRI Solar Technology (U.S.) INC, LERRI SOLAR TECHNOLOGY (INDIA) PRIVATE LIMITED, LONGi New Energy (Uganda) Limited, LONGi Solar Technologie GmbH and LONGi NEW ENERGY (THAILAND) CO., LTD., the recording currency can be determined as Ringgit, the Japanese yen, the US dollar, the Indian rupee, the Uganda shilling, Euro, and the Thai Baht in view of major economic environment where they are. The currency used by the Company in preparing this financial statement is RMB.

5. Accounting Treatment of Business Consolidation under Common Control and Not under Common Control

Applicable Non-applicable

Business consolidation is a transaction or event of one report entity in which two or more separate enterprises are merged. Business consolidation is divided into business consolidation under common control and that not under common control.

(1) Business consolidation under common control

Business consolidation under common control means that businesses that involve in the consolidation are under the final control of same party or parties before the consolidation, but this control is far from temporary. As for the business consolidation under common control, the party that acquires control over other participating enterprises at the date of the consolidation is the merging party, and the other enterprises that participate in the consolidation are the merged party. The consolidation date refers to the date on which the merging party actually obtains control over the merged parties.

Assets and liabilities acquired by the merging party are measured based on the book value of the merged parties on the consolidation date. The difference between the book value of net assets obtained by the merging party and the book value of the consideration paid for the consolidation (or the total nominal of shares issued) can adjust the capital reserve (share capital premium); if the capital reserve (share capital premium) is insufficient to offset, the retained earnings shall be adjusted.

Various direct expenses incurred by the merging party for the business consolidation shall be included in the current profit and loss when incurred.

(2) Business consolidation not under common control

Business consolidation not under common control refers to that enterprises participating in the consolidation are not ultimately controlled by the same party or the same parties before and after the consolidation. In terms of business consolidation not under common control, the party that acquires control over the other participating enterprises at the date of purchase is the purchaser, while the other enterprises that participate in the consolidation are the purchased party. The purchase date refers to the date on which the purchaser actually obtains control over the purchased party.

In terms of business consolidation not under common control, the consolidation cost includes the assets, the liabilities incurred or assumed, and the fair value of equity securities issued paid by the purchaser on the purchase day to obtain the control over the purchased party; the agency fees such as audit, legal services, assessment and consulting, and other administrative expenses should be charged to profit or loss for the current period when incurred. The transaction costs of equity securities or debt securities issued by the purchase party as consolidation considerations will be included in the initial confirmation amount of equity securities or debt securities. The contingent consideration involved will be included in the consolidation cost in accordance with its fair value at the purchase date, and the consolidated goodwill will be adjusted correspondingly if there is any new or further evidence for existence on the purchase date or necessary adjustment of contingent consideration within 12 months after the purchase date. The consolidation costs incurred by the purchaser and the identifiable net assets obtained in the consolidation are measured at the fair value at the consolidation date. The goodwill will be confirmed if the consolidation cost is larger than the balance of fair value of the identifiable net assets of purchased party obtained on the purchase date in the consolidation. If the consolidation cost is less than the fair value share of identifiable net assets of purchased party obtained in the consolidation, the fair value of the identifiable assets, liabilities, and contingent liabilities obtained by purchased party as well as the measurement of consolidation costs will be reviewed firstly. After the review, if the consolidation cost is still less than the fair value of identifiable net assets of the purchased party obtained in the consolidation, the difference will be included in the current profit or loss.

The purchaser obtains the deductible temporary difference of the purchased party, and if it is not confirmed on the purchase date because it does not meet the deferred income tax asset recognition conditions, the related deferred income tax assets will be confirmed and the goodwill will be reduced at the same time if new or further information obtained shows that relevant situations on the purchase day already exist, and that the economic benefits brought by deductible temporary difference on the purchase date of the purchased party can be achieved within 12 months after the purchase date. If the goodwill cannot be offset, the difference will be recognized as the current profit or loss; except for the above cases, the deferred income tax assets related to the business consolidation should be included in the current profit or loss.

As for business consolidation not under common control achieved through multiple transactions, one can judge whether the multiple transactions belong to the “package transactions” in accordance with No.5 Circular of the Ministry of Finance on Printing and Issuing Accounting Standards for Business Enterprises (CK [2012] No.19), and Article 51 –Judgment Standards on “Package Transactions” in Accounting Standards for Business Enterprises No.33 -Consolidated Financial Statements. If they belong to the “Package Transactions”, accounting treatment will be conducted by referring to descriptions in the preceding paragraphs of this Section and the Note 14. “Long-term Equity Investment”. If they do not belong to the “Package Transactions”, relevant accounting treatment will be conducted by differentiating individual financial statements and consolidated financial statements.

In the individual financial statements, the sum total of book value of equity investment held by the purchased party before the purchase date and initial investment cost on the purchase date will be regarded as initial investment cost of such investment; if the equity of purchased party held before the purchase date involves other comprehensive incomes, the accounting treatment will be conducted to other related comprehensive incomes on the same basis as direct disposal of relevant assets or liabilities of purchased party when such investment is disposed (for instance, except for the corresponding share in the change caused by purchased party’s re-measurement of beneficiary plan net liabilities or net assets that is calculated in accordance with the equity method, the rest shall be transferred to the current investment income).

In the consolidated financial statements, the equity of the purchased party held before the purchase date is re-measured at the fair value of the equity at the purchase date, and the difference between fair value and its book value will be included in the current investment income; if the equity of purchased party held before the purchase date involves other comprehensive incomes, the accounting treatment will be conducted to the related other comprehensive incomes on the same basis as direct disposal of relevant assets or liabilities of purchased party (for instance, except for the corresponding share in change caused by purchased party’s re-measurement of beneficiary plan net liabilities or net assets that is calculated in accordance with the equity method, the rest shall be transferred to the current investment income on purchase date).

6. Preparation Method of Consolidated Financial Statement

Applicable Non-applicable

(1) The principle of determining consolidated financial statements scope

The consolidation scope of consolidated financial statements is on the basis of control. Control means that the Company has the power over the investee, enjoys variable returns by participating in related activities of the investee, and is able to affect the returns amount by exerting the power of the investee. The consolidation scope includes the Company and all its subsidiaries. Subsidiaries refer to subjects

controlled by the Company which will conduct re-evaluation once changes are made in relevant elements related to control definition above caused by changes in relevant facts and circumstances.

(2) Method of preparing consolidated financial statements

From the date of acquiring net assets of the subsidiaries and actual control over the production and business decision-making, the Company began to include them in the consolidation scope; the incorporation into consolidation scope will cease from the date of loss of actual control. As for the subsidiaries disposed, the operating results and cash flows before the date of disposal have been properly included in the consolidated income statement and the consolidated cash flows statement; in terms of subsidiaries disposed in current period, the opening balance in consolidated balance sheet will not be adjusted. For subsidiaries increase through business not under common control, the operating results and cash flows after purchase date have been properly included in the consolidated income statement and the consolidated cash flows statement, and adjustment is not made in opening balance and comparative data of the consolidated financial statements. For subsidiaries increase through business under same control, the operating results and cash flows from beginning of current period to the consolidation date have been properly included in the consolidated income statement and the consolidated cash flows statement, and adjustment is made in comparative data of the consolidated financial statements at the same time.

In the preparation of consolidated financial statements, if the accounting policies or accounting period adopted by the subsidiaries and the Company are inconsistent, necessary adjustments shall be made to the financial statements in subsidiaries in accordance with the Company's accounting policies and accounting period. For subsidiaries acquired through business consolidation not under common control, adjustment shall be made to their financial statements based on the fair value of the identifiable net assets at the purchase date.

All significant balances, transactions, and unrealized profits within the Company should be offset when the consolidated financial statements are prepared.

The shareholder's equity in subsidiaries and the part that does not belong to the Company in current net profit or loss should be separately presented as minority shareholders' equity and minority shareholders' profits and losses under the item of shareholders' equity and net profit in the consolidated financial statements. The share belonging to minority shareholders' equity in the current net profit or loss of the subsidiaries should be listed under the "minority shareholder's profit and loss" item in the consolidated income statement. If the loss shared by minority shareholders in subsidiaries exceeds the share enjoyed by them in shareholders' equity in subsidiaries at the beginning of the period, and it still writes down minority equity.

When the control of the original subsidiaries is lost because of the disposal of partial equity investment or other reasons, the residual equity will be re-measured in accordance with its fair value on the day of control loss. The sum total of consideration obtained by disposal of equity and the fair value of residual equity reduces the difference between shares of the net assets that should be enjoyed in original subsidiaries and calculated from the purchase day in accordance with original shareholding ratio calculation, and then the result will be included in the return of investment in the current period when control is lost. Accounting treatment will be conducted to other comprehensive incomes related to equity investment of original subsidiaries on the same basis as direct disposal of related assets or liabilities by purchased party when the control is lost (for instance, in addition to changes caused by re-measurement of net liabilities or net assets in defined benefit plans in original subsidiaries, the remaining will be transferred into current investment profit or loss). Thereafter, the residual shares of this part will be measured in accordance with the relevant provisions of the Accounting Standards for Business Enterprises No.2 Long-term Equity Investment or Accounting Standards for Business Enterprises No.22

–Confirmation and Calculation of Financial Instruments; for more details, please refer to the Note V. 14- “Long-term Equity Investment” or Note V. 10- “Financial Instruments”.

If the Company loses its control over equity investment in subsidiaries through multiple transactions step disposal, one needs to distinguish whether the transactions that dispose the equity investment of the subsidiaries until the loss of control are a package transaction. It shows that accounting treatment should be conducted to multiple transactions as a package transaction once the disposal on exchange provisions, conditions, and economic effects of subsidiaries’ equity investment is in accordance with the following or a variety of circumstances: ① these transactions are made at the same time or in the context of consideration of each other’s influence; ② the entire transactions can achieve a complete commercial result; ③ the occurrence of a transaction depends on the occurrence of at least one transaction; ④ a transaction is uneconomical alone, but it is economical in conjunction with other transactions. If they do not belong to a package transaction, accounting treatment will be conducted to each transaction in accordance with applicable principles for “partial disposal o subsidiaries’ long-term equity investment without the loss of control” and “loss of the control over original subsidiaries caused by disposal of partial equity investment or by other reasons” (see the preceding paragraph) in view of actual situations. The transactions dealing with the equity investment of the subsidiaries until the loss of control are a package transaction, and accounting treatment will be conducted to transactions that dispose subsidiaries and lose the control. However, before the loss of control, the difference in each disposal cost and the share of net assets of the subsidiaries enjoyed correspondingly will be confirmed as the other comprehensive income in the consolidated financial statement, and they will be transferred into current profit or loss in the period when the control is lost.

7. Classification of Joint Venture Arrangements and Accounting Treatment of Joint Venture

Applicable Non-applicable

Joint venture arrangement refers to an arrangement controlled jointly by two or more participants. According to the rights and obligations in the joint venture arrangement, the company divides the joint venture arrangement into joint operation and joint venture. Joint venture means a joint venture arrangement in which the company enjoys the assets related to the arrangement and bears the liabilities related to the arrangement. A joint venture refers to a joint venture arrangement in which the company only has rights over the net assets of the arrangement.

The Company’s investment in joint ventures shall be accounted for by the equity method, and shall be handled according to the accounting policy stated in “—Long-term Equity Investment in accordance with equity method”.

The Company, as a joint venture party, operates jointly, recognizing its own assets and liabilities, as well as jointly held assets and liabilities in accordance with its share; recognizing the income generated by the sale of its share of joint operating output; recognizing the income generated by the sale of joint operating output in accordance with its share; and recognizing the Company as a joint venture. The expenses incurred separately and the expenses incurred in the joint operation shall be confirmed according to the share of the company.

When the company jointly invests or sells assets as a joint venture direction (which does not constitute a business, the same below) or purchases assets from joint venture, before selling such assets to a third party, the company only confirms that the profits and losses arising from the transaction belong to the other participants in the joint venture. Where the loss of impairment of such assets occurs in accordance with the provisions of *Accounting Standards for Business Enterprises No. 8 - impairment of assets*, the Company shall recognize the loss in full in the case of the investment or sale of assets from the company

to the joint operation, and in the case of the purchase of assets by the company from the joint operation, the company shall recognize the loss in accordance with its share assumed.

8. Criteria for determining cash and cash equivalents

The company's cash and cash equivalents include cash in stock, deposits that can be used to pay at any time, short-term Holdings (usually due within three months from the date of purchase), strong liquidity, easy conversion to known amounts of cash, and investment with little risk of value change.

9. Foreign currency transactions and translation of foreign currency statements

Applicable Non-applicable

(1) Conversion Method of Foreign Currency Trading

In the initial confirmation of foreign currency transactions of the Company, it shall be converted into the recording currency amount in accordance with the spot exchange rate on the trading day. However, as for the foreign currency conversion business or the transaction involving foreign currency conversion in the Company, they will be converted into recording currency amount based on the actual exchange rate adopted

(2) Conversion methods for foreign currency monetary items and foreign currency non-monetary items

On the balance sheet date, foreign currency monetary items will be converted by using the spot exchange rate on the balance sheet date, and the resulting exchange differences will be included into current profit or loss except: ① The exchange difference arising from foreign currency special borrowings related to the acquisition and construction of assets eligible for capitalization shall be treated in accordance with the capitalization principle of borrowing costs; ② the exchange differences arising from changes in other book balances except for amortized costs of foreign currency monetary items available for sale are included in other comprehensive incomes.

If overseas operations are involved in the preparation of consolidated financial statements, the exchange differences arising from changes in exchange rates should be included in other comprehensive incomes if there are foreign currency monetary items constituting a net investment in overseas operations in essence; when overseas operations are disposed, they will be transferred to disposal of current profit or loss.

Non-monetary foreign currency items measured at historical cost are still measured at recording currency amount converted at the spot exchange rate on the trading day. Non-monetary foreign currency items measured at fair value shall be converted at the spot exchange rate on the date when the fair value is determined. The difference between the converted recording currency amount and the original recording currency amount shall be treated as changes in fair value (including changes in exchange rates), and shall be included in current profit or loss or confirmed as other comprehensive incomes.

(3) Conversion method of foreign currency financial statements where the preparation of consolidated financial statements involves overseas operations, if any foreign currency monetary item constitutes a net investment in overseas operations in essence, the exchange difference resulting from the change of exchange rate shall be recognized as other comprehensive gains as the "conversion difference of foreign currency statements"; when dealing with overseas operations, it shall be included in the profits and losses of the current period of disposal.

Foreign currency financial statements operated abroad are converted into RMB statements by the following methods: assets and liabilities in the balance sheet are converted at the spot exchange rate on the balance sheet date; shareholder equity items are converted at the spot exchange rate at the time of

occurrence, except for "undistributed profit" items. Income and expense items in the profit statement shall be converted at the spot exchange rate on the date of transaction. The undistributed profit at the beginning of the year is the undistributed profit at the end of the year after the conversion of the previous year; the undistributed profit at the end of the year is calculated and shown according to the items of the profit distribution after the conversion; the difference between the total amount of assets and liabilities items and shareholders' equity items after the conversion is recognized as the conversion difference of foreign currency statements and as other comprehensive income. When dealing with overseas operations and losing control, the balance of the converted foreign currency statements related to the overseas operations shown under the equity items of shareholders in the balance sheet shall be transferred to the current profits and losses of the disposal in full or in proportion to the disposal of the overseas operations.

Foreign currency cash flow and cash flow of overseas subsidiaries shall be converted by spot exchange rate on the date of cash flow occurrence. The impact of exchange rate changes on cash is reported separately in the cash flow statement as a regulation item.

The beginning of the year and the actual number of the previous year are shown in terms of the amount converted from the financial statements of the previous year.

When dealing with all the owner's rights and interests of the Company operating abroad or losing control over overseas operations due to the disposal of some equity investments or other reasons, all the converted differences of foreign currency statements related to the overseas operations, which are attributable to the owner's rights and interests of the parent company, shown below in the balance sheet, shall be transferred to the profits and losses of the current disposal period.

When dealing with part of the equity investment or other reasons leading to the reduction of the proportion of holding overseas operating rights and interests but not losing control over overseas operations, the balance of foreign currency statement conversion related to the part of overseas operation and disposal will be attributed to the rights and interests of minority shareholders and will not be transferred to current profits and losses. When disposing of part of the equity of an overseas joint venture or cooperative venture, the difference in the conversion of foreign currency statements related to the overseas operation shall be transferred to the profits and losses of the current period according to the proportion of disposing of the overseas operation.

10. Financial instruments

Applicable Non-applicable

Recognition of a financial asset or liability when the Company becomes a party to a financial instrument contract. Financial assets and liabilities are measured at fair value when they are initially recognized. For financial assets and liabilities measured at fair value and whose changes are included in current profits and losses, relevant transaction costs are directly recorded in profits and losses; for other types of financial assets and liabilities, relevant transaction costs are recorded in the initial confirmation amount.

(1) Method of determining fair value of financial assets and liabilities

Fair value refers to the price that a market participant can receive or transfer a liability by selling an asset in an orderly transaction on the measurement day. Where there is an active market for financial instruments, the fair value of such instruments shall be determined by the quotation in the active market. Quotation in an active market refers to the price easily obtained from exchanges, brokers, trade associations, pricing service institutions and so on on a regular basis, and represents the price of market transactions actually taking place in fair trading. If there is no active market for financial

instruments, the Company adopts valuation technology to determine its fair value. Valuation techniques include referring to the prices used in recent market transactions by parties familiar with and willing to trade, referring to the current fair value of other essentially identical financial instruments, cash flow discount method and option pricing model, etc.

(2) Classification, Recognition and Measurement of Financial Assets

Trading financial assets in a conventional way, accounting confirmation and termination confirmation shall be carried out on the trading day. When financial assets are initially recognized, they are divided into financial assets measured at fair value and whose changes are included in current profits and losses, investments held to maturity, loans and receivables, and financial assets available for sale.

① Financial assets measured at fair value and whose changes are included in current profits and losses including transactional financial assets and financial assets designated to be measured at fair value and whose changes are included in current profits and losses.

Transactional financial assets refer to financial assets that satisfy one of the following conditions: A. The purpose of acquiring the financial assets is mainly to sell in the near future; B. belongs to the identifiable portfolio of financial instruments under centralized management, and there is objective evidence that the company manages the portfolio in the near future by short-term profitability; C. belongs to the derivatives designated as effective hedging instruments, derivatives under financial guarantee contracts, and derivatives linked to investments in equity instruments that are not quoted in active markets and whose fair value cannot be reliably measured, with the exception of derivatives that must be settled by delivery of such equity instruments.

Financial assets that meet one of the following conditions may be designated as financial assets measured at fair value and whose changes are recorded in current profits and losses upon initial confirmation: A. The designation can eliminate or significantly reduce inconsistencies in recognition or measurement of relevant gains or losses arising from the different measurement bases of the financial assets; B. The formal written document of the Company's risk management or investment strategy has stated that the portfolio of financial assets or the portfolio of financial assets and liabilities where the financial assets are located shall be managed, evaluated and reported to key managers on the basis of fair value.

Financial assets that are measured at fair value and whose changes are included in current profits and losses are subsequently measured at fair value. The gains or losses resulting from changes in fair value and the dividends and interest income related to such financial assets are included in current profits and losses.

① Holding up to maturity investment refers to the maturity date is fixed, the recovery amount is fixed or determinable, and the company has a clear intention and ability to hold non-derivative financial assets to maturity.

The holdings to maturity investment is measured by the real interest rate method according to the cost of amortization. The profits or losses arising from the termination of recognition, impairment or amortization are included in the profits and losses of the current period.

② Real interest rate method refers to the method of calculating the amortization cost and the interest income or expenditure of each period according to the actual interest rate of financial assets or financial liabilities (including a group of financial assets or financial liabilities). Real interest rate refers to the interest rate used to discount the future cash flow of financial assets or financial liabilities to the current

book value of the financial assets or financial liabilities during the expected lifetime or in a shorter applicable period.

In calculating the real interest rate, the Company will forecast future cash flow (regardless of future credit losses) on the basis of considering all contract terms of financial assets or financial liabilities, and will also consider fees, transaction costs and discounts or premiums paid or collected between the parties to the financial assets or financial liabilities contract, which are part of the real interest rate.

③ Loans and receivables refers to non-derivative financial assets that are not quoted in an active market and whose recovery amount is fixed or determinable. The Company is divided into loans and receivables of financial assets including notes receivable, accounts receivable, interest receivable, dividends receivable and other receivables.

Loans and receivables are measured by the method of real interest rate according to the cost of amortization. The gains or losses resulting from the termination of recognition, impairment or amortization are included in the current profits and losses.

④ Financial assets available for sale include non-derivative financial assets designated for sale at the time of initial confirmation, as well as financial assets other than those measured at fair value and whose changes are included in current profits and losses, loans and receivables, and holdings of investments up to maturity.

(2) The final cost of investments in debt instruments available for sale is determined by the amortization cost method, which means that the initial recognized amount deducts the repaid principal, plus or minus the accumulated amortization amount formed by amortizing the difference between the initial recognized amount and the amount at maturity date by the actual interest rate method, and deducts the amount after the impairment loss has occurred. The end-of-term cost of the investments in marketable equity instruments is its initial acquisition cost.

Fair value shall be used for subsequent measurement of financial assets available for sale. The gains or losses resulting from changes in fair value shall be recognized as other comprehensive gains and losses at the time of termination of the recognition of the financial assets, except that the loss of impairment and the exchange difference between foreign currency monetary financial assets and the amortized cost shall be included in the current profits and losses. However, investment in equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured, and derivative financial assets linked to the equity instruments that must be settled by delivering the equity instruments, are subsequently measured according to cost.

Interest earned during the holding period of financial assets available for sale and cash dividends declared by the invested entity shall be included in the investment income.

(3) In addition to financial assets whose impairment is measured at fair value and whose changes are included in current profits and losses, the Company inspects the book value of other financial assets on each balance sheet day. If there is objective evidence that the impairment of financial assets occurs, the provision for impairment shall be calculated.

The Company separately tests the impairment of a single financial asset with a significant amount; separately tests the impairment of a single financial asset with a minor amount or includes impairment tests in a financial asset portfolio with similar credit risk characteristics. Separate testing of financial assets without impairment (including single financial assets with significant and insignificant amounts),

including impairment testing in portfolios with similar credit risk characteristics. Financial assets that have been identified as impairment losses are excluded from impairment tests in financial portfolios with similar credit risk characteristics.

① Financial assets with impairment of investments, loans and receivables up to maturity, measured at cost or amortized cost, write down their book value to the present value of expected future cash flows, and the amount of impairment is recognized as impairment losses and recorded in current profits and losses. If there is objective evidence that the value of a financial asset has recovered after the loss of impairment has been confirmed and is objectively related to the events that occurred after the loss has been confirmed, the original loss of impairment shall be reversed, and the book value of the financial asset after the loss of impairment shall not exceed the amortized cost of the financial asset on the date of return without the provision for impairment.

If it is judged that the value decline in available-for-sale financial assets is serious or rather than temporary after related factors are considered, it indicates that there is impairment in available-for-sale equity instrument investment. Wherein, “serious decline” refers to that the cumulative decline in the fair value exceeds a certain percentage; the decline range for available-for-sale equity instruments in the domestic financial market has accumulated more than 20%, and that in international financial market has accumulated more than 50%; “non-temporary decline” refers to that the continuous decline of fair value exceeds 12 months.

When the impairment occurs to an available-for-sale financial asset, the accumulative loss that was originally recorded in other comprehensive incomes due to decline in fair value should be transferred out and included into current profit or loss. The accumulative loss transferred out refers to the balance after the initial acquisition cost of the asset deducts the principal and amortized amount, current fair value and the impairment loss that has been included in profit or loss.

After confirming the impairment loss, if there is objective evidence after the period that the value of the financial asset has been restored and is objectively related to the events occurring after the loss is confirmed, the impairment loss originally recognized shall be reversed, the impairment loss for the investment of the selling equity instruments shall be reversed to other comprehensive gains, and the impairment loss for the selling debt instruments shall be returned to the current profits and losses.

The impairment losses of derivative financial assets which are not quoted in an active market and whose fair value cannot be reliably measured, or which are linked to the equity instruments and must be settled through the delivery of the equity instruments, shall not be reversed.

(4). Confirmation Basis and Measurement Method of Financial Asset Transfer

Financial assets that satisfy one of the following conditions shall be terminated and confirmed: ① the termination of the contractual right to collect the cash flow of the financial assets; ② the financial assets have been transferred and almost all the risks and rewards of the ownership of the financial assets have been transferred to the transferee; ③ the financial assets have been transferred, although the enterprise neither transfers nor retains almost all the ownership of the financial assets. Risk and reward, but abandon control of the financial assets.

If the enterprise neither transfers nor retains almost all the risks and rewards in the ownership of the financial assets, nor abandons its control over the financial assets, it shall recognize the relevant financial assets according to the extent of its continued involvement in the transferred financial assets, and correspondingly confirm the relevant liabilities. The degree of continued involvement in the

transferred financial assets refers to the level of risk faced by the enterprise due to the change in the value of the financial assets

If the overall transfer of financial assets satisfies the conditions for termination of recognition, the balance between the book value of the transferred financial assets and the balance received as a result of the transfer and the cumulative amount of changes in fair value originally recorded in other comprehensive gains shall be included in the current profits and losses.

If partial transfer of financial assets satisfies the conditions for termination of recognition, the book value of the transferred financial assets shall be apportioned according to their relative fair value between the termination of recognition and the non-termination of recognition, and the consideration received as a result of the transfer and the difference between the cumulative change in fair value originally apportioned to the termination of recognition and the preceding book value apportioned shall be included in the sum of the cumulative changes in fair value of other comprehensive gains. The amount is included in current profits and losses.

The Company needs to determine whether almost all the risks and rewards in the ownership of the financial assets have been transferred to the financial assets sold or endorsed by the Company by means of the right of recourse. If almost all the risks and rewards in the ownership of the financial asset have been transferred to the transferee, the confirmation of the financial asset shall be terminated; if almost all the risks and rewards in the ownership of the financial asset have been retained, the confirmation of the financial asset shall not be terminated; if almost all the risks and rewards in the ownership of the financial asset have not been transferred or retained, the enterprise shall continue to judge whether or not the asset is owned by the enterprise. Control is retained and accounting is carried out in accordance with the principles described in the preceding paragraphs.

(5) Classification and Measurement of Financial Liabilities

When financial liabilities are initially recognized, they are divided into financial liabilities and other financial liabilities which are measured at fair value and whose changes are included in current profits and losses. Financial liabilities are initially recognized and measured at fair value. For financial liabilities measured at fair value and whose changes are included in current profits and losses, relevant transaction costs are directly included in current profits and losses; for other financial liabilities, relevant transaction costs are included in the initial recognized amount.

① Financial liabilities measured at fair value and whose changes are included in current profits and losses are classified as transactional financial liabilities and those designated at the initial confirmation as fair value and whose changes are included in current profits and losses are consistent with those classified as transactional financial assets and those designated at the initial confirmation as fair value and whose changes are included in current profits and losses.

Financial liabilities that are measured at fair value and whose changes are included in current profits and losses are subsequently measured at fair value. The gains or losses resulting from the changes in fair value and the dividends and interest expenditures related to such financial liabilities are included in current profits and losses.

② Other financial liabilities

The subsequent measurement shall be conducted to derivative financial liabilities that are linked to equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured and are settled by delivering equity instruments. The subsequent measurement shall be

conducted to other financial liabilities in accordance with amortized cost by using the effective interest rate method. Gains or losses arising from derecognition or amortization will be included into current profit or loss.

③ Financial guarantee contract

As for financial guarantee contracts, where financial liabilities are not designated to be calculated at fair value and whose changes are included into current profit or loss, the initial confirmation will be conducted in accordance with fair value. After the initial confirmation, the subsequent measurement shall be conducted in accordance with the amount determined in *Accounting Standards for Business Enterprises No.13 – Contingencies* and initial amount determined to deduct the higher of the balance after accumulative amortization amount determined in accordance with the principle of *Accounting Standards for Business Enterprises No.14 -Revenues*.

(6) Derecognition of financial liabilities

If the current obligation of a financial liability is discharged in whole or in part, the financial liability or part thereof may be derecognized. The existing financial liabilities shall be derecognized, and the new financial liabilities shall be confirmed at the same time when the Company (debtor) signs an agreement with creditor to replace the existing financial liabilities by assuming new financial liabilities and the terms of new financial liabilities are different from those of existing financial liabilities substantially.

If all or parts of the financial liabilities are derecognized, the difference between the book value of derecognized part and the consideration paid (including non-cash assets transferred out or new financial liabilities assumed) shall be included into the current profit or loss.

(7) Derivatives and embedded derivatives

Derivatives will be initially measured at fair value on the date of signing relevant contracts and are subsequently measured at fair value. Changes in fair value of derivatives are included into current profit or loss.

In terms of hybrid tools of embedded derivatives, if a creditor has not designated a financial asset or financial liability calculated at fair value and whose changes included into current profit or loss, there is no a close relationship between embedded derivatives and principal contract in terms of economic characteristics and risks, and conditions are same as the embedded derivatives, and the separately existing tools meet the definition of the derivatives, the embedded derivatives will be split from the hybrid tools and processed as a separate derivative financial instrument. If it is impossible to individually measure the embedded derivative instruments at the time of acquisition or on the subsequent balance sheet date, the entire hybrid tools can be designated as financial assets or financial liabilities calculated at its fair value and whose changes included into current profit or loss.

(8) Offset of financial assets and financial liabilities

When the Company has the statutory right to offset confirmed financial assets and financial liabilities and is able to exercise such statutory right and plans to simultaneously realize the financial assets or liquidate the financial liabilities through netting, the amount of financial liabilities offset by each other will be shown in the balance sheet. In addition, financial assets and financial liabilities are separately presented in the balance sheet and are not offset by each other.

(9) Equity instruments

Equity instruments refer to contracts that can prove the ownership of the company's residual equity in assets after deduction of all liabilities. The company issues (including refinancing), repurchase, sale or cancellation of equity instruments as changes in equity. Transaction costs related to equity transactions are deducted from equity.

The Company's various distributions to holders of equity instruments (excluding stock dividends) can reduce shareholders' equity. The Company will not confirm the changes in fair value of equity instruments.

11. Receivables

(1). Receivables with significant amount and individual bad-debt provision

Applicable Non-applicable

The Judgment Basis or Standard of Major Single Amount	The Company recognizes receivables of more than 5 million yuan as major receivables.
The Method of Calculating and Drawing Bad Debt Reserve with Significant Single Amount	The Company separately tests the impairment of individual accounts receivable with significant amount, and separately tests the financial assets without impairment, including the impairment test in the portfolio of financial assets with similar credit risk characteristics. The receivables whose impairment loss has been confirmed by a single test are no longer included in the impairment test in the receivables portfolio with similar credit risk characteristics.

(2). Receivables for bad-debt provision in accordance with the credit risk characteristics portfolio

Applicable Non-applicable

The Method of Drawing Bad Debt Reserve Based on Credit Risk Characteristic Portfolio	
Aging portfolio	Aging classification in accordance with receivables
Other portfolios	Classification in accordance with similar credit risk characteristics of related parties and reserve funds within the group

In the portfolio, provision for bad debts in accordance with aging analysis method

Applicable Non-applicable

Aging	Withdrawal ratio of receivables (%)	Withdrawal ratio of other receivables (%)
Within 1 year (including 1 year)		
Including: sub-item within 1 year1		
0-6 months	0	5
7-12 months	5	5
1-2 years	10	10
2-3 years	30	30
3-4 years	50	50
4-5 years	100	100
More than 5 years	100	100

In the portfolio, provision for bad debts in accordance with percent of receivables method

Applicable Non-applicable

In the portfolio, provision for bad debts in accordance with other methods

Applicable Non-applicable

(3). Provision for bad debts of receivables with insignificant single amount√Applicable Non-applicable

Reasons for single provision for bad debts	The Company separately tests the impairment of receivables with the following characteristics, though not significant.
Withdrawal method for provision for bad debts	Individual impairment tests will be conducted, but if there is evidence that the impairment occurs, the difference that their present value of cash flows in the future lowers than their book value shall be confirmed as impairment loss and provision for bad debts.

12. Inventory

√Applicable Non-applicable

(1) Classification of inventories

Inventories mainly include raw materials, in-process products, commodity shares, commissioned processing materials, and goods shipped in transit

(2) Valuation methods for acquisition and issuance of inventory

Inventories are valued at the actual cost when acquired, and inventory costs include purchase costs, processing costs, and other costs. When they are used and sent out, the price is calculated in accordance with weighted average method

(2) Confirmation of net realizable value of inventories and withdrawal method of provision for falling prices

Net realizable value refers to the amount after estimated selling price of inventories minus the estimated costs to be incurred upon completion, estimated selling expenses, and related taxes and fees in daily activities. The net realizable value of inventories should be determined based on conclusive evidence obtained, and at the same time, the purpose of holding the inventory and the influence of events after the balance sheet date must be considered. The following factors should be taken into account when the estimated selling price of inventories is determined: In terms of inventories held for sales, the inventories on which the sales contract has been signed and which do not the quantity of inventories in the sales contract shall be calculated by viewing the contract price as the calculation basis of its estimated selling price; the inventories exceeding the contract amount shall be calculated based on the market price of Inventories.

On the balance sheet date, inventory is measured at a lower cost than net realizable value. When the net realizable value is lower than the cost, the reserve for inventory depreciation is withdrawn. Inventory depreciation reserve is usually extracted by the difference between the cost of a single inventory item and its net realizable value. According to the management requirements and the specific characteristics of inventory, the Company divides different inventory items according to product specifications, models and grades, and extracts the difference between the cost of inventory items and their net realizable value. After the withdrawal of falling price reserves of inventories, if the influencing factors of previous write-down inventory value have disappeared and caused a higher net realizable value of inventory than its book value, it shall be recovered from the amount of falling price reserves of inventories originally withdrawn, and the amount recovered shall be included into current profit or loss.

(4) The inventory system for inventories is the perpetual inventory system.

(5) Amortization method for low-value consumables and packages

The low-value consumables shall be amortized in accordance with the one-off amortization method when they are used; the packaged goods shall be amortized in accordance with one-off amortization method when they are used.

13. Assets held for sale

Applicable Non-applicable

If the Company recovers its book value mainly by selling (including the exchange of non-monetary assets with commercial substance, the same below) rather than continuing to use a non-current asset or disposal group, it is classified as holding for sale. Specific criteria are as follows: a non-current asset or disposal group can be sold immediately in the current situation in accordance with the practice of selling such assets or disposal groups in similar transactions; the Company has made a decision on the sale plan and obtained a definite purchase commitment; the sale is expected to be completed within one year. Among them, disposal group refers to a group of assets disposed of as a whole through sale or other means in a transaction, and liabilities directly related to these assets transferred in the transaction. Where the asset group or portfolio belonging to the disposal group apportions the goodwill acquired in the merger of enterprises in accordance with *Accounting Standards for Business Enterprises No. 8 - impairment of assets*, the disposal group shall include the goodwill apportioned to the disposal group.

When the Company initially measures or re-measures the non-current assets and disposal group held for sale on the balance sheet date, and if the book value is higher than the net amount obtained through fair value minus sale expenses, the book value will be written down to the net amount obtained through fair value minus sale expenses; the amount of write-down will be recognized as impairment loss of assets, and included into the current profit or loss, and at the same time, provision for impairment of held-for-sale assets will be withdrawn. As for the disposal group, the confirmed impairment loss of assets should firstly offset the book value of goodwill in the disposal group, and then offset the book value of various non-current assets stipulated in the measurement of Accounting Standards for Business Enterprises No.42-Non-Current Assets Held for Sale, Disposal Group and Discontinuing Operation applicable in the disposal group (hereinafter referred to as the "Held for Sale Principles"). If there is increase in net amount obtained by fair value of the disposal group held for sale on the subsequent balance sheet date minus the selling expenses, the previously written down amount shall be restored, and will be recovered in the amount of assets impairment loss confirmed by non-current assets that are classified into held for sale and subject to the measurement regulations specified by Held for Sale Principles; the amount recovered shall be included into current profit or loss. In addition, the book value of various non-current assets shall be increased in accordance with proportion accounted by regulated by measurement in applicable Held for Sale Principles except the goodwill in disposal group; as for book value of goodwill that has been deducted and non-current assets that are subject to measurement regulations specified by Held for Sale Principles, their assets impairment loss confirmed before they are classified into held for sale shall not be recovered.

There is no depreciation or amortization of the non-current assets held in the disposal group or the non-current assets held in the disposal group for sale, and the interest and other expenses of the liabilities held in the disposal group for sale shall continue to be recognized.

When the non-current assets or disposal group no longer meets the requirements for the classification of holding categories for sale, the Company will no longer continue to classify the non-current assets into holding categories for sale or remove them from the disposal group holding categories for sale, and

measure them in accordance with the following two aspects: (1) The book value before holding categories for sale is classified and should be recognized under the assumption that it is not classified as holding categories for sale. The adjusted amount of depreciation, amortization or impairment; (2) recoverable amount.

14. Long-term equity investment

Applicable Non-applicable

The long-term equity investment referred to in this part refers to the long-term equity investment that the Company has control, joint control or significant impact on the invested unit. The Company's long-term equity investments, which have no control, joint control or significant impact on the invested units, are accounted for as financial assets that can be sold or measured at fair value and whose changes are recorded in current profits and losses. Its accounting policies are detailed in Note V. 10- "Financial Instruments".

Joint control refers to the Company's common control over an arrangement in accordance with relevant agreements, and the related activities of the arrangement must be agreed by the participants who share the control rights before they can make decisions. Important impact means that the Company has the power to participate in the decision-making of the financial and operational policies of the invested units, but it can not control or jointly control the formulation of these policies with other parties.

(1) The determination of investment cost

For the long-term equity investment obtained by the merger of enterprises under the same control, the initial investment cost of the long-term equity investment is based on the share of the book value of the equity of the merged shareholders in the final controlling party's consolidated financial statements on the date of the merger. The difference between the initial investment cost of long-term equity investment and the cash paid, the transferred non-cash assets and the book value of the debt assumed shall be adjusted to the capital reserve; if the capital reserve is insufficient to reduce, the retained earnings shall be adjusted. Where equity securities are issued as merger consideration, the initial investment cost of long-term equity investment shall be based on the share of the book value of the equity of the merged shareholders in the final controlling party's consolidated financial statements on the date of merger, and the capital shall be adjusted according to the difference between the initial investment cost of long-term equity investment and the total par value of the issued shares, according to the total par value of the issued shares. If the capital reserve is insufficient to alleviate, the retained earnings shall be adjusted. If an enterprise under the same control is merged by acquiring the shares of the merged party step by step through multiple transactions, it should be dealt with as a "package transaction". If it belongs to a "package transaction", all transactions should be treated as a transaction with control. If it does not belong to the "package transaction", the initial investment cost of long-term equity investment shall be the share of the book value of the shareholders' equity of the merged party in the final controlling party's consolidated financial statements on the date of merger. The initial investment cost of long-term equity investment and the book value of long-term equity investment before the merger, together with the book value of new payment of shares on the date of merger, shall be further acquired. The difference between the values shall be adjusted to the capital reserve; if the capital reserve is insufficient to reduce, the retained earnings shall be adjusted. . Accounting treatment shall not be applied temporarily to other comprehensive incomes generated by equity investment held before the consolidation date and calculated by equity method, or as available-for-sale financial assets.

For the long-term equity investment acquired by the merger of enterprises under different control, the initial investment cost of the long-term equity investment is the merger cost on the purchase date. The merger cost includes the sum of the fair value of the assets paid by the purchaser, the liabilities incurred or assumed by the purchaser and the equity securities issued. If the purchased party's equity is acquired

step by step through multiple transactions, and eventually the merger of enterprises under different control is formed, it should be dealt with as a "package transaction". If it belongs to a "package transaction", the transactions should be treated as a control transaction. If it does not belong to the "package transaction", the initial investment cost of long-term equity investment shall be calculated according to the book value of equity investment of the original holder and the sum of additional investment cost. Where the original ownership is accounted for by the equity method, the relevant other comprehensive earnings shall not be accounted for for the time being. Where the original equity investment is a financial asset that can be sold, the difference between its fair value and book value, as well as the cumulative changes in fair value originally recorded in other comprehensive gains, are transferred to the current profits and losses.

The intermediary expenses such as auditing, legal services, evaluation consultation and other related management expenses incurred by the merger or purchaser for the merger of enterprises shall be included in the profits and losses of the current period when they occur.

The initial measurement shall be made in accordance with costs to other equity investments except the long-term equity investment formed by the business consolidation. The costs vary from ways to obtain the long-term equity investment, and they are determined in view of cash payment actually paid by the Company, fair value of equity securities issued by the Company, the value agreed in the investment contract or agreement, the fair value or original book value of the assets exchanged in transaction of non-monetary assets exchange, and the fair value of the long-term equity investment itself. Fees, taxes, and other necessary expenses that are directly related to obtain long-term equity investments are also included in the investment costs. If investments added can exert significant influence to or joint control but do not constitute control over invested companies, the costs will be sum total of fair value of equity investment originally held plus the new investment costs in accordance with *Accounting Standards for Business Enterprises No.22 -Recognition and Measurement of Financial Instruments*.

(2) Follow-up measurement and profit and loss confirmation method

The equity method shall be used to account for long-term equity investments that have joint control over the invested entity (except for those constituting joint operators) or have significant impact on the invested entity. In addition, the company's financial statements using cost accounting can control the long-term equity investment of the invested unit.

① Long-term equity investment calculated by cost method

When the cost method is adopted during calculation, long-term equity investments are valued at the initial investment cost, and the cost of long-term equity investments is adjusted by adding or withdrawing investments. In addition to the actual payment obtained for the investment or the cash dividend or profit included in the consideration that has been announced but not yet issued, the current investment income shall be confirmed in accordance with the cash dividend or profit declared to be released by the invested companies.

② Long-term equity investment calculated by equity method

When the equity method is adopted during calculation, the initial investment cost of the long-term equity investment shall not be adjusted if the initial investment cost of the long-term equity investment is greater than the fair value share of the identifiable net assets of the investee,; if the initial investment cost is less than the fair value share of the identifiable net assets of the investee, the difference shall be recorded in the current profits and losses, and the cost of long-term equity investment should be adjusted.

When accounting with equity method, according to the share of net profit and loss and other comprehensive income realized by the invested unit that should be enjoyed or shared, the investment income and other comprehensive income should be recognized separately, and the book value of long-term equity investment should be adjusted at the same time; the book value of long-term equity investment should be calculated according to the profit or cash dividend declared by the invested unit, and the book value of long-term equity investment should be reduced accordingly. The book value of long-term equity investment shall be adjusted and included in the capital reserve for other changes in the owner's rights and interests of the invested entity except net profit and loss, other comprehensive income and profit distribution. When confirming the share of the net profit and loss of the invested unit, the net profit of the invested unit shall be adjusted and confirmed on the basis of the fair value of the identifiable assets of the invested unit at the time of acquiring the investment. If the accounting policy and period adopted by the invested entity are inconsistent with that of the Company, the financial statements of the invested entity shall be adjusted in accordance with the accounting policy and period of the company, and the investment income and other comprehensive income shall be confirmed accordingly. For the transactions between the Company and the joint venture or cooperative enterprise, the assets invested or sold do not constitute business, and the gains and losses of internal transactions are offset according to the proportion of the gains and losses attributable to the Company. On this basis, the investment gains and losses are confirmed. However, the unrealized internal transaction losses between the Company and the invested entity shall not be offset if they belong to the impairment losses of the transferred assets. Where the assets invested by the Company to the joint venture or cooperative enterprise constitute business, and the investor thus obtains long-term equity investment but does not obtain control, the fair value of the invested business shall be taken as the initial investment cost of equity investment in the new growth period, and the difference between the initial investment cost and the book value of the invested business shall be fully recorded in the current profits and losses. Where the assets sold by the Company to the joint venture or joint venture constitute business, the difference between the consideration value obtained and the book value of the business shall be fully recorded in the profits and losses of the current period. If the assets purchased by the Company from its joint ventures and cooperative ventures constitute business, they shall be accounted for in accordance with the provisions of Accounting Standards for Business Enterprises No. 20 - Enterprise Merger, and the profits or losses related to the transaction shall be fully recognized.

When affirming that the net loss incurred by the invested unit should be shared, the book value of the long-term equity investment and other essentially constituted long-term equity of the invested unit shall be written down to zero. In addition, if the Company has the obligation to bear additional losses to the invested unit, the estimated liabilities will be recognized according to the expected obligations and included in the current investment losses. If the investee achieves net profit in the following period, the Company shall resume recognizing the share of income after making up for the unrecognized share of loss.

For the long-term equity investments of joint ventures and cooperative enterprise held by the Company before the first implementation of the new accounting standards on January 1, 2007, if there is a borrowing variance of equity investments related to the investment, the current profits and losses shall be accounted for by the straight-line amortization of the original remaining period.

③ Acquisition of minority equity

When compiling consolidated financial statements, the retained earnings shall be adjusted if the difference between the long-term equity investment added by the purchase of minority shares and the net assets share that should be continuously calculated by the subsidiary company from the date of purchase (or the date of consolidation) is calculated according to the proportion of newly added shares, and the capital reserve shall be adjusted if the capital reserve is insufficient to alleviate.

④ Disposal of long-term equity investment

In the consolidated financial statements, the parent company partially disposes of the long-term equity investment of the subsidiary company without losing control, and the difference between the disposal price and the disposal of the long-term equity investment shall be accounted for in the equity of the shareholders. If the Parent Company loses its control over subsidiaries due to partial disposal of the long-term equity investment in subsidiaries, it will be treated in accordance with accounting policies described in Note V. and 6. "Preparation Method of Consolidated Financial Statements"

For the disposal of long-term equity investment in other cases, the difference between the book value and the actual acquisition price of the disposed equity is included in the current profits and losses.

If the long-term equity investment is accounted for by equity method, the residual equity after disposal is still accounted for by equity method, the other comprehensive gains originally included in the equity of shareholders shall be accounted for on the same basis as the assets or liabilities directly disposed of by the invested unit in accordance with the corresponding proportion. Owner's rights and interests recognized as a result of changes in the owner's rights and interests of the investee other than net gains and losses, other comprehensive gains and profit distribution shall be carried over proportionally to the current profits and losses.

In terms of long-term equity investment calculated by using the cost method, if the residual equity after disposal is still calculated by using this method, the accounting treatment shall be conducted to other comprehensive incomes confirmed by equity method calculation or financial instrument confirmation and measurement criteria calculation by adopting the basis same as the invested companies' direct disposal of relevant assets or liabilities before the control over invested companies is obtained, and they will be transferred in current profit or loss in proportion. All changes in owners' equity except for net profit or loss, other comprehensive incomes, and profit distribution of the invested companies' net assets that are calculated by using equity method shall be transferred in current profit or loss in proportion.

If the Company loses its control over invested companies due to disposal of partial equity investments, and when individual financial statement is prepared, the residual equity after disposal will be calculated by using equity method if it can exert joint control over or significant influence on invested companies.

The residual equity will be calculated and adjusted by adopting equity method at the time of acquisition; If the residual equity after disposal cannot exert joint control over or significant influence on invested companies, it shall be confirmed in accordance with financial instruments and accounting treatment will be conducted in accordance with relevant provisions of measurement criteria. The difference between the fair value and the book value on the date of loss of control shall be included into current profit or loss. Before the Company obtains control over invested companies, the accounting treatment shall be conducted to other comprehensive incomes confirmed by equity method calculation or financial instrument confirmation and measurement criteria calculation by adopting the basis same as the invested companies' direct disposal of relevant assets or liabilities when the control over invested companies is lost; all changes in owners' equity except for net profit or loss, other comprehensive incomes, and profit distribution of the invested companies' net assets that are calculated by using equity method shall be transferred in current profit or loss in proportion when the control over invested companies is lost.

Wherein, if the residual equity after disposal is calculated by using the equity method, other comprehensive incomes and other owners' equities shall be transferred in proportion; if accounting treatment is conducted to the residual equity after disposal in accordance with confirmation and measurement standards of financial instruments, other comprehensive incomes and all owners' equities shall be transferred in full.

If the Company loses the joint control or significant influence on the invested unit due to the disposal of part of the equity investment, the residual equity after disposal shall be accounted for according to the criteria of recognition and measurement of financial instruments, and the difference between the fair value and the book value on the date of the loss of the joint control or significant influence shall be included in the profits and losses of the current period. Other comprehensive gains recognized by the original equity method shall be accounted for on the same basis as the assets or liabilities directly disposed of by the invested entity when the equity method is terminated. Owner's rights and interests recognized by the invested party due to the change of owner's rights and interests other than net profit and loss, other comprehensive gains and profit distribution shall be terminated when the equity method is terminated. All of them will be transferred to the current investment income.

If the above-mentioned transaction belongs to a package transaction, the Company will treat each transaction as a transaction dealing with subsidiary equity investment and losing control. Before losing control, the Company will deal with the relationship between each disposal price and the book value of the long-term equity investment corresponding to the disposed equity. The difference is first recognized as other comprehensive gains, and then transferred to the current gains and losses of loss of control when loss of control.

15. Investment Real Estate

Not applicable

16. Fixed Assets

(1) Confirmation conditions

Applicable Non-applicable

Fixed assets refer to tangible assets held for the production of commodities, the provision of services, leasing or operation and management, whose service life exceeds one accounting year. Fixed assets are recognized only when the economic benefits associated with them are likely to flow into the Company and their costs can be reliably measured. Fixed assets are initially measured at cost, taking into account the impact of expected abandonment costs.

The estimated net residual value refers to the amount obtained by the Company from the asset disposal after deducting estimated disposal fees by assuming that the estimated useful life of the fixed asset is full and at the end of its useful life.

(2) Depreciation method

Applicable Non-applicable

Category	Depreciation method	Depreciable life (year)	Ratio of remaining value	Yearly depreciation
Houses and buildings	Straight-line depreciation	20-60	5%	1.58%-4.75%
PV power stations Straight-line dep	Straight-line depreciation	20-25	5%	4.75%-3.80%
Production equipment	Straight-line depreciation	5-10	5%	9.50%-19.00%
Transportation equipment	Straight-line depreciation	5-10	5%	9.50%-19.00%
Electronic equipment and others	Straight-line depreciation	3-5	5%	19.00%-31.67%

(3). Identification basis, valuation and depreciation methods of fixed assets acquired under finance leases√Applicable Non-applicable

Financial lease is a lease that essentially transfers all risks and rewards related to the ownership of assets. Its ownership may or may not be transferred eventually. The depreciation of leased assets shall be calculated by adopting the same policy as that of self-owned fixed assets. If the ownership of the leased assets can be reasonably determined at the expiration of the lease term, depreciation shall be calculated within the service life of the leased assets; if the ownership of the leased assets can not be reasonably determined at the expiration of the lease term, depreciation shall be calculated within a relatively short period of the lease term and the service life of the leased assets.

(4)Other explanations If the subsequent expenditure related to the fixed asset is likely to flow in and its cost can be measured reliably, it will be included in the cost of the fixed asset and the book value of the replaced part will be terminated. Subsequent expenditure other than this shall be included in current profits and losses when it occurs. When a fixed asset is in a disposal state or is not expected to generate economic benefits through its use or disposal, the confirmation of the fixed asset is terminated. The difference between the disposal income of the sale, transfer, scrap or damage of fixed assets after deducting their book value and related taxes and fees is included in the current profits and losses. At least at the end of the year, the Company reviews the service life, estimated net residual value and depreciation methods of fixed assets, and if any change occurs, it will be treated as a change in accounting estimates.

17. Construction in progress√Applicable Non-applicable

The cost of construction in progress is determined according to actual project expenditure, including all project expenditure incurred during construction, the capitalized borrowing cost before the project reaches its intended usable state, and other related costs. Construction in progress is carried over to fixed assets after it reaches its intended usable state.

If the fixed assets constructed have reached the intended usable state, but have not yet completed the final accounts, they shall be transferred to the fixed assets according to the estimated value and depreciation according to the project budget, cost or actual cost of the project. After the completion of the final accounts, the original provisional value is adjusted according to the actual cost, but there is no need to adjust the original depreciation. The company should make judgments from the following aspects when the assets have reached the intended usable state:

- ①The physical construction (including installation) of fixed assets has been completed or substantially completed;
- ②The fixed assets purchased and constructed are in accordance with the design requirements and contract provisions, even though there are very few inconsistencies with the design and contract, they do not affect their normal use.
- ③The amount of expenditure that continues to occur in the purchased and constructed fixed assets is very small or almost no longer occurs.

The fixed assets purchased and constructed need trial production or operation. When the trial production results show that the assets can produce qualified products normally or the trial operation results show

that the assets can operate normally, it is considered that the assets have reached the intended usable state.

The test method of impairment and the calculation method of impairment reserve for construction projects are detailed in V and 22. "Long-term assets impairment".

18. Borrowing Costs

Applicable Non-applicable

Borrowing costs include interest on borrowing, amortization of discounts or premiums, ancillary costs and exchange differences arising from foreign currency borrowing. Borrowing costs directly attributable to the acquisition, construction or production of assets eligible for capitalization shall be capitalized upon the occurrence of asset expenditure, the occurrence of borrowing costs, and the commencement of acquisition, construction or production activities necessary to enable assets to reach a predetermined usable or saleable state; assets eligible for capitalization shall be constructed or produced to reach a predetermined usable state or when in a saleable state, stop capitalizing. The remaining borrowing costs are recognized as expenses in the current period of occurrence.

The actual interest expenses incurred in the current period of special loans shall be capitalized by subtracting the interest income obtained from the deposit of unused borrowing funds into banks or the investment income obtained from temporary investments; the capitalized amount shall be determined by multiplying the weighted average of the assets expenditure of the accumulated assets expenditure exceeding the special borrowing portion by the capitalization rate of the general borrowings occupied. The capitalization rate is determined by calculating the weighted average interest rate of general borrowing.

During the period of capitalization, the exchange difference between special foreign currency loans and general foreign currency loans shall be capitalized; the exchange difference between general foreign currency loans shall be included in the profits and losses of the current period.

Assets eligible for capitalization refer to assets such as fixed assets, investment real estate and inventory that require a considerable period of acquisition, construction or production activities to reach the intended usable or saleable state.

If an abnormal interruption occurs in the acquisition, construction or production process of assets eligible for capitalization and the interruption lasts for more than three consecutive months, the capitalization of borrowing costs shall be suspended until the resumption of assets' acquisition, construction or production activities.

19. Biological Assets

Applicable Non-applicable

20. Oil and Gas Assets

Applicable Non-applicable

21. Intangible Assets

(1). Valuation method, useful life and impairment test

Applicable Non-applicable

Intangible assets refer to identifiable non-monetary assets that the company owns or controls without physical form.

Intangible assets are initially measured at cost. Expenditures related to intangible assets are included in the cost of intangible assets if the relevant economic benefits are likely to flow into the Company and the cost can be reliably measured. Expenditures on other items shall be included in current profits and losses when they occur.

The right to use land acquired is usually accounted for as intangible assets. The expenditure on land use right and the cost of building construction are accounted for as intangible assets and fixed assets respectively. If a house or building is purchased from abroad, the relevant price will be allocated between the right to use land and the building. If it is difficult to distribute reasonably, it will be treated as fixed assets.

Since the intangible assets with limited service life are available for use, the original value minus the estimated net residual value and the accumulated amount of impairment reserves are amortized by the straight-line method in phases during their expected service life. Intangible assets with uncertain service life shall not be amortized.

Among them, the service life and amortization methods of intellectual property intangible assets projects are as follows:

Item	Service life	Amortization method
patent right	10years	straight-line method
Trademark right	10years	straight-line method

At the end of the period, the service life and amortization methods of intangible assets with limited service life are reviewed, and if any change occurs, it is treated as a change of accounting estimate. In addition, the service life of intangible assets with uncertain service life is also reviewed. If there is evidence that the period for which the intangible assets bring economic benefits to the enterprise is predictable, its service life is estimated and amortized according to the amortization policy of intangible assets with limited service life.

(2). Accounting policy for internal R&D expenditures

Applicable Non-applicable

The Company's internal research and development project expenditure is divided into research stage expenditure and development stage expenditure. As a basic theoretical research project, the Company provides theoretical guidance or technical reserve for applied research, which is usually divided into research stage; as an application research project, it is considered as starting to enter the development stage when the project is approved.

Expenditures at the research stage are included in current profits and losses at the time of occurrence.

Expenditures in the development stage satisfy the following conditions at the same time and are recognized as intangible assets. Expenditures in the development stage that fail to meet the following conditions are recorded in current profits and losses:

- ① Complete the application research so that it can be used or sold technically feasible;
- ② Have the intention of completing the application research and using or selling it;
- ③ The ways in which applied research results generate economic benefits include proving that the products produced by applied research have markets or that applied research itself has markets, and that applied research will be used internally to prove its usefulness;
- ④ There are sufficient technical, financial and other resources to support the development of the application research, and the ability to use or sell the application research;

⑤ Expenditures attributable to the research and development stage of the application category can be measured reliably.

If it is impossible to distinguish the expenditure at the research stage from the expenditure at the development stage, all the R&D expenditure incurred shall be included in the current profits and losses. The Company's self-created goodwill, brand and newspaper name generated within the company are not recognized as intangible assets.

22. Impairment of Long-term Assets

Applicable Non-applicable

For fixed assets, projects under construction, intangible assets with limited service life, investment real estate measured in cost mode and non-current non-financial assets such as long-term equity investment in subsidiaries, cooperative enterprise and joint ventures, the Company judges whether there are signs of impairment on the balance sheet date. If there are signs of impairment, the recoverable amount is estimated and the impairment test is carried out. Goodwill, intangible assets with uncertain service life and intangible assets that have not yet reached the usable state are tested annually whether there are signs of impairment or not.

The impairment test results show that if the recoverable amount of assets is lower than its book value, the impairment provision shall be calculated according to the difference and the impairment loss shall be included. The recoverable amount is the higher one between the fair value of the asset minus the disposal cost and the present value of the expected future cash flow of the asset. The fair value of an asset is determined by the price of the sale agreement in a fair transaction; if there is no sale agreement but there is an active market for the asset, the fair value is determined by the buyer's bid for the asset; if there is no sale agreement or an active market for the asset, the fair value of the asset is estimated on the basis of the best available information. Disposal costs include legal costs, taxes, removal costs and direct costs incurred to make assets saleable. The present value of the expected future cash flow of assets is determined by choosing the appropriate discount rate according to the expected future cash flow generated during the continuous use and final disposal of assets. The provision for impairment of assets is calculated and confirmed on the basis of a single asset. If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of an asset group shall be determined by the asset group to which the asset belongs. Asset group is the smallest portfolio that can generate cash inflows independently.

Goodwill listed separately in the financial statements is divided into asset groups or portfolios that are expected to benefit from the synergistic effect of business consolidation when impairment tests are carried out. The test results show that the recoverable amount of the asset group or portfolio containing the assessed goodwill is lower than its book value, and the corresponding impairment loss is confirmed. The amount of impairment loss is first deducted from the book value of the goodwill apportioned to the asset group or portfolio, and then deducted proportionally from the book value of other assets according to the proportion of the book value of assets other than goodwill in the asset group or portfolio.

Once the loss of impairment of the above-mentioned assets has been confirmed, the part of the value that can be restored in the future will not be returned.

23. Long-term unamortized expenses

Applicable Non-applicable

Long-term unamortized expenses are expenses that have occurred but should be borne by the reporting period and subsequent periods for an apportionment period of more than one year. The Company's

long-term unamortized expenses mainly include decoration fees, rent, operating rental fixed assets improvement expenditure, etc. Long-term unamortized expenses are amortized by the straight-line method during the expected benefit period.

24. Employee Salary

(1). Accounting treatment method for short-term salary

Applicable Non-applicable

Short-term remuneration mainly includes wages, bonuses, allowances and subsidies, employee welfare, medical insurance, maternity insurance, industrial injury insurance, housing accumulation fund, trade union funds, employee education funds, non-monetary welfare and so on. During the accounting period in which employees provide services to the Company, the Company recognizes the actual short-term salaries of employees as liabilities and takes them into account the current profits and losses or the cost of related assets. Among them, non-monetary welfare is measured at fair value.

(2). Accounting treatment method of post-employment benefits

Applicable Non-applicable

After-service benefits mainly include basic old-age insurance, unemployment insurance and annuity. The post-employment plan includes setting up withdrawal plan and benefiting plan. If a withdrawal plan is adopted, the corresponding amount of deposit payable shall be included in the cost of the relevant assets or current profits and losses at the time of occurrence.

(3). Accounting treatment of dismissal benefits

Applicable Non-applicable

When the Company cannot unilaterally withdraw the retirement benefits provided by the plan for termination of labor relations or the proposal for reduction before the expiration of the employee's labor contract, and when the Company recognizes the costs associated with the reorganization of the payment of the retirement benefits, the Company confirms the retirement of the welfare property as soon as possible. Employees' salary and liabilities of students shall be included in current profits and losses.

However, if the dismissal benefits are not expected to be fully paid 12 months after the end of the annual reporting period, they shall be treated according to the remuneration of other long-term employees.

Internal retirement plans for employees are handled in the same way as the dismissal benefits mentioned above. The Company will pay the salary of the returnee and the social insurance premium paid during the period from the day when the employee ceases to provide service to the normal retirement date, and shall include the current profit and loss (dismissal benefits) when the conditions for recognition of the expected liabilities are met.

(4). Accounting treatment method of other long-term employee benefit

Applicable Non-applicable

Other long-term employee benefits provided by the Company to employees that meet the set-up withdrawal plan shall be accounted for in accordance with the set-up withdrawal plan, in addition to accounting treatment in accordance with the set-up benefit plan.

25. Estimated Liabilities√Applicable Non-applicable

When the obligations related to contingencies meet the following conditions, they are recognized as expected liabilities: (1) the obligation is the current obligation of the company; (2) the performance of the obligation may lead to the outflow of economic benefits; (3) the amount of the obligation can be measured reliably.

On the balance sheet date, the estimated liabilities are measured according to the best estimate of the expenditure required to fulfil the relevant current obligations, taking into account the risk, uncertainty and time value of currency related to contingencies.

If all or part of the expenditure required to settle the estimated liabilities is expected to be compensated by a third party, the amount of compensation shall be recognized separately as an asset when it is basically determined that it can be received, and the amount of compensation recognized shall not exceed the book value of the estimated liabilities.

(1) Loss contract

Loss contract is a contract in which the cost of fulfilling contract obligations will inevitably exceed the expected economic benefits. Where the contract to be executed becomes a loss contract and the obligations arising from the loss contract satisfy the above-mentioned conditions for confirmation of the expected liabilities, the part of the assets whose expected losses exceed the recognized impairment losses (if any) of the underlying assets of the contract shall be recognized as the expected liabilities.

(2) Restructuring obligations

For a restructuring plan with detailed, formal and public announcement, the amount of the estimated liabilities shall be determined according to the direct expenditure related to the restructuring, subject to the above conditions for confirmation of the estimated liabilities.

(3) Product Quality Guarantee Deposit

Product quality margin refers to a commitment to provide services to customers after selling products or providing services. During the agreed period, if there are quality problems or other related problems within the normal range in the normal use of products or services, the enterprise shall be responsible for replacing products, repairing them free of charge or at a cost-only price. The forecasted liabilities shall be recognized as the forecasted liabilities on the condition that the aforementioned conditions for the confirmation of the forecasted liabilities are met.

26. Share-based Payment√Applicable Non-applicable**(1) Accounting treatment method of share-based payment**

Share payment is a transaction that grants equity instruments or undertakes liabilities determined on the basis of equity instruments in order to obtain services provided by employees or other parties. Share-based payment is divided into equity-based share-based payment and cash-based share-based payment.

① Share Payment Settled by Equity and Interest

Share-based payment for the settlement of rights and interests in exchange for services provided by employees shall be measured at the fair value of the instruments for granting employees' rights and interests on the granting date. If the fair value is feasible only when the service is completed or the required performance conditions are met during the waiting period, and based on the best estimation of

the number of feasible equity instruments during the waiting period, the amount of the fair value is calculated according to the straight line method, and the relevant costs or expenses are included in the right immediately after the grant, and the capital reserve is increased accordingly on the grant day.

On each balance sheet day during the waiting period, the Company makes the best estimate based on the latest available follow-up information, such as changes in the number of employees with feasible rights, and revises the number of equity instruments with predicted feasible rights. The impact of the above estimates is included in the relevant costs or expenses of the current period, and the capital reserve is adjusted accordingly.

In terms of equity-settled share-based payment aiming at obtaining services of other parties, if the fair value of other parties' services can be reliably measured, it shall be measured at fair value at the acquisition date of other parties; if the fair value cannot be measured reliably but the fair value of the equity instruments can be reliably measured, it shall be measured in accordance with the fair value of equity instruments on the date of service acquisition, and shall be included in the relevant costs or expenses, and the shareholder equity shall be increased accordingly.

② Share-based payment settled in cash

Share payments settled in cash shall be measured in accordance with the fair value of liabilities assumed by the Company on the basis of shares or other equity instruments. If the right is available immediately after the grant, the relevant cost or expense shall be included on the date of grant, and liabilities shall be increased accordingly; if the right is not available until the service during the waiting period has been completed or the required performance conditions have been met, the services acquired in the current period shall be accounted for on each balance sheet day of the waiting period, on the basis of the best estimation of the feasible rights, in accordance with the fair value of the liabilities assumed by the Company. This or cost increases liabilities accordingly.

The fair value of the liabilities shall be re-measured on each balance sheet date and settlement date before the settlement of the relevant liabilities, and the changes shall be recorded in the profits and losses of the current period.

(2) Relevant Accounting Processing for Amending or Terminating Share Payment Plan

When the Company revises the share payment plan, if the fair value of the equity instruments granted is increased, the increase of the services obtained will be confirmed accordingly according to the increase of the fair value of the equity instruments. The increase in the fair value of equity instruments refers to the difference between the fair value of equity instruments before and after modification. If the modification reduces the total fair value of the share payment or adopts other unfavourable methods to the employees, the accounting treatment of the acquired services will continue as if the modification has never occurred unless the company cancels part or all of the rights and interests granted.

During the waiting period, if the granted rights and interests tool is cancelled, the Company will cancel the granted rights and interests tool as an accelerated exercise of rights. The amount that should be confirmed during the remaining waiting period is immediately included in the current profits and losses, and the capital reserve is confirmed. If an employee or other party can choose to satisfy the conditions of non-feasible rights but fails to meet them during the waiting period, the Company will cancel them as a tool for granting rights and interests.

(3) Accounting Processing of Share Payment Transactions between the Company and its Shareholders or Actual Controllers

In connection with the share payment transactions between the Company and its shareholders or actual controllers, the settlement enterprise and the receiving service enterprise, one within the Company and the other outside the Company, shall conduct accounting treatment in the consolidated financial statements of the Company in accordance with the following provisions:

① If the settlement enterprise settles its own equity instruments, the share payment transaction shall be treated as the share payment of equity settlement; in addition, the share payment shall be treated as cash settlement.

The settlement enterprise is the investor of the receiving service enterprise. It is recognized as the long-term equity investment of the receiving service enterprise according to the fair value of the equity instruments on the granting day or the fair value of the liabilities to be assumed. At the same time, the capital reserve (other capital reserve) or liabilities are recognized.

② If the receiving service enterprise has no settlement obligation or grants its employees its own equity instruments, the share payment transaction shall be treated as a share payment for equity settlement; if the receiving service enterprise has settlement obligation and grants its employees other than its own equity instruments, the share payment transaction shall be treated as a share payment for cash settlement. The acceptance service enterprise and the settlement enterprise are not the same enterprise for the share payment transaction between the enterprises in the Company. The confirmation and measurement of the share payment transaction in the individual financial statements of the acceptance service enterprise and the settlement enterprise shall be handled in accordance with the above principles.

27. Preferred Stock, Perpetual Bond and Other Financial Instruments

Applicable Non-applicable

(1) The distinction between perpetual bonds and preferred shares

Financial instruments such as sustainable bonds and preferred shares issued by the Company, which meet the following conditions, shall be used as equity instruments:

① The financial instrument does not include the contractual obligation to deliver cash or other financial assets to other parties or to exchange financial assets or financial liabilities with other parties under potentially adverse conditions.

② If it is necessary to settle the financial instrument with or with the enterprise's own equity instruments in the future, if the financial instrument is a non-derivative instrument, it does not include the contractual obligation to deliver a variable number of its own equity instruments for settlement; if it is a derivative instrument, the company can only settle the financial instrument by exchanging a fixed amount of its own equity instruments for cash or other financial assets.

Other financial instruments issued by the Company shall be classified as financial liabilities, except those which can be classified as equity instruments under the above conditions.

If the financial instrument issued by the Company is a compound financial instrument, it shall be recognized as a liability according to the fair value of the liability component, and the amount after deducting the fair value of the liability component from the actual amount received shall be recognized as "other equity instruments". The transaction costs incurred in issuing composite financial instruments shall be apportioned among the liabilities and equity components according to their respective proportions in the total issuance price.

(2) Accounting Processing of Perpetual Bonds and Preferred Stock

Financial instruments categorized as perpetual bonds and preferred stock of financial liabilities, such as their related interest, dividends (or dividends), gains or losses, as well as gains or losses arising from

redemption or refinancing, are included in current profits and losses, except for borrowing costs that meet the capitalization conditions (see V, 18. "borrowing costs").

When a financial instrument is issued (including refinancing), repurchased, sold or cancelled, which is classified as equity instruments, such as perpetual bonds and preferred stock, the Company will deal with the change of equity as well as the related transaction costs will be deducted from the equity. The distribution of equity tool holders by the Company is treated as profit distribution.

The Company does not recognize the changes in the fair value of equity instruments.

28. Revenues

Applicable Non-applicable

(1) Sales Revenues of goods

The sales income of goods shall be confirmed as realized when major risks and remuneration of the ownership of the goods have been transferred to the buyer, it neither retains the continuation management right normally associated with the ownership nor has it effectively controlled the sold goods, the Revenues amount can be reliably measured, relevant economic benefits are likely to flow into enterprise, and when related costs that have occurred or will occur can be reliably measured.

Wherein, the specific method for confirming domestic sales income includes: Revenues shall be confirmed when the products have already been issued and the delivery note or consignment list signed by the buyer have been obtained, or Revenues shall be confirmed by virtue of receipts at the time of signing the receipt; the specific method for confirming foreign sales revenues includes: foreign sales are mostly settled at FOB (FOB (Free On Board) means that when the goods pass the ship's rail at the designated port of shipment, the seller completes the delivery) and the Revenues shall be confirmed after customs declaration and commodity inspection procedures are completed, bill of lading is obtained and the customs e-port information can be queried.

(2) Income from PV power stations

PV power stations have been connected to the grid, and income shall be confirmed when document of settlement from power grid companies is obtained.

(3) PV equipment system

If PV equipment system needs to be installed, commissioned and tested, the Revenues shall be confirmed after qualified acceptance

(4) Revenues from labor services provision

The Revenues from labor services provision shall be confirmed in accordance with percentage-of-completion method on the balance sheet date under the condition that the results of the provision of labor services can be reliably estimated. The completion progress of the labor services transaction shall be determined by the measurement of completed work.

The results of provision of labor services can be reliably estimated means that the following conditions are met simultaneously: ①the Revenues amount can be reliably measured; ② the relevant economic benefits are likely to flow into enterprise; ③ the degree of completion of the transaction can be reliably determined; ④the costs incurred and to be incurred in the transaction can be reliably measured.

If the result of the service transaction cannot be estimated reliably, the service income will be recognized according to the amount of the service cost that has occurred and is expected to be compensated, and the service cost that has occurred will be regarded as the current cost. Income is not recognized if the incurred labor costs are not expected to be compensated.

If the contracts or agreements signed by the Company and other enterprises include sales of goods and provision of labor services, and the sales of goods and provision of services can be distinguished and measured separately, the sales of goods and the provision of labor services shall be treated separately; if they cannot be distinguished, or can be distinguished but cannot be measured separately, the contracts shall be treated as sales of goods in full.

(4) Income from royalties

According to relevant contracts or agreements, revenue is recognized on the accrual basis.

(5) Interest income

It is calculated and determined according to the time when other people use the Company's money and the actual interest rate.

29. Governmental subsidy

Applicable Non-applicable

Government subsidy refers to the Company's acquisition of monetary and non-monetary assets from the government free of charge, excluding the capital invested by the government as an investor and enjoying the corresponding owner's rights and interests. Government subsidies are divided into assets-related government subsidies and revenue-related government subsidies. Where a government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. If the government subsidy is a non-monetary asset, it shall be measured at the fair value; if the fair value cannot be obtained reliably, it shall be measured at the nominal amount. Government subsidies measured in nominal amounts are directly recorded in current profits and losses.

Government subsidies related to assets are recognized as deferred earnings, and are divided into current profits and losses or write-downs of the book value of related assets in a reasonable and systematic way during the service life of the relevant assets. Government subsidy related to income is recognized as deferred income when it is used to compensate the related cost or loss in the following period, and is included in current profit or loss or cost reduction during the period of confirming the relevant cost or loss; if it is used to compensate the related cost or loss that has occurred, it is directly included in current profit or loss or cost reduction.

At the same time, it includes the government subsidy related to assets and income, which can be divided into different parts for accounting treatment. If it is difficult to distinguish, it can be classified as the government subsidy related to income as a whole.

Government subsidies related to the Company's daily activities shall be included in other earnings or cost deductions in accordance with the nature of economic operations; government subsidies unrelated to daily activities are included in the revenue and expenditure outside the business.

If the confirmed governmental subsidy needs to be returned, and there is a related deferred income balance, the book value of relevant deferred shall be offset, and the excess amount shall be included into current profit or loss or the asset-related government subsidy used to offset the book value of the relevant assets in initial confirmation will adjust book value of assets; otherwise, it shall be directly included into the current profit or loss.

30. Deferred Tax Assets/Deferred Income Tax Liabilities√Applicable Non-applicable**(1) Current income tax**

On the balance sheet date, the current income tax liabilities (or assets) formed in the current and previous periods are measured by the expected amount of income tax payable (or returned) in accordance with the provisions of the Tax Law. The amount of taxable income on which the current income tax expenditure is calculated is based on the corresponding adjustment of the pre-tax accounting profit of this year in accordance with the relevant provisions of the Tax Law.

(2) deferred income tax assets and deferred income tax liabilities

The difference between the book value of certain assets and liabilities and their tax base, as well as the temporary difference between the book value of items not recognized as assets and liabilities and the difference between the book value of items that can be determined as their tax base and the tax base according to the tax law, is confirmed by the balance sheet liability method for deferred income tax assets and deferred income tax liabilities.

The deferred income tax liabilities related to the initial recognition of goodwill and the temporary difference of taxable income tax in the initial recognition of assets or liabilities arising from transactions that are neither mergers of enterprises nor affect accounting profits or taxable income (or deductible losses) at the time of occurrence are not recognized. In addition, if the company can control the turnaround time of temporary differences in taxable temporary differences related to investments of subsidiaries, joint ventures and cooperative enterprise, the temporary differences will probably not be turned back in the foreseeable future and the related deferred income tax liabilities will not be recognized. Except for the above exceptions, the Company recognizes all other deferred income tax liabilities arising from temporary differences in taxable income.

The deferred income tax assets concerned shall not be recognized for the deductible temporary differences related to the initial recognition of assets or liabilities arising from transactions that are neither mergers of enterprises nor affect accounting profits or taxable income (or deductible losses). In addition, for the deductible temporary differences related to the investment of subsidiaries, joint ventures and cooperative enterprise, the deferred income tax assets concerned will not be recognized if the temporary differences are unlikely to be reversed in the foreseeable future, or if the taxable income used to deduct the deductible temporary differences is unlikely to be obtained in the future. Except for the above exceptions, the Company shall confirm deferred income tax assets arising from other deductible temporary differences within the limit of taxable income that it is likely to obtain to deduct the temporary differences.

For deductible losses and tax credits that can be carried over in subsequent years, the deferred income tax assets are recognized to the extent that future taxable income is likely to be obtained to offset deductible losses and tax credits.

On the balance sheet date, the deferred income tax assets and deferred income tax liabilities shall be measured at the applicable tax rate during the period of anticipated recovery of the relevant assets or liquidation of the related liabilities in accordance with the provisions of the Tax Law.

On the balance sheet date, the book value of deferred income tax assets is reviewed. If it is likely that sufficient taxable income will not be available to offset the interest of deferred income tax assets in the future, the book value of deferred income tax assets is written down. When it is possible to obtain sufficient taxable income, the amount written down shall be reversed.

(3) Income tax expenses

Income tax expenses include current income tax and deferred income tax.

In addition to recognizing that the current income tax and deferred income tax related to other transactions and matters directly included in shareholder's rights and interests are included in other comprehensive income or shareholder's rights and interests, and the book value of the adjusted goodwill of deferred income tax resulting from the merger of enterprises, the other current income tax and deferred income tax expenses or gains are included in current profits and losses.

(4) Offset of Income Tax

When the Company has the legal right to settle in net, and intends to settle in net or acquire assets and pay off liabilities at the same time, the Company's current income tax assets and current income tax liabilities to offset the net presentation.

When it has the legal right to settle current income tax assets and current income tax liabilities in net amount, and deferred income tax assets and deferred income tax liabilities are related to the income tax levied by the same tax collection and administration department on the same tax payer or to different tax payers, but in the future, they will be involved in the period of each important deferred income tax assets and liabilities being transferred back. When the taxpayer intends to settle the current income tax assets and liabilities in net or acquire assets and pay off liabilities simultaneously, the Company defers the income tax assets and deferred income tax liabilities to offset the net amount of the statement.

31. Lease**(1) Accounting treatment methods of operating lease**

Applicable Non-applicable

① The Company records and operates the leasing business as a lessee

The rental expenditure of operating lease is included in the cost of related assets or current profits and losses in the straight line method during each period of the lease period. Initial direct expenses are included in current profits and losses. Contingent rents are included in current profits and losses when they actually occur.

② The Company records and operates the leasing business as a lessor.

The rental income of operating lease is recognized as current profit and loss according to the straight line method during each period of the lease period. The larger initial direct expenses are capitalized when they occur, and the profits and losses of the current period are recorded in stages on the same basis as the recognized rental income during the whole lease period; the smaller initial direct expenses are recorded in the profits and losses of the current period when they occur. Contingent rents are included in current profits and losses when they actually occur.

(2). Accounting treatment method of financial lease

Applicable Non-applicable

① The Company records financial leasing business as a lessee

At the beginning of the lease period, the lower of the fair value of the leased assets and the present value of the minimum lease payment on the lease start date is regarded as the entry value of the leased assets, and the lowest lease payment is regarded as the entry value of the long-term payables, and the difference is regarded as the unrecognized financing cost. In addition, the initial direct costs attributable to the lease project are also included in the value of the leased assets when they occur during the lease negotiation and the signing of the lease contract. The balance of the minimum lease payment after deducting the

unrecognized financing expenses is shown as long-term liabilities and long-term liabilities due within one year, respectively.

The unrecognized financing cost is calculated by the real interest rate method during the lease period. Contingent rents are included in current profits and losses when they actually occur.

②The Company records financial leasing business as a lessor

At the beginning of the lease period, the sum of the minimum lease receipt and the initial direct cost on the lease start date is regarded as the entry value of the financial lease receivable, and the unsecured balance is recorded. The difference between the minimum lease receivable, the initial direct cost and the unsecured balance and its present value is recognized as the unrealized financing income. The balance of the receivable financial lease after deducting the unrealized financial income is shown as long-term claims and long-term claims due within one year, respectively.

The unrealized financing income is calculated and confirmed by the real interest rate method during the lease period. Contingent rents are included in current profits and losses when they actually occur.

32. Other Important Accounting Policies and Accounting Estimates

Applicable Non-applicable

33. Changes in Important Accounting Policies and Accounting Estimates

(1). Changes in important accounting policies

Applicable Non-applicable

Contents and Causes of Accounting Policy Change	approval procedures	Remarks (names and amounts of items of statements that are significantly affected)
According to the <i>Circular of the Ministry of Finance on Revising and Issuing the Format of General Enterprise Financial Statements for 2018</i> (No. 15 of Finance and Accounting) and its interpretation and the requirements of Accounting Standards for Business Enterprises, the financial statements for 2018 are prepared. This change of accounting policy adopts the retrospective adjustment method.	It has been deliberated and approved by the Fourth Board of directors of the Company at its annual meeting in 2018.	(See other instructions for details)

Other instructions

Changes in Accounting Policies Caused by Changes in Accounting Standards of Enterprises

(1) The Company prepares the financial statements for 2018 in accordance with the *Circular of the Ministry of Finance on Revising and Issuing the Format of General Enterprise Financial Statements for 2018* (Accounting No. 15) and its interpretation and the requirements of Accounting Standards for Business Enterprises. This accounting policy change adopts the retrospective adjustment method. The items and amounts of financial statements that are significantly affected by the 2017 financial statements are as follows:

Unit: Yuan

Items and amounts of the original statement		Items and amounts of new statements	
Notes receivable	2,205,568,990.63	Notes Receivable and	6,131,332,766.52

Items and amounts of the original statement		Items and amounts of new statements	
Accounts receivable	3,925,763,775.89	Accounts Receivable	
Interest receivable		Other receivables	324,211,505.16
Dividend Receivable	29,065,322.08		
Other receivables	295,146,183.08		
fixed assets	10,803,548,307.89	fixed assets	10,803,548,307.89
Liquidation of Fixed Assets			
Construction in progress	1,358,593,723.02	Construction in progress	1,381,081,955.87
Engineering materials	22,488,232.85		
Notes payable	3,801,774,265.25	Notes payable and accounts payable	7,350,185,311.64
Accounts payable	3,548,411,046.39		
Interest payable	59,536,541.09	Other accounts payable	1,567,625,319.39
Dividends payable			
Other accounts payable	1,508,088,778.30		
Long-term accounts payable	645,377,397.72	Long-term accounts payable	645,377,397.72
Special accounts payable			
Management cost	664,420,033.90	Management cost	500,100,035.65
		R & D expenses	164,319,998.25
Other cash received in connection with business activities	502,389,180.10	Other cash received in connection with business activities	588,828,199.10
Other cash received in connection with fund-raising activities	478,439,019.00	Other cash received in connection with fund-raising activities	392,000,000.00

Note: The Company will adjust the government subsidy of 86,439,019.00 yuan in cash actually received in 2017 from “other cash received in connection with fund-raising activities” to “other cash received in connection with business activities”.

(3) In 2017, the Ministry of Finance promulgated *Accounting Standards for Business Enterprises No. 9: Accounting Treatment of Net Investment Loss under Equity Law*, *Accounting Standards for Business Enterprises No. 10: Depreciation Method Based on Income from Fixed Assets*, *Accounting Standards for Business Enterprises No. 11: amortization methods based on income generated from the use of intangible assets* and *Accounting Standards for Business Enterprises Interpretation No. 12 - Whether the provider and recipient of key managers' services are related parties or not*. Since January 1, 2018, the Company has implemented the aforementioned interpretation of enterprise accounting standards. The implementation of the above interpretation has no effect on the Company's financial data at the beginning of the period.

(4)

(2) Changes in important accounting estimates

Applicable Non-applicable

1. Others

Applicable Non-applicable

Significant accounting judgments and estimates

In the process of using accounting policies, due to the inherent uncertainty of business activities, the Company needs to make judgments, estimates and assumptions about the book value of statement items that cannot be accurately measured. These judgments, estimates and assumptions are based on the historical experience of the company's management and are based on other relevant factors. These judgments, estimates and assumptions affect the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities on the balance sheet date. However, the actual results of these estimated uncertainties may differ from the current estimates of the Company's management, resulting in significant adjustments to the carrying amounts of assets or liabilities affected in the future.

The company will regularly review the consumption judgments, estimates and assumptions on a continuing operation basis. If changes in accounting estimates only affect the changes in current period, the affected amount shall be confirmed in the current period of change; if it affects both current period Of change and the future period, the affected amount shall be confirmed in the current period of change and in the future.

On the balance sheet date, the important fields where the Company needs to make judgments, estimates and assumptions on the amount of financial statement items are as follows:

(1) Classification of leases

In accordance with provisions in Accounting Standards for Business Enterprises No.21-Lease, the Company classifies leases into operating lease and financial lease. When classifying it, the management layer needs to analyze and judge whether all risks and remunerations associated with the ownership of leased Assets have been transferred to the lessee substantially, or whether the Company has substantially assumed all risks remunerations associated with the ownership of leased assets.

(2) Provision for bad debts

The company uses the allowance method to calculate bad debt losses in accordance with the accounting policies for Receivables. The impairment of Receivables is based on the assessment of receivables recoverability. The management layer needs to judge and estimate the impairment of Receivables. Actual results and the original estimate will affect the book value of Receivables and the provision or reversal of bad debt for the receivables in the period when estimate is changed.

(3) Falling price reserves for inventory

In accordance with the inventory accounting policy, the Company measures the lower one of cost and net realizable value, and as for obsolete and slow-moving inventory whose cost exceeds the net realizable value, the inventory falling price reserves shall be withdrawn. The inventories are Impaired to net realizable value based on the salability of inventories estimated and their net realizable value. The management personnel needs to acquire conclusive evidence in order to identify impairment of inventories, and at the same time, it must make judgments and estimates on the basis of The difference between the actual results and the original estimate will affect the book value of inventories and the original estimate will resal the inventory falling price reserves in the period when estimate is changed.

(4) Fair value of financial instruments

For financial instruments that do not have an active trading market, the company determines its fair value through various valuation methods which include discounted cash flow model analysis and so on. At the time of valuation, the company needs to estimate future cash flow, credit risk, market volatility and correlation, and choose an appropriate discount rate. These related assumptions are uncertain and their changes will have an impact on the fair value of financial instruments.

(5) Impairment of available-for-sale financial assets

The Company mainly relies on judgments and assumptions of management layer to judge whether there is impairment in available-for-sale financial assets, in order to determine whether there is a need to confirm impairment loss in the profit statement. In the process of making assumptions, the Company needs to assess the extent and duration that fair value of the investment is lower than its cost, as well as the financial status and short-term business outlook of the investee, such as industry conditions, technological changes, credit ratings, default rate and counterparty risk.

(6) Impairment of long-term assets

On the balance sheet date, the Company judges whether there is a sign that impairment in non-current assets other than financial assets may occur. In terms of intangible asset with an indefinite useful life, the impairment test shall be conducted as long as there is a sign of impairment besides the annual impairment test. As for other non-current assets other than financial assets, the impairment test shall be conducted when there is a sign indicating that their carrying amount cannot be recovered.

When the book value of an asset or asset group is higher than its recoverable amount, which means the higher one between the net amount of fair value minus disposal expenses and the present value of estimated future cash flows, indicating an impairment.

The net amount of fair value minus disposal expenses is determined by referring the sales agreement price of similar assets in fair trading or the observable market price to minus the costs directly attributed to assets disposal.

When the present value of the future cash flows is estimated, it is necessary to make major judgments to the production of the asset (or asset group), the selling price, related operating costs, and the discount rate used to calculate the present value. When estimating the recoverable amount, the Company will refer to all Related Information that can be obtained, including the forecast about production, selling price and related operating costs in accordance with reasonable and supportable assumptions.

The Company should test whether there is impairment in goodwill at least once a year, which requires an estimate of asset group distributed with goodwill, and of the present value of the future cash flows in asset group portfolio. When estimating the present value of future cash flows, the Company needs to estimate the future cash flows generated by the asset group or the asset group portfolio, and at the same time, selects the appropriate discount rate to determine the present value of future cash flows.

(7) Depreciation and amortization

After considering the residual value of investment property, fixed assets and intangible assets, the Company shall accrue depreciation and amortization in accordance with the straight-line method over its useful life. The Company regularly reviews the useful life so as to determine the amount of depreciation and amortization expenses to be included into each report period. The useful life is determined by the Company in accordance with its past experience in similar assets and expected technical updates. If there has been a significant change in previous estimates, adjustment shall be made to the depreciation and amortization expenses in the future.

(8) Deferred income tax assets

Within the limit that sufficient taxable profits may likely offset losses, the Company confirms all unused tax losses as deferred income tax assets, which requires the management layer in the Company to estimate the occurrence time and amount of future taxable profits by applying a lot of judgments, and to determine the amount of deferred income tax assets that should be confirmed by combining tax planning strategies.

(9) Income tax

In the normal business activities of the Company, the final tax treatment and calculation are uncertain for some transactions; there must be the review and approval from tax authorities on whether some items should be listed before taxes. If there is a discrepancy between the final confirmation results of these taxation items and the original estimated amount, the discrepancy will inevitably affect the current income tax and deferred income tax during the period of final confirmation.

(10) Estimated liabilities

In view of the terms of contracts, existing knowledge and historical experience, the Company estimates product quality assurance, expected contract losses, and liquidated damages due to delay in delivery and withdraws corresponding provisions. In the event that these contingencies have formed a current obligation and the performance of the current obligation may result in the outflow of economic benefits from the Company, the Company confirms best estimates paid to perform current obligation of contingencies as estimated liabilities. The confirmation and measurement of estimated liabilities largely rest with the judgments of management personnel. The Company shall evaluate factors such as relevant risks, uncertainties and time value of money related to these contingencies in the process of judgments.

Wherein, the after-sales quality maintenance commitments provided by the Company to customers for the sale, maintenance and renovation shall be included into estimated liabilities. When they are included into estimated liabilities, the recent maintenance experience data in the Company have been considered, which, however, cannot reflect the future maintenance. Any increase or decrease in this provision may affect the Company's profit or loss in the future

VI. Tax Items

1. Main Taxes and Tax Rate

Main Taxes and Tax Rate

Applicable Non-applicable

Tax type	Taxation basis	Tax rate
VAT	The taxable income is calculated at the rate of 16% and 10%, and the VAT is calculated based on the difference after deducting the input tax that is allowed to be deducted in the current period.	16%/10%
Urban maintenance and construction tax	Levy in accordance with 7% and 5% of the actual payment of turnover tax paid.	7%/5%
Corporate income tax	Except for the income tax benefits shown in the table below, the applicable tax rate of the domestic companies of the Group is 25%.	
Education surtax	It is paid at 3% of the actual turnover tax.	3%
Others	According to the relevant regulations of each country.	

Disclosure information for taxpayers of different corporate income tax rates

√Applicable □Non-applicable

Name of taxpayer	Income tax rate (%)
The Company	15
Clean Energy	15
LONGi Engineering	15
Project Companies for PV Systems	Exemptions in the first three years and half-reductions in the next three years
Ningxia LONGi	15/9
Yinchuan LONGi	15/12/9
Wuxi LONGi	15
LONGi (H.K.)	16.5
Lijiang LONGi	15
Baoshan LONGi	15
Chuxiong LONGi	15
LONGi Solar	15
Taizhou LONGi Solar	15
Zhejiang LONGi Solar	15
Yinchuan LONGi Solar	9

2. Tax preference

√Applicable □Non-applicable

In accordance with the Notice of the State Administration of Taxation on Corporate Income Tax Issues Concerning Further Implementing the Western China Development Strategy (State Administration of Taxation Announcement No.12 in 2012), 15% preferential tax rate shall be enjoyed during Western China Development to industrial projects which are set up in the western region, whose main business complies with the provisions of the Directory of Encouraged Industries in the Western Region, and the main business income for the current year accounted for more than 70% of total Revenues from January 1, 2011 to December 31, 2020. After filing, the tax rate of 15% was implemented for the Company, Clean Energy, LONGi Engineering, LONGi Solar, Ningxia LONGi, Yinchuan LONGi and Yinchuan LONGi Solar, Lijiang LONGi, Baoshan LONGi, Chuxiong LONGi in 2018.

In addition, in accordance with the Notice of Filing of Tax Preference Items by State Administration of Taxation, Yinchuan Branch, Yinchuan Economic & Technology Development Area of Ningxia Hui Autonomous Region on May 16, 2014, the local sharing part of the construction project with 500MW (The Third Phase) mono ingots in Yinchuan was exempt from corporate income tax from 2014 to 2016, and the local sharing part of corporate income tax will be halved from 2017 to 2019. In 2018, Yinchuan LONGi imposed a 12% tax on the proceeds from construction project with 500MW (The Third Phase) mono ingots in Yinchuan.

In addition, in accordance with the Notice of Filing of Tax Preference Items by State Administration of Taxation, Yinchuan Branch, Yinchuan Economic & Technology Development Area of Ningxia Hui Autonomous Region on February 10, 2017, the local sharing part of the construction project with 1.2GW (The Second Phase) mono ingots in Yinchuan was exempt from corporate income tax from 2016 to 2018, and the local sharing part of corporate income tax will be halved from 2019 to 2021. In 2018, Yinchuan LONGi imposed a 9% tax on the proceeds from construction project with 1.2GW (The Second Phase) mono ingots in Yinchuan.

After filing, Ningxia LONGi will be exempted from the local share of corporate income tax on its silicon ingot project with annual production of 1GW from 2018 to 2020, and the local share of corporate income tax will be halved from 2021 to 2023. In 2018, Ningxia LONGi imposed a 9% tax on the proceeds of the silicon ingot project with annual production of 1GW.

In accordance with the provisions of Article 27 in The Law of the People's Republic of China on Enterprise Income Tax, and Article 87 in the Implementation Regulations, as for enterprises which engage in publicly-funded infrastructure projects supported by the state, their incomes from investment and operation shall be exempted from the first year to the third year since the tax year in which the first production and operation income of the project was obtained, and corporate income tax will be halved from the fourth to the sixth year.

The solar power generation projects were included in Relevant Preference Directory in accordance with the Notice of the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission on Promulgating the Directory of Enterprise Income Tax Benefits for Public Infrastructure Projects (2008 Edition) CS[2008] No.116, and Notice of the Ministry of Finance and the State Administration of Taxation on Issues Concerning the Implementation of Enterprise Income Tax Discount Directory for Public Infrastructure Projects (CS [2008] No.46).

After the filing, the project subsidiaries of the Company shall enjoy the —three-year exemptions and half-reductions of corporate income tax when they meet conditions above.

On November 30, 2016, Wuxi LONGi, a subsidiary of the Company, was identified as a high-tech enterprise, with certificate number of: GR201632000387, and validity for three years. In 2018, 15% tax rate was implemented in Wuxi LONGi the Company.

LONGi (H.K.), a subsidiary of the Company, implemented a tax rate of 16.5% in 2018.

On November 21, 2016, Zhejiang LONGi Solar, a subsidiary of the Company, was identified as a high-tech enterprise, with certificate number of: GR201633002165, and it enjoyed the preferential income tax rate for high-tech enterprises. The preferential corporate income tax period is from January 1, 2016 to December 31, 2018. The applicable corporate income tax rate for Zhejiang LONGi Solar was 15% in 2018.

On December 7, 2017, Taizhou LONGi Solar, a subsidiary of the Company, was identified as a high-tech enterprise, with certificate number of: GR201732002815, and it enjoyed the preferential income tax rate for high-tech enterprises. The preferential corporate income tax period is from January 1, 2017 to December 31, 2019. The applicable corporate income tax rate for Taizhou LONGi Solar was 15% in 2018.

2. Others

Applicable Non-applicable

The company has always been implementing 17% / 11% tax rate regarding to the VAT taxable sales or imported goods. According to the Notice of the Ministry of Finance and the State Administration of Taxation on Adjusting the Value-Added Tax Rate (CS [2018] No. 32), the applicable tax rate will be adjusted to 16%/10% from May 1, 2018.

VII. Notes on consolidated financial statements**1、 Cash and cash equivalents**

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Ending balance	Opening balance
cash in stock	16,568.05	45,889.43
Bank savings	5,665,023,600.03	7,355,553,540.01
Other monetary funds	2,042,865,348.66	1,190,440,898.44
In total	7,707,905,516.74	8,546,040,327.88
wherein: the total amount of money deposited abroad	420,120,577.19	200,870,097.05

Note: The other monetary funds at the end of the year amounted to RMB 2,042,865,348.66 for the deposit of bank acceptance bills, letters of credit, guarantees and other services.

2. Financial assets measured at fair value through profit or loss

□Applicable √Non-applicable

2、 3. Derivative financial assets

□Applicable √Non-applicable

4. Notes receivable and accounts receivable**Summary of the forms****1). Classification listing**

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Ending balance	Opening balance
Notes receivable	4,090,820,743.25	2,205,568,990.63
Accounts receivable	4,362,641,671.79	3,925,763,775.89
In total	8,453,462,415.04	6,131,332,766.52

Other explanations:

□Applicable √Non-applicable

Notes receivable**(2). Presentation of notes receivable classification**

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Item	Ending balance	Opening balance
Bank acceptance note	4,090,820,743.25	2,205,568,990.63
In total	4,090,820,743.25	2,205,568,990.63

(3). Receivable notes pledged by the company at the end of the period

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Item	Pledged amount at the end of the period
Bank acceptance note	3,285,639,840.95
In total	3,285,639,840.95

(4). Receivables that have been endorsed or discounted by the company at the end of the period and have not expired on the balance sheet date

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Derecognized amount at the end of the period	The confirmed amount is not derecognized at the end of the period
Bank acceptance note	1,867,992,433.28	
In total	1,867,992,433.28	

(5). Notes transferred to Receivables by the Company due to unfulfillment of agreements of drawer

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

Accounts Receivable

(1). Disclosure of accounts receivable

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Category	Ending balance					Opening balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion (%)	Amount	Proportion of accrual (%)		Amount	Proportion (%)	Amount	Proportion of accrual (%)	
Accounts receivable with significant single amount and individual provision for bad debts	39,259,986.42	0.87	27,745,406.34	70.67	11,514,580.08	8,752,579.22	0.22	8,752,579.22	100.00	

Accounts receivable for bad debt provision according to credit risk characteristic portfolio	4,471,699,774.03	99.10	120,572,682.32	2.70	4,351,127,091.71	4,038,526,556.91	99.64	112,762,781.018	2.79	3,925,763,775.89
Including										
Aging portfolio	4,471,699,774.03	99.10	120,572,682.32	2.70	4,351,127,091.71	4,038,526,556.91	99.64	112,762,781.018	2.79	3,925,763,775.89
Other portfolios										
Accounts receivable with insignificant single amount but with individual provision for bad debts	1,470,443.78	0.03	1,470,443.78	100.00		6,014,066.51	0.14	6,014,066.51	100.00	
In total	4,512,430,204.23	100	149,788,532.44	3.32	4,362,641,671.79	4,053,293,202.64	100	127,529,426.75	3.15	3,925,763,775.89

Accounts receivable with significant single amount and individual provision for bad debts at the end of the period

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Accounts receivable (by unit)	Ending balance			Reasons for accrual
	accounts receivable	Bad-debt provision	Proportion of accrual %	
Nanjing ET Solar Technology Co., Ltd.	17,093,090.20	10,255,854.12	60.00	Based on the estimated recoverable amount
Tibet Aerospace Special Spectrum Environmental Energy Engineering Co., Ltd.	13,414,317.00	8,736,973.00	65.13	Based on the estimated recoverable amount
Upsolar and its associated parties	8,752,579.22	8,752,579.22	100.00	Unexpected to recover
In total	39,259,986.42	27,745,406.34		

In the portfolio, accounts receivable for bad debt provision by aging analysis method.

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Aging	Ending balance		
	accounts receivable	Bad-debt provision	Proportion of accrual (%)
Within 1 year			
Including: sub-items in 1 year			
Within 6 months	3,044,082,259.80	0.00	0.00
7-12 months	888,127,343.68	44,406,367.43	5.00
Subtotal within 1 year	3,932,209,603.48	44,406,367.43	1.13
1 to 2 years	461,611,960.67	46,161,196.22	10.00
2 to 3 years	55,328,108.00	16,598,432.41	30.00
3 to 4 years	18,286,831.25	9,143,415.63	50.00
4 to 5 years	0.00	0.00	0.00
More than 5 years	4,263,270.63	4,263,270.63	100.00
In total	4,471,699,774.03	120,572,682.32	2.70

In the portfolio, accounts receivable for bad debt provision are calculated using the percentage of balance method.

In the portfolio, other methods are used to make accounts receivable for bad debt provision.

Applicable Non-applicable

(2). Provision for bad debts withdrawn, recovered or reversed in the current period:

In the current period, the amount for bad debts provision withdrawn was 28,282,227.19 yuan; the amount of bad debts recovered or transferred back to the current period was 0 yuan.

Including: important amount for bad-debt provision recovered or transferred in current period:

Applicable Non-applicable

(3). Accounts receivable actually written off during the period√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Write-off amount
Actually written off accounts receivable	6,023,121.50

Including: the important write-off of accounts receivable

Applicable Non-applicable

Explanations for accounts receivable write-off

Applicable Non-applicable**(4). Receivables of top five ending balances collected by debtor**√Applicable Non-applicable

The receivables of top five ending balances collected by debtor amounted to 1,115,498,558.70 yuan, accounting for 24.72% of the total ending balance of receivables, and the total ending balance of corresponding accrued provision for bad-debts was 15,198,561.83 yuan.

(5). Receivables derecognized due to transfer of financial assetsApplicable Non-applicable**(6). The amount of assets and liabilities formed by receivables transferred and continuous involvement**Applicable Non-applicable

Other explanations:

Applicable Non-applicable**4. Prepayment****(1). Prepayments are listed by age**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Aging	Ending balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	558,270,045.27	91.72	441,707,310.86	99.56
1 to 2 years	50,306,192.60	8.26	1,747,987.79	0.39
2 to 3 years	1,100.01	0.00	109,413.26	0.02
Over 3 years	108,185.00	0.02	108,185.00	0.03
In total	608,685,522.88		443,672,896.91	

Description of reasons why the prepayments with an age greater than 1 year and the amount of money are not settled in time:

The prepayments for more than one year are mainly prepayments for long-term contracts, which are deducted according to the actual purchases, and have not been deducted as of the end of the year.

(2). Prepayment of top 5 closing balances collected in accordance with prepayment targets:√Applicable Non-applicable

The prepayment of top five ending balance collected in accordance with prepayment targets amounted to 412,225,827.82 yuan, accounting for 67.72% of the total ending balance of prepayment,

Other explanations

Applicable Non-applicable

5. Other receivables

Summary of the form

(1). Classification listing

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Ending balance	Opening balance
Dividend receivable	20,541,737.10	29,065,322.08
Other receivables	694,690,464.29	295,146,183.08
In total	715,232,201.39	324,211,505.16

Other explanations:

Applicable Non-applicable

Interest receivable

(2). Classification of interest receivable

Applicable Non-applicable

(3). Important overdue interest

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

(4). Dividend receivable

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item (or invested company)	Ending balance	Opening balance
Yangqu Lezhao Energy Technology Co., Ltd.	1,822,201.51	0.00
Wuhu Solar Photovoltaic Power Engineering Co., Ltd.	1,193,189.92	0.00
Zhangzhou Longhui New Energy Co., Ltd.	17,526,345.67	0.00
Zhongning LONGi Solar New Energy Co., Ltd.	0.00	29,065,322.08
In total	20,541,737.10	29,065,322.08

(5). Important dividends receivable for more than one year

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

Other receivables**(6). Disclosure of other receivables**

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Category	Ending balance					Opening balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion (%)	Amount	Proportion of accrual (%)		Amount	Proportion (%)	Amount	Proportion of accrual (%)	
Other receivables with significant single amount and with individual bad-debt provision	15,004,461.56	1.99	15,004,461.560	100.00	0.00	7,504,461.56	2.33	7,504,461.56	100.00	0.00
Other receivables with provision for bad debts in accordance with credit risk characteristic portfolio	735,310,620.76	97.58	40,620,156.47	5.52	694,690,464.29	311,506,252.73	96.72	16,360,069.65	5.25	295,146,183.08
Including:										
Aging portfolio	731,699,282.28	97.10	40,620,156.47	5.55	691,079,125.81	305,791,469.97	94.95	16,360,069.65	5.35	289,431,400.32
Other portfolios	3,611,338.48	0.48	0.00	0.00	3,611,338.48	5,714,782.76	1.77			5,714,782.76
Other receivables with insignificant single amount and with individual bad-debt provision	3,259,500.00	0.43	3,259,500.00	100.00	0.00	3,034,350.00	0.95	3,034,350.00	100.00	0.00
In total	753,574,582.32	100	58,884,118.03	7.81	694,690,464.29	322,045,064.29	100.00	26,898,881.21	8.35	295,146,183.08

Other receivables with significant single amount and with individual bad-debt provision at the end of the period

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Other receivables (by unit)	Other receivables	Bad-debt provision	Bad-debt provision Proportion of accrual%	Reasons for accrual
Zhonghong United Financing Guarantee Co., Ltd.	7,500,000.00	7,500,000.00	100.00	Unexpected to recover
Ningbo Southern New Energy Technology Co., Ltd.	7,504,461.56	7,504,461.56	100.00	Unexpected to recover
In total	15,004,461.56	15,004,461.56		

In the portfolio, other receivables for provision for bad debts by aging analysis

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Aging	Ending balance		
	Other receivables	Bad-debt provision	Proportion of accrual
Within 1 year			
Including: sub-items in 1 year			
Subtotal within 1 year	692,278,260.47	34,613,913.03	5.00
1 to 2 years	31,409,287.15	3,140,928.82	10.00
2 to 3 years	6,608,013.31	1,982,400.22	30.00
3 to 4 years	1,041,613.90	520,806.95	50.00
4 to 5 years	63,661.99	63,661.99	100.00
More than 5 years	298,445.46	298,445.46	100.00
In total	731,699,282.28	40,620,156.47	

In the portfolio, other receivables with provision for bad debts using the balance percentage method

Applicable Non-applicable

Receivables for bad-debt provision in accordance with other methods in portfolios

Applicable Non-applicable

Portfolio names	Ending balance		
	Other receivables	Bad-debt provision	Proportion of accrual%
Petty cash portfolio	3,611,338.48	0.00	0.00
In total	3,611,338.48	0.00	0.00

(5). Classification of other receivables by nature

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Nature of funds	Book balance at the end of period	Book balance at beginning of period
Power plant project transfer fund	365,899,150.38	0.00
Equity transfer funds	166,141,992.91	148,591,793.72
Current payment	43,512,244.42	115,191,160.83
Cash deposit	174,276,396.98	49,975,134.78
Petty cash	3,154,851.21	2,686,000.52
Social security payment on behalf	455,365.77	1,774,802.31
Others	134,580.65	3,826,172.13
In total	753,574,582.32	322,045,064.29

(6). Bad-debt provision withdrawn, recovered and transferred in current period:

The amount for bad-debt provision withdrawn was 32,064,519.82 yuan in current period; the amount for bad-debt provision recovered or transferred was 0 yuan in current period.

Including: important amount for bad-debt provision recovered or transferred in current period:

Applicable Non-applicable

(7). Other receivables actually written off during the period

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Write-off amount
Other receivables actually written off	79,283.00

Of which other important receivables are written off

Applicable Non-applicable

Explanation of other receivables write-off

Applicable Non-applicable

(8). Other receivables of top five ending balances collected by debtor:√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Unit names	Nature of funds	Ending balance	Aging	Proportion accounted for in total ending balance of other receivables (%)	Ending balance for bad-debt provision
Runan Haoyang New Energy Co., Ltd.	Power plant project transfer	97,436,484.63	1 Within 1 year	12.93	4,871,824.23
China Power (Shenyang) Energy Investment Co., Ltd.	Power plant project transfer	68,344,028.89	1 Within 1 year	9.07	3,417,201.44
Zhejiang Zhengtai New Energy Development Co., Ltd.	Power plant project transfer	60,869,425.48	1 Within 1 year	8.08	3,043,471.27
Tongchuan Development and Reform Commission	Cash deposit	50,000,000.00	1 Within 1 year	6.64	2,500,000.00
Zaoqiang Lezhao Photovoltaic Technology Co., Ltd.	Power plant project transfer	41,872,120.00	1 Within 1 year	5.56	2,093,606.00
In total		318,522,059.00		42.28	15,926,102.94

(9). Receivables involving government subsidiesApplicable Non-applicable**(10). Other receivables derecognized due to the transfer of financial assets**Applicable Non-applicable**(11). The amount of assets and liabilities formed by receivables transferred and continuous involvement**Applicable Non-applicable

Other explanations

Applicable Non-applicable**6. Inventory****(1). Inventory classification**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Ending balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value
Raw materials	1,101,615,522.80	3,035,871.04	1,098,579,651.76	760,333,686.62	5,482,921.07	754,850,765.55
Goods in process	344,406,211.70	862,744.85	343,543,466.85	438,512,159.40	230,165.51	438,281,993.89
Merchandise inventory	2,460,292,893.60	43,246,336.33	2,417,046,557.27	1,009,112,105.42	13,157,570.66	995,954,534.76

Consigned processing materials	308,690,502.18	843,355.32	307,847,146.86	115,236,576.69	297,515.08	114,939,061.61
Released products	116,659,252.40	1,131,956.19	115,527,296.21	77,230,726.79	858,925.64	76,371,801.15
In total	4,331,664,382.68	49,120,263.73	4,282,544,118.95	2,400,425,254.92	20,027,097.96	2,380,398,156.96

(2). Inventory depreciation reserve
Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Opening balance	Amount increased in current period		Amount decreased in current period		Ending balance
		Withdrawing	Others	Recovery or write-off	Others	
Raw materials	5,482,921.07	22,828,010.31		25,275,060.34		3,035,871.04
Goods in process	230,165.51	1,910,297.44		1,277,718.10		862,744.85
Merchandise inventory	13,157,570.66	540,177,688.32		510,088,922.65		43,246,336.33
Consigned processing materials	297,515.08	645,474.33		99,634.09		843,355.32
Released products	858,925.64	65,708,670.12		65,435,639.57		1,131,956.19
In total	20,027,097.96	631,270,140.52		602,176,974.75		49,120,263.73

(3). Explanation of capitalization amount of borrowing costs contained in inventory ending balance:
Applicable Non-applicable
(4). Unsettled assets formed by construction contract with completion at the end of the period
Applicable Non-applicable

Other explanations

Applicable Non-applicable
7. Assets Held for Sale
Applicable Non-applicable
8. Non-current assets due within one year
Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Ending balance	Opening balance
Long-term receivables due within one year	11,000,000.00	33,650,000.00
In total	11,000,000.00	33,650,000.00

9. Other Current Assets
Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Ending balance	Opening balance
VAT refund	1,103,163,521.38	1,049,342,375.17
Prepayment of income tax	13,727,592.91	8,770,154.70
Advance tax and surcharge	5,167,183.97	0.00
Export tax refund	0.00	9,981,357.51
In total	1,122,058,298.26	1,068,093,887.38

10. Available-for-sale Financial Assets

(1). Available-for-sale Financial Assets

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Ending balance			Opening balance		
	Book balance	Depreciation reserves	Book value	Book balance	Depreciation reserves	Book balance
Available-for-sale debt instruments:						
Available-for-sale equity instruments:	78,046,182.96		78,046,182.96	60,193,548.39		60,193,548.39
Measurement at fair value						
Measurement at cost	78,046,182.96		78,046,182.96	60,193,548.39		60,193,548.39
In total	78,046,182.96		78,046,182.96	60,193,548.39		60,193,548.39

(2). Available-for-sale financial assets measured at fair value at the end of the period

Applicable Non-applicable

(3). Available-for-sale financial assets measured at cost at the end of period

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Invested units	Book balance				Depreciation reserve			Proportion of shares held in invested companies (%)		Cash dividend in current period
	At the beginning of the period	At the beginning of the period Increase in current period	Decrease in current period	At the end of the period	At the beginning of the period	Increase in current period	Decrease in current period	At the end of the period		
Zhuhai Puluo Zhong'ou New Energy Equity Investment Partnership (Limited Partnership)	60,193,548.39			60,193,548.39					19.35%	
Lijiang LONGi Clean Energy Co.,		17,852,634.57		17,852,634.57					19%	

Ltd.										
In total	60,193,548.39	17,852,634.57		78,046,182.96					/	

(4). Changes in depreciation of available-for-sale financial assets during the reporting period

Applicable Non-applicable

(5). Explanation of sharp falling or non-temporary falling of fair value in available-for-sale equity instruments at the end of the period but no depreciation reserve made:

Applicable Non-applicable

Other explanations

Applicable Non-applicable

11. Held-to-maturity investments**(1). Held-to-maturity investments**

Applicable Non-applicable

(2). Important held-to-maturity investments at the end of the period

Applicable Non-applicable

(3). Re-classified held-to-maturity investments in the current period

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

12. Long-term Receivables

(1)Long-term Receivables

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance			Opening balance			Discount rate interval
	Book balance	Bad-debt provision	Book value	Book balance	Bad-debt provision	Book value	
Deposit	31,828,450.44		31,828,450.44	65,726,415.78		65,726,415.78	
Instalment collection EPC project	37,357,219.12		37,357,219.12				
(Reduce) part due within one year	-11,000,000.00		-11,000,000.00	-33,650,000.00		-33,650,000.00	
In total	58,185,669.56		58,185,669.56	32,076,415.78		32,076,415.78	/

(1). Long-term receivables derecognized due to the transfer of financial assets

Applicable Non-applicable

(2). The amount of assets and liabilities formed by long-term receivables transferred and continuous involvement:

Applicable Non-applicable

Other explanations

Applicable Non-applicable

13. Long-term equity investment

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Invested units	Opening Balance	Changes in increase and decrease in current period								Closing balance	impairment balance at the end of the period
		Additional investment	Negative investment	Investment gains and losses recognized under the equity method	Adjustments in other comprehensive incomes	Changes in other equities	Declared cash dividends or profits	Provision for impairment	Others		
Joint venture											
Tongxin LONGi New Energy Co., Ltd. (Hereinafter referred to as Tongxin LONGi)	126,001,695.82			14,362,974.19						140,364,670.01	
Zhongning LONGi Tianhua New Energy Ltd. (Hereinafter referred to as LONGi Tianhua)	22,289,501.27			3,679,534.55						25,969,035.82	
Shanghai Baowang Energy Technology Co., Ltd. (Hereinafter referred to as	6,482,880.10			-3,829,952.87						2,652,927.23	

Shanghai Baowang)											
Pingmei LONGi New Energy Technology Co., Ltd. (Hereinafter referred to as Pingmei LONGi)	120,378,242.61			18,056,820.75					81,557.73	138,516,621.09	
Zhejiang MTCN Technology Co., Ltd. (Hereinafter referred to as Zhejiang MTCN)	27,478,706.09			8,411,857.51						35,890,563.60	
Sichuan Yongxiang Energy Co., Ltd.	121,500,000.00	58,500,000.00		-19,605.69						179,980,394.31	
Zhongning LONGi Solar New Energy Co., Ltd. (Hereinafter referred to as Zhongning LONGi Solar New Energy)	91,058,942.99			6,886,682.52						97,945,625.51	
Yidao New Energy Technology (Quzhou) Co., Ltd. (Hereinafter referred to as Yidao		20,000,000.00		-1,061,374.53						18,938,625.47	

New Energy Technology)											
Sri City EMC Hereinafter referred to as SCE		1,282,538.75								1,282,538.75	
Daqing Huiqing New Energy Co., Ltd. (hereinafter referred to as Daqing New Energy)		40,152,500.33		14,373,493.77						54,525,994.10	
Zhaozhou Longhui New Energy Co., Ltd. (hereinafter referred to as "Zhaozhou New Energy")		36,107,211.52		995,447.61						37,102,659.13	
Subtotal	515,189,968.88	156,042,250.60		61,855,877.81					81,557.73	733,169,655.02	
In total	515,189,968.88	156,042,250.60		61,855,877.81					81,557.73	733,169,655.02	

14. Investment Property

Investment real estate measurement model

√Applicable Non-applicable**15. Fixed assets****Summary statement****(1). Classification**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Closing balance	Opening balance
Fixed assets	13,259,978,743.24	10,803,548,307.89
In total	13,259,978,743.24	10,803,548,307.89

Other explanations:

Applicable Non-applicable**Fixed assets****(1). Fixed assets**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Houses and buildings	PV power station	Machinery equipment	Transportation equipment	Electronic equipment and other	In total
I. Original book value:						
1. Opening balance	1,588,619,811.28	4,110,409,388.11	6,690,246,635.14	49,149,318.46	112,291,219.04	12,550,716,372.03
2. Amount increased in current period	130,685,219.01	2,306,680,687.05	3,178,052,059.25	20,506,171.51	31,588,253.17	5,667,512,389.99
(1) Purchase	1,067,783.51		75,866,491.60	20,506,171.51	31,588,253.17	129,028,699.79
(2) Transfer of construction in progress	129,617,435.50	2,306,680,687.05	3,102,185,567.65			5,538,483,690.20
3. Amount decreased in current period	200,243.47	2,124,507,906.82	121,398,065.17	9,269,590.92	12,578,277.42	2,267,954,083.80
(1) Disposal or scrap	127,359.00		120,410,954.40	7,087,693.25	12,021,171.91	139,647,178.56
(2) Reduction of disposal subsidiaries	72,884.47	2,124,507,906.82	987,110.77	2,181,897.67	557,105.51	2,128,306,905.24
4. Closing balance	1,719,104,786.82	4,292,582,168.34	9,746,900,629.22	60,385,899.05	131,301,194.79	15,950,274,678.22
II. Accumulated depreciation						
1. Opening balance	287,133,340.09	108,304,212.22	1,259,307,379.97	17,841,692.30	45,940,043.04	1,718,526,667.62
2. Amount increased in current period	77,819,857.01	178,829,696.35	771,235,607.44	10,072,850.35	17,100,777.31	1,055,058,788.46
Withdrawing	77,819,857.01	178,829,696.35	771,235,607.44	10,072,850.35	17,100,777.31	1,055,058,788.46

3. Amount decreased in current period	11,218.71	68,752,157.53	37,292,095.59	4,198,563.08	8,161,732.20	118,415,767.11
(1) Disposal or scrap	10,641.71		37,168,499.84	4,059,180.06	8,062,084.39	49,300,406.00
(2) Reduction of disposal subsidiaries	577.00	68,752,157.53	123,595.75	139,383.02	99,647.81	69,115,361.11
4. Closing balance	364,941,978.39	218,381,751.04	1,993,250,891.82	23,715,979.57	54,879,088.15	2,655,169,688.97
III. Depreciation reserve						
1. Opening balance			28,641,396.52			28,641,396.52
2. Amount increased in current period			10,435,438.29			10,435,438.29
Withdrawing			10,435,438.29			10,435,438.29
3. Amount decreased in current period			3,950,588.80			3,950,588.80
Disposal or scrap			3,950,588.80			3,950,588.80
4. Closing balance			35,126,246.01			35,126,246.01
IV. Book value						
1. Book value at end of the period	1,354,162,808.43	4,074,200,417.30	7,718,523,491.39	36,669,919.48	76,422,106.64	13,259,978,743.24
2. Book value at beginning of the period	1,301,486,471.19	4,002,105,175.89	5,402,297,858.65	31,307,626.16	66,351,176.00	10,803,548,307.89

(2). Temporary idle fixed assets√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Original book value	Accumulated depreciation	Depreciation reserve	Book value	Note
Machinery equipment	57,201,030.27	5,532,132.04	1,809,277.58	49,859,620.65	
In total	57,201,030.27	5,532,132.04	1,809,277.58	49,859,620.65	

(3). Fixed assets acquired by financial lease√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Original book value	Accumulated depreciation	Depreciation reserve	Book value
Houses and buildings	161,601,387.10	91,511,002.42		70,090,384.68
Machinery equipment	752,896,426.84	162,324,371.44		590,572,055.40
PV power station	929,939,764.78	55,675,766.79		874,263,997.99

In total	1,844,437,578.72	309,511,140.6500	1,534,926,438.07
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(4). Fixed assets acquired by operating lease√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Book value at the end of the period
Houses and buildings	12,561,632.99
In total	12,561,632.99

(5). Fixed assets without certificate of title√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Book value	Reasons for certificate of title not obtained
Ningxia LONGi Real Estate	22,247,343.13	Unavailable handling for public rental housing

Other explanations:

Applicable Non-applicable**Fixed assets cleanup**Applicable Non-applicable**16. Construction in Process****Summary****(1). Classification**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Construction in Process	850,304,923.44	1,332,520,698.99
Engineering material	5,257,151.75	22,488,232.85
In total	855,562,075.19	1,355,008,931.84

Other explanations:

Applicable Non-applicable

Construction in Process**(2)Construction in Process**

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value
Construction project with 1GW mono ingots in Ningxia				156,940,585.97		156,940,585.97
Construction project with 5GW mono ingots/wafers in Yinchuan	27,648,454.77		27,648,454.77	134,377,614.81		134,377,614.81
Construction project with 1.2GW mono ingots in Yinchuan	86,875.86		86,875.86	5,260,239.26		5,260,239.26
Kuching LONGi ingot project-Phase I	26,495,986.50		26,495,986.50	56,047,145.57		56,047,145.57
Kuching LONGi ingot project-Phase II	41,186,500.02		41,186,500.02	100,838,342.39		100,838,342.39
Project with annual output of 5GW mono ingots in Lijiang LONGi	147,349,681.63		147,349,681.63	128,006,932.06		128,006,932.06
Project with annual output of 5GW mono ingots in Baoshan LONGi	167,641,079.93		167,641,079.93	256,674,894.57		256,674,894.57
Project with annual output of 10GW wafers in Chuxiong LONGi	1,429,417.95		1,429,417.95	37,001,472.53		37,001,472.53
Project of B1 modules in Xi'an Economic & Technological Development Zone	6,558,372.88		6,558,372.88	9,231,798.04		9,231,798.04
Project of B2 modules in Xi'an Economic & Technological Development Zone	21,878,095.11		21,878,095.11			
Project with 2GW cells in Taizhou LONGi Solar	9,552,648.75		9,552,648.75	56,983,469.46		56,983,469.46
Project with 2GW modules in Taizhou LONGi Solar	137,606.83		137,606.83	13,686,600.63		13,686,600.63
Project with Annual Production of 5GW Modules in Chuzhou Solar	66,449,925.40		66,449,925.40			
Cell project under construction in Kuching LONGi-- Phase I	104,838,624.34		104,838,624.34			

Project with 80MW Characteristic Agricultural Photovoltaic Power Generation in Huaping Shuiziping				17,305,739.41		17,305,739.41
Project with 228MW power station in Lingwu	18,627.60		18,627.60			
Project with 20MW Photovoltaic Power Generation in Raoyang	3,720,053.10		3,720,053.10	1,572,815.53		1,572,815.53
Project with 4.44MW Distributed Power Station in Konggang New City	20,098,678.00		20,098,678.00	15,312,584.02		15,312,584.02
Project with 12MW Distributed Power Station in Zhengzhou	220,322.59		220,322.59	49,228,746.34		49,228,746.34
Project with 4.59MW Distributed Power Station in Wu Jiang Kang Master				13,206,263.19		13,206,263.19
Phase I project with 3.77MW distributed PV installation in Taizhou LONGi Solar				17,017,759.73		17,017,759.73
Phase II project with 11.07MW distributed PV installation in Taizhou LONGi Solar	32,897,293.08		32,897,293.08	1,344,456.23		1,344,456.23
Project with 3.97MW Distributed Power Station in Oriental new materials				9,688,361.05		9,688,361.05
Project with 2.42MW Distributed Power Station in Zheshang Food				6,629,303.38		6,629,303.38
Project with 11MW Distributed Power Station in Liyang era	3,637,122.65		3,637,122.65	13,769,983.82		13,769,983.82
Project with 3.7MW Distributed Power Station in Yantian Port, Shenzhen	1,247,004.93		1,247,004.93	12,505,352.20		12,505,352.20
Project with 65.75MW distributed PV in Cao County				69,099,911.99		69,099,911.99
Other constructions in process	203,060,437.28	35,847,885.76	167,212,551.52	158,366,867.07	7,576,540.26	150,790,326.81
In total	886,152,809.20	35,847,885.76	850,304,923.44	1,340,097,239.25	7,576,540.26	1,332,520,698.99

(3). Changes in important constructions in process in current period

√Applicable □Non-applicable

Projects	Budgetary amount	Opening balance	Amount increased in current period	Amount of fixed assets transferred in current period	Other amounts decreased in current period	Ending balance	Proportion accounted by total project investment in budget (%)	Progress of works	Accumulated amount of interest capitalization	Including: amount of interest capitalization in this period	Current interest capitalization rate (%)	Capital source
Construction project with 1GW mono ingot in Ningxia	397,410,000.00	156,940,585.97	23,310,270.12	180,250,856.09			76.00%	100.00%				Placement
Construction project with 5GW mono ingot/wafer in Yinchuan	2,277,220,000.00	134,377,614.81	92,744,983.37	195,334,472.21	4,139,671.20	27,648,454.77	88.60%	100.00%				Placement
Construction project with 1.2GW mono ingot in Yinchuan	596,700,000.00	5,260,239.26	27,667,400.59	32,840,763.99		86,875.86	112.00%	100.00%				Placement
Kuching LONGi ingot project-Phase I	1,496,622,579.00	56,047,145.57	200,576,980.29	218,478,728.36	11,649,411.00	26,495,986.50	93.91%	98%				Self-raised funds
Kuching LONGi ingot project-Phase II	422,010,000.00	100,838,342.39	4,465,119.44	36,243,692.02	27,873,269.79	41,186,500.02	62.98%	85%				Self-raised funds
Project with annual output of 5GW mono ingot in Lijiang LONGi	1,361,520,000.00	128,006,932.06	776,913,473.95	656,019,829.57	101,550,894.81	147,349,681.63	58.45%	58.45%				Self-raised funds

Project with annual output of 5GW mono ingot in Baoshan LONGi	1,332,818,000.00	256,674,894.57	982,336,170.66	942,576,681.20	128,793,304.10	167,641,079.93	90.00%	90.00%				Placement
Construction project with annual output of 10GW wafers in Chuxiong LONGi	549,390,000.00	37,001,472.53	434,308,738.22	418,935,683.42	50,945,109.38	1,429,417.95	73.18%	99.00%				Self-raised funds
Project of B1 modules in Xi'an Economic & Technological Development Zone	153,480,000.00	9,231,798.04	1,435,408.29	4,108,833.45		6,558,372.88	80.62%	100%				Self-raised funds
Project of B2 modules in Xi'an Economic & Technological Development Zone	94,840,000.00		21,878,095.11			21,878,095.11	10.95%	10.95%				Self-raised funds
Project with 2GW cells in Taizhou LONGi Solar	1,504,900,000.00	56,983,469.46	51,656,522.37	95,277,389.74	3,809,953.34	9,552,648.75	100.00%	100.00%				Placement
Project with 2GW modules in Taizhou LONGi Solar	318,408,000.00	13,686,600.63	14,036,226.20	26,501,083.80	1,084,136.20	137,606.83	100.00%	100.00%				Placement

Project with Annual Production of 5GW Modules in Chuzhou Solar Project	1,256,940,000.00		66,449,925.40			66,449,925.40	19.24%	19.24%				Self-raised funds
Project under construction in Kuching LONGi Cells -- Phase I	608,540,000.00		104,838,624.34			104,838,624.34	23.35%	23.35%				Self-raised funds
Project with 228MW power station in Lingwu	1,273,522,400.00		785,307,178.05	785,288,550.45		18,627.60	89%	100%				Self-raised funds
Project with 20MW Photovoltaic Power Generation in Raoyang	127,568,800.00	1,572,815.53	97,632,337.32	95,485,099.75		3,720,053.10	97%	100%				Self-raised funds
Project with 30MW centralized PV poverty alleviation in Yunzhou District, Datong City	188,367,800.00		136,438,860.83	136,438,860.83			96%	100%				Self-raised funds
Project with 30MW centralized PV poverty alleviation in Guang Ling County	194,822,800.00		139,918,511.27	139,918,511.27			95%	100%				Self-raised funds

Project with 80MW Characteristic Agricultural Photovoltaic Power Generation in Huaping Shuiziping	406,042,918.94	17,305,739.42	376,432,890.37	393,738,629.79			98%	100%				Self-raised funds
Project with 80MW Mono PV Power Generation in Zhaozhou County	486,923,500.00		490,657,644.36	490,657,644.36			93%	100%				Self-raised funds
Project with 4.44MW Distributed Power Station in Konggang New City	25,772,600.00	15,312,584.02	4,786,093.98			20,098,678.00	91.99%	80%				Self-raised funds
Project with 12MW Distributed Power Station in Zhengzhou	76,540,000.00	49,228,746.34	1,925,273.19	50,933,696.94		220,322.59	100.00%	100.00%				Self-raised funds
Project with 4.59MW Distributed Power Station in Wu Jiang Kang Master	25,588,500.00	13,206,263.19	5,526,973.99	18,733,237.18			100.00%	100.00%				Self-raised funds
Phase I project with 3.77MW distributed PV installation in Taizhou LONGi Solar	21,965,200.00	17,017,759.73	405,153.48	17,422,913.21			100.00%	100.00%				Self-raised funds

Phase II project with 11.07MW distributed PV installation in Taizhou LONGi Solar	50,014,100.00	1,344,456.23	31,552,836.85			32,897,293.08	90.00%	90.00%				Self-raised funds
Project with 4.16MW Distributed Power Station in Donghong Pipe Industry	23,270,000.00		289,366.00	289,366.00			81.69%	100.00%				Self-raised funds
Project with 3.97MW Distributed Power Station in Oriental new materials	20,949,900.00	9,688,361.05	6,914,270.09	16,602,631.14			101.75%	100.00%				Self-raised funds
Project with 2.42MW Distributed Power Station in Zheshang Food	14,122,200.00	6,629,303.38		6,629,303.38			77.00%	100.00%				Self-raised funds
Project with 11MW Distributed Power Station in Liyang era	43,061,800.00	13,769,983.82		10,132,861.17		3,637,122.65	100.00%	100.00%				Self-raised funds
Project with 3.7MW Distributed Power Station in Yantian Port, Shenzhen	19,660,200.00	12,505,352.20		11,258,347.27		1,247,004.93	78.08%	100.00%				Self-raised funds

Project with 65.75MW distributed PV in Cao County	378,787,000.00	69,099,911.99		69,099,911.99			73.09%	100.00%				Self- raised funds
In total	15,747,778,297.94	1,181,730,372.19	4,880,405,328.13	5,049,197,578.58	329,845,749.82	683,092,371.92	/	/			/	/

Note 1: The other reductions in construction are mainly due to the long-term unamortized expenses transferred after the renovation of the leased plant.

Note 2: The budget amount of the above investment projects is adjusted according to the market conditions, excluding initial working capital.

(4). Depreciation reserve in construction in process in this year:√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Current withdrawal amount	Reasons for the withdrawal
Xianghe Building Materials City Distributed Power Project	19,468,808.40	Project stoppage
Fangjian Guangyutang Distributed Power Project	352,924.10	Project stoppage
Delin Heavy Industry Distributed Power Project	8,449,613.00	Project stoppage
In total	28,271,345.50	

Other explanations:

Applicable Non-applicable**Engineering Materials****(5). Engineering Materials**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value
Materials and tools prepared for engineering projects	5,257,151.75		5,257,151.75	22,488,232.85		22,488,232.85
In total	5,257,151.75		5,257,151.75	22,488,232.85		22,488,232.85

17. Productive Biological Asset**(1). Productive biological asset where cost measurement model is adopted**Applicable Non-applicable**(2). Productive biological asset where fair value measurement model is adopted**Applicable Non-applicable

Other explanations

Applicable Non-applicable**18. Oil and Gas Assets**Applicable Non-applicable**19. Intangible Assets****(1). Intangible Assets**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Land use rights	Patent right	Unpatented technology	Trademark rights	ERP	Software	In total

I. Original book value							
1. Opening balance	237,926,394.28	132,031.25		104,564.33	10,049,625.63	14,844,424.43	263,057,039.92
2. Amount increased in current period		214,563.10	2,500,000.00		10,523,707.81	12,115,684.16	25,353,955.07
Purchase		214,563.10	2,500,000.00		10,523,707.81	12,115,684.16	25,353,955.07
3. Amount decreased in current period						100,388.34	100,388.34
Disposal						100,388.34	100,388.34
4. Reduction of disposal subsidiaries	237,926,394.28	346,594.35	2,500,000.00	104,564.33	20,573,333.44	26,859,720.25	288,310,606.65
II. Accumulated amortization							
1. Opening balance	43,645,346.20	96,822.88		26,820.01	3,629,210.17	2,783,586.55	50,181,785.81
2. Amount increased in current period	7,739,363.52	45,097.90	62,500.00	9,815.20	1,440,512.53	2,432,852.43	11,730,141.58
Withdrawing	7,739,363.52	45,097.90	62,500.00	9,815.20	1,440,512.53	2,432,852.43	11,730,141.58
3. Amount decreased in current period						5,725.54	5,725.54
(1) Disposal						5,725.54	5,725.54
4. Closing balance	51,384,709.72	141,920.78	62,500.00	36,635.21	5,069,722.70	5,210,713.44	61,906,201.85
Depreciation reserve							
1. Opening balance							
2. Amount increased in current period							
Withdrawing							
3. Amount decreased in current period							
Disposal							
4. Closing							

balance							
Book value							
1. Book value at end of period	186,541,684 .56	204,673.5 7	2,437,500.0 0	67,929.12	15,503,610.7 4	21,649,006.8 1	226,404,404.8 0
2. Book value at beginning of period	194,281,048 .08	35,208.37		77,744.32	6,420,415.46	12,060,837.8 8	212,875,254.1 1

Notes: At the end of the period, intangible assets in internal R&D of the Company accounted for 0.00%.

(2). Land use rights without certificate of title:

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

20. R&D Expenditures

Applicable Non-applicable

21. Business Reputation

(1). Original book value of Business Reputation

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Name of invested company or items forming Business Reputation	Opening balance	Increase in current period		Decrease in current period		Closing balance
		From business consolidation		Disposal		
Hami Liushuquan Xuanli Solar Power Generation Co., Ltd.	5,006,322.98					5,006,322.98
Hami Liurui New Energy Development Co., Ltd.	2,000,000.00					2,000,000.00
Hami Liuyang Solar Technology Development Co., Ltd.	4,004,742.49					4,004,742.49
In total	11,011,065.47					11,011,065.47

(2). Depreciation reserve for Business Reputation

Applicable Non-applicable

(3). Information about the asset group or asset group portfolio in which business reputation is located

Applicable Non-applicable

(4). Explanation about business reputation impairment test process, key parameters (such as forecast period growth rate, steady period growth rate, profit margin, discount rate, forecast period, etc., if applicable) and quotient Confirmation method of reputation impairment loss

Applicable Non-applicable

(5). Impact of business reputation impairment test

Applicable Non-applicable

Other explanations

Applicable Non-applicable

This year, the Company assessed the recoverable amount of business reputation and no impairment occurred.

22. Long-term Unamortized Expenses

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Opening balance	Amount increased in current period	Amortized amount in current period	Other amounts reduced	Closing balance
Decoration and renovation fee	526,913,300.14	370,436,279.65	86,148,775.06	3,797,571.15	807,403,233.58
Rent	116,469,164.02	108,248,995.31	46,845,691.20	47,995,784.13	129,876,684.00
Others		23,878,217.54	1,755,083.41		22,123,134.13
In total	643,382,464.16	502,563,492.5000	134,749,549.67	51,793,355.28	959,403,051.71

23. Deferred income tax assets/deferred income tax liabilities

(1). Non-offsetting deferred income tax assets

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Depreciation reserves	328,604,346.70	38,120,903.33	210,635,714.64	29,952,932.06
Unrealized profits from internal transactions	876,472,836.21	154,840,345.48	808,568,803.66	138,862,285.32
Deductible loss	721,163,479.67	122,578,335.03	123,300,215.38	25,990,367.22
Deferred income	362,541,839.31	48,332,367.81	243,205,552.28	35,860,488.96
Depreciation of fixed assets	107,084,676.58	16,062,701.49	108,467,182.69	16,431,277.79
Amortization of intangible assets	46,859,400.50	7,028,910.08	44,734,623.29	6,710,193.49
Share payment	37,377,872.20	5,462,799.07	182,819,444.98	27,560,432.35
Long-term payables	208,394,311.88	49,472,939.89	227,002,494.79	55,110,203.28
Estimated liabilities	318,500,876.37	44,705,451.42	181,876,231.26	26,272,581.51
In total	3,006,999,639.42	486,604,753.60	2,130,610,262.97	362,750,761.98

(2). Non-offsetting deferred income tax liabilities

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance		Opening balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Non-identical control enterprise merger assets appraisal appreciation	14,988,344.20	2,248,251.63	15,853,190.53	2,377,978.58
Long-term payables	53,013,301.39	10,952,079.49	71,869,098.55	14,704,338.70
Accelerated depreciation of fixed assets	1,111,013,747.79	169,431,223.81	56,695,799.56	8,461,093.68
Depreciation of fixed assets	141,205,115.01	35,301,278.75	161,062,449.09	40,265,612.28
In total	1,320,220,508.39	217,932,833.68	305,480,537.73	65,809,023.24

Note 1: The temporary difference in long-term payables of deferred income tax assets and temporary differences arising from depreciation of fixed assets in deferred income tax liabilities were caused by financial lease in accounting and operating lease in tax law.

Note 2: The temporary differences in fixed assets of deferred income tax assets and long-term payables of deferred income tax liabilities were caused by financial lease in accounting, and the difference in fixed assets depreciation and tax depreciation, and in book value of long-term accounts payables and tax base.

(3). Deferred income tax assets or liabilities listed in offset net amount:

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Mutually offset amount in deferred income tax assets and liabilities at the end of period	Ending balance of deferred income tax assets or liabilities after offsetting	Mutually offset amount in deferred income tax assets and liabilities at the beginning of period	Opening balance of deferred income tax assets or liabilities after offsetting
Deferred income tax assets	169,943,921.71	316,660,831.89	65,809,023.24	296,941,738.74
Deferred income tax liabilities	169,943,921.71	47,988,911.97	65,809,023.24	0.00

(4). Details of unconfirmed deferred income tax assets

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Closing balance	Opening balance
Deductible loss	27,567,999.72	22,322,380.19
In total	27,567,999.72	22,322,380.19

(5). The deductible loss of unconfirmed deferred income tax assets will expire in the following year

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Year	Ending balance	Opening balance	Remarks
In 2021	5,842,738.47	5,842,738.47	
In 2022	63,597,523.65	82,500,586.79	Note
In 2023	38,611,906.58	0.00	
In total	108,052,168.70	88,343,325.26	

Note: The deductible loss of deferred income tax assets that were not confirmed at the end of the year was reduced by RMB 18,903,063.14 compared with the amount due in 2022 at the beginning of the year, which is caused by the loss of control over Nanjing ET Solar Technology Co., Ltd. this year.

Other explanations:

Applicable Non-applicable**24. Other Non-Current Assets**Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Ending balance	Opening balance
Prepaid equipment	259,934,377.83	26,073,024.03
In total	259,934,377.83	26,073,024.03

25. Short-term Loan**(1). Classification**Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Ending balance	Opening balance
Mortgage loan	0.00	95,000,000.00
Guaranteed loan	400,000,000.00	1,382,514,400.00
Credit loan	225,923,591.48	134,275,219.09
Pledged loan	61,750,000.00	0.00
In total	687,673,591.48	1,611,789,619.09

(2). Overdue and unliquidated short-term loansApplicable Non-applicable

Information of overdue and unliquidated short-term loans is as follows:

Applicable Non-applicable

Other explanations:

26. Financial liabilities calculated at fair value and whose changes included into current profit or lossApplicable Non-applicable**27. Derivative financial liabilities**Applicable Non-applicable

28. Notes payable and accounts payable**Summary****(1). Classification listing**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Notes payable	4,721,151,999.58	3,801,774,265.25
Accounts payable	3,785,696,627.30	3,548,411,046.39
In total	8,506,848,626.88	7,350,185,311.64

Other explanations:

Applicable Non-applicable**Notes payable****(2). List of notes payable**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Classification	Closing balance	Opening balance
Bank acceptance bill	4,721,151,999.58	3,801,774,265.25
In total	4,721,151,999.58	3,801,774,265.25

The total amount of notes payable that have not been paid at the end of the period is RMB 0.

Accounts payable**(3). List of accounts payable**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Loan	3,785,696,627.30	3,548,411,046.39
In total	3,785,696,627.30	3,548,411,046.39

(4). Important accounts payable aged over 1 year√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Reasons for unpaid or carry-over
NAURA Technology Group Co., Ltd.	24,068,376.07	Unsettled
Guodian Nanjing Automation Co., Ltd.	5,841,076.54	Unsettled
Nanjing Dongsong Power Technology Co., Ltd.	10,675,631.26	Unsettled
Anhui Dongxu Kangtu Solar Technology Co., Ltd.	6,780,286.80	Unsettled
In total	47,365,370.67	

Other explanations:

Applicable Non-applicable

29. Advance receipts**(1). List of Advance receipts**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Loan	962,367,659.73	771,594,195.23
In total	962,367,659.73	771,594,195.23

(2). Important advance receipts aged over 1 year√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Reasons for unpaid or carry-over
	30,000,000.00	Unsettled
In total	30,000,000.00	

(3). Settled of unfinished projects formed by the final construction contractApplicable √Non-applicable

Other explanations:

Applicable √Non-applicable**30. Payroll payable****(1). List of payroll payable**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
I. Short-term salary	243,189,627.15	1,903,736,518.15	1,822,908,502.55	324,017,642.75
-Post-employment benefits defined contribution plan	4,602,575.37	138,642,029.76	137,825,765.29	5,418,839.84
Dismissal benefits	888,306.38	4,841,748.88	5,303,956.57	426,098.69
In total	248,680,508.90	2,047,220,296.79	1,966,038,224.41	329,862,581.28

(2). List of short-term salary√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
I. Wage, bonus, allowance and subsidy	198,082,484.15	1,596,464,392.56	1,535,707,435.53	258,839,441.18
II. Staff welfare fees	165,710.76	172,301,046.14	171,558,604.07	908,152.83
III. Social security fee	1,044,417.21	68,941,280.79	67,889,449.55	2,096,248.45
Including: medical insurance premiums	864,620.91	56,317,748.82	55,793,984.97	1,388,384.76
Work injury insurance premium	120,910.28	8,037,423.88	7,706,107.47	452,226.69

Maternity insurance premium	58,886.02	4,586,108.09	4,389,357.11	255,637.00
IV.Housing fund	119,635.21	31,726,509.09	31,583,925.65	262,218.65
V. Union funds and employee education funds	39,191,167.48	30,217,126.17	13,718,122.67	55,690,170.98
VI. Short-term paid absence	4,586,212.34	4,086,163.40	2,450,965.08	6,221,410.66
In total	243,189,627.15	1,903,736,518.15	1,822,908,502.55	324,017,642.75

(3). List of defined contribution plan√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
1. Basic retirement insurance	4,469,914.15	134,979,767.18	134,202,826.86	5,246,854.47
2. Unemployment insurance premium	132,661.22	3,662,262.58	3,622,938.43	171,985.37
In total	4,602,575.37	138,642,029.76	137,825,765.29	5,418,839.84

Other explanations:

Applicable Non-applicable**31. Taxes payable**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
VAT	135,103,810.42	56,160,888.36
Corporate income tax	106,955,621.94	119,170,039.33
Individual income tax	17,857,263.72	8,944,081.91
Urban maintenance and construction tax	8,090,086.95	19,743,982.00
Education surtax	5,889,864.14	14,257,286.04
Stamp tax	3,235,661.52	5,989,556.83
Land use tax	1,312,194.14	785,255.89
House property tax	1,868,554.13	1,856,440.95
Water construction funds	5,830,295.47	3,212,430.89
Vehicle and vessel tax	2,616.00	2,616.00
Insurance funds for the disabled	16,022.78	16,022.78
Others	506,469.61	17,899.20
In total	286,668,460.82	230,156,500.18

32. Other payables**Summary****(1). Classification**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Interest payable	59,022,846.84	59,536,541.09
Other payables	2,411,105,862.03	1,508,088,778.30
In total	2,470,128,708.87	1,567,625,319.39

Other explanations:

Interest payable**(2). Classification**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Interest on long-term borrowings with interest payments due on installments	5,245,705.96	2,473,125.94
Corporate bonds payable interest	46,916,666.66	46,916,666.66
Short-term borrowings payable interest	3,940,101.16	8,732,480.92
Financial lease interest paid in installments	0.00	14,267.57
Convertible bonds payable interest	2,331,484.17	1,400,000.00
Short-term financing bills payable interest	588,888.89	0.00
In total	59,022,846.84	59,536,541.09

Important overdue interest rates:

Applicable Non-applicable

Other explanations:

Applicable Non-applicable**Dividend payable****(3). Classification****Other payables****(1). Other payables by nature of payment**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Payment for equipment	1,547,807,732.05	849,143,479.19
Project funds	173,371,407.31	157,011,053.72
Restricted stock repurchase obligation	45,778,654.06	98,428,945.60
Cash deposit	271,819,149.91	95,895,273.61
Quality guarantee deposit	49,779,172.37	72,552,776.81
Equity transfer fund	55,924,951.93	62,043,950.00
Freight and miscellaneous expense	78,434,509.25	45,865,949.01
Electric charge	22,422,085.87	18,322,973.97

Agency commission	8,634,449.30	15,310,321.48
Others	157,133,749.98	93,514,054.91
In total	2,411,105,862.03	1,508,088,778.30

(2). Other important other payables aged over 1 year√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Reasons for unpaid or carry-over
Dalian Linton NC Machine Co., Ltd.	121,049,933.80	Unsettled
Qingdao High Test Technology Co., Ltd.	12,104,650.00	Unsettled
SUNEDISON KUCHING SDN BHD	8,590,939.29	Unsettled
Jiuye Construction Co., Ltd.	7,781,711.70	Unsettled
Hunan Dingli Technology Co., Ltd.	5,600,000.00	Unsettled
Heilongjiang Liyuan Power Group Co., Ltd.	5,000,000.00	Unsettled
Baoding Sifang Sanyi Electric Co., Ltd.	10,168,340.00	Unsettled
NAURA Technology Group Co., Ltd.	6,216,000.00	Unsettled
In total	176,511,574.79	

Other explanations:

Applicable Non-applicable**33. Liabilities Held for Sale**Applicable Non-applicable**34. Non-current liabilities due within One Year**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Long-term loans due within one year	676,756,000.00	378,000,000.00
Long-term bond payable due within 1 year	2,435,000.00	0.00
Long-term account payable due within 1 year	257,407,402.23	182,088,032.47
Fundshares due during the year	200,000,000.00	0.00
In total	1,136,598,402.23	560,088,032.47

Other explanations:

According to the announcement of “Report on the Rebate of the 16 LONGi 01” Corporate Bonds published on February 20, 2019, as well as the bond repurchase declaration data provided by China Securities Depository and Clearing Co., Ltd. Shanghai Branch (hereinafter referred to as “Zhongdeng Shanghai Branch”), the number of “16 LONGi 01” corporate bonds was 2,435 lots, and the resale amount was RMB 2,435,000.00.

35. Other current liabilities

Other current liabilities

√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Short-term bonds payable	498,335,194.34	
In total	498,335,194.34	

Changes in short-term bonds payable

√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Bond name	Book value	Issuing date	Bond term	Issue amount	Opening balance	Issuance in current period	Accrued interest at nominal value	Premium, discount or amortization	Current repayment	Closing balance
The first phase of the 2018 short-term financing bill	500,000,000.00	20181224	1	500,000,000.00		498,301,886.79	588,888.89	33,307.55		498,335,194.34

Other explanations:

Applicable Non-applicable**36. Long-term Loan****(1). Classification**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Pledged loan	1,030,000,000.00	0.00
Mortgage loan	1,481,790,922.15	0.00
guaranteed loan	823,869,916.00	2,033,781,628.41
(minus) long-term loans due within one year	-676,756,000.00	-378,000,000.00
In total	2,658,904,838.15	1,655,781,628.41

Other explanations, including interest rate range:

Applicable Non-applicable**37. Bonds Payable****(1). Bonds payable**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Closing balance	Opening balance
Principle		
Including: corporate bonds	1,000,000,000.00	1,000,000,000.00
Convertible bond	2,797,685,000.00	2,800,000,000.00
(minus) Interest adjustment		
Including: corporate bonds	-3,680,561.77	-5,286,784.59
Convertible bond	-530,002,083.24	-646,533,335.85

(minus) Bonds payable due within one year		
Including: corporate bonds	-2,435,000.00	
Convertible bond		
In total	3,261,567,354.99	3,148,179,879.56

(2). Increase or decrease in bonds payable: (excluding other financial instruments classified as financial liabilities such as preferred stock and perpetual bonds)

Unit: Yuan; Currency: RMB

Bond name	Book value	Issuing date	Bond term	Issue amount	Opening balance	Issuance in current period	Accrued interest at nominal value	Premium, discount or amortization	Current repayment	Closing balance
16 01 16 LONGi Bond 01	1,000,000,000.00	2016.3.7	5	1,000,000,000.00	994,713,215.41		56,300,000.00	1,606,222.82		996,319,438.23
LONGi convertib -le bond	2,800,000,000.00	2017.11.2	6	2,800,000,000.00	2,153,466,664.15		10,724,827.17	116,531,252.61	2,315,000.00	2,267,682,916.76
(minus) Part of the year-end balance due within one year										-2,435,000.00
In total	3,800,000,000.00			3,800,000,000.00	3,148,179,879.56		67,024,827.17	118,137,475.43	2,315,000.00	3,261,567,354.99

(3). Explanation of conditions and time for shares transfer of convertible corporate bond√Applicable Non-applicable

As approved by the CSRC License [2017] No.1594, the Company issued 28,000,000 convertible bonds with the par value of RMB 100 on November 2, 2017. The annual par interest rate was 0.3% in the first year, 0.5% in the second year, 1% in the third year, 1.3% in the fourth year, 1.5% in the fifth year, and 1.8% in the sixth year. The interest rate must be paid once a year, and the principal and interest in the previous year must be paid when it is due. The deadline for convertible corporate bond issued this time begins on the first trading day after six months from the end of issuance until the maturity date of convertible corporate bonds.

The initial conversion price of convertible corporate bonds issued this time was RMB 32.35/share. After the launch, the conversion price shall be adjusted accordingly if there is a situation that the Company delivers bonus shares, converts to share capital, issues additional shares (excluding the share capital increased due to stock transfer of convertible corporate bonds issued this time), allots shares, and distributes cash dividends. During the duration of convertible corporate bonds issued this time, if the Company stock's closing price in at least 15 trading days of any 30 consecutive trading days is less than 85% of the current conversion price, the Company's Board of Directors has the right to propose conversion price downwards, revise plans and submit them to shareholders' meeting for voting.

Within five trading days after convertible corporate bonds issued this time expire, the Company will redeem the unconverted convertible corporate bonds at a price of 106% (including the interest of last period) of face value of the bonds.

During the stock transfer period, if the closing price of the Company's A Share in at least twenty of the thirty consecutive trading days is not less than 130% of the current conversion price (including 130%) or unconverted balance of convertible corporate bonds issued this time is less than RMB 30 million, the Company shall have the right to redeem all or part of the unconverted convertible corporate bonds at the face value of bonds plus the interest accrued for the current period.

In the last two interest-bearing years of the convertible corporate bonds issued this time, if the closing price of the Company's shares on any consecutive 30 trading days is less than 70% of the current conversion price, the holders of convertible corporate bonds shall have the right to sell their all or part of the convertible corporate bonds back to the Company at the par value of the bonds plus the accrued interest for the current period.

If there is change in the implementation of convertible corporate bonds issued compared with the Company's commitments in the prospectus, and if the change is affirmed by the CSRC as a change, the holders of convertible bonds shall have the right for once to sell back all or part of the convertible corporate bonds back to the Company at face value plus the accrued interest for the current period. Under the above circumstances, holders of convertible corporate bonds may sell back bonds during selling-back declaration period, and if not, they shall not exercise the additional sale back right.

The market interest rates of unsubscription right on the issuance date can be adopted to estimate the fair value of these bond liabilities; the remaining part shall be used as the fair value of equity and included into shareholders' equity.

On April 19, 2018, the Company held the 2017 Annual Meeting of Shareholders to approve the 2017 profit distribution plan, the total share capital on the equity registration date is the base number when it comes to profit distribution, distribute a cash dividend of 1.8 yuan for every 10 shares to all shareholders

(before Tax), and at the same time, the capital reserve will be transferred 4 shares for every 10 shares to all shareholders.

According to the terms and conditions of the Company's "Public Issuance of Convertible Corporate Bonds Prospectus", after the issuance of the LONGi Convertible Bonds, the conversion price shall be adjusted accordingly if the Company delivers bonus shares, converts to share capital, issues additional shares (excluding the share capital increased due to stock transfer of convertible corporate bonds issued this time), allot shares, and distribute cash dividend. The period of conversion is from May 8, 2018 to November 1, 2023. The initial conversion price is RMB 32.35 /share. After the completion of the equity distribution in 2017, the conversion price is adjusted to RMB 22.98 /share.

As of December 31, 2018, the accumulated RMB 2,315,000 LONGi Convertible Bonds has been converted into stocks, with a total of 74,422 shares.

(4). Explanation of other financial instruments classified as financial liabilities:

Basic information on other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Non-applicable

Changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Non-applicable

Explanation of other financial instruments classified as financial liabilities:

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

38. Long-term payables

Summary

(1). Classification listing

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Closing balance	Opening balance
Long-term payables	1,306,492,612.61	645,377,397.72
In total	1,306,492,612.61	645,377,397.72

Other explanations:

Applicable Non-applicable

39. Long-term payables

(2). Long-term payables presented by nature of payment:

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Opening balance	Closing balance
Rent withdrawn during the rent-free period	16,404,204.20	81,957,799.09

Finance lease payables	918,864,326.93	1,790,960,975.90
(minus) Unconfirmed financing expenses	-107,803,100.94	-309,018,760.15
(minus) part due within one year	-182,088,032.47	-257,407,402.23
Total	645,377,397.72	1,306,492,612.61

Special payable**(3). Special payable presented by nature of payment**

Applicable Non-applicable

40. Long-term Payroll payable

Applicable Non-applicable

(1). Table for long-term payroll payable

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Closing balance	Opening balance
I. Dismission benefits -net liabilities of defined benefit plan	0.00	0.00
Dismission benefits	0.00	0.00
Other long-term benefits	4,242.00	15,564.40
In total	4,242.00	15,564.40

(2). Changes in defined benefit plan

Present value of defined benefit plan obligation

Applicable Non-applicable

Planned assets:

Applicable Non-applicable

Net liabilities of defined benefit plan (net assets)

Applicable Non-applicable

Explanation of influence of the defined benefit plan, its relevant risks, the Company's future cash flows, time and uncertainty:

Applicable Non-applicable

Explanation of key actuarial assumptions and sensitivity analysis results of defined benefit plan

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

41. Estimated Liabilities

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Opening balance	Closing balance	Reasons
Product quality guarantee	181,876,231.26	318,500,876.37	The unit responsible for quality guarantee is accrued at 1% of sales revenue.

In total	181,876,231.26	318,500,876.37	
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42. Deferred Income

Deferred Income

√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance	Reasons
Government subsidy	243,205,552.28	159,849,200.00	40,512,912.97	362,541,839.31	
In total	243,205,552.28	159,849,200.00	40,512,912.97	362,541,839.31	/

Projects related to governmental subsidy:

Applicable Non-applicable

Other explanations:

√Applicable Non-applicable

For projects involving government subsidies, see VII, 73 Government Grants.

43. Other non-current liabilities√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Closing balance	Opening balance
Fucheng hefan No.1 contract fund	200,000,000.00	425,000,000.00
(minus) part due within 1 year	-200,000,000.00	0.00
In total		425,000,000.00

44. Share capital√Applicable Non-applicable

Unit: Yuan; Currency: RMB

	Opening balance	+ Increase or decrease in this time (+, -)					Closing balance
		Issuing new shares	Share donation	Accumulation fund transferred to shares	Others	Subtotal	
Total shares	1,993,989,649	0		797,621,454	-822,740	796,798,714	2,790,788,363

Other explanations:

Note 1: The convertible bonds are listed in the special period, 38. Bonds payable, and the share capital is increased by RMB 74,422.00.

Note 2: On April 19, 2018, the Company held the 2017 Annual Meeting of Shareholders to approve the 2017 profit distribution plan, the total share capital on the equity registration date is the base number when it comes to profit distribution, distribute a cash dividend of 1.8 yuan for every 10 shares to all

shareholders (before Tax), and at the same time, the capital reserve will be transferred 4 shares for every 10 shares to all shareholders. The share capital has increased RMB 797,621,454.00.

Note 3: The 4th meeting of the 4th Board of Directors of the Company and the 3rd Temporary Meeting of Shareholders in 2018 reviewed and approved the “Resolution on Repurchase and Write off some Restricted Stocks”, agreeing to repurchase and write off 897,162.00 restricted stocks that had been granted but not unlocked in the Company’s first and second restricted stock incentive plans. The registered capital has been reduced RMB 897,162.00 and the capital reserve has been decreased RMB 2,420,701.75, which were verified by Ruihua Certified Public Accountants (special general partnership) on February 15, 2019 with the verification report of Ruihua Yanzi [2019] 02360001.

45. Other Equity instruments

(1). Basic information on other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Non-applicable

Having been approved by the Approval and Reply on LONGi Green Energy Technology Co., Ltd. Public Issuance of Convertible Corporate Bonds (ZJXX [2017] No.1594) by CSRC, the Company publicly issued convertible corporate bonds with the total face value of RMB 2.8 billion, with duration of 6 years.

The nominal interest rate of convertible corporate bonds issued this time was 0.3% in the first year, 0.5% in the second year, 1% in the third year, 1.3% in the fourth year, 1.5% in the fifth year, and 1.8% in the sixth year. The interest must be paid once a year, and the principal and interest in the previous year must be paid when it is due.

(2). Changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Issued financial instruments	Opening balance		Increase in current period		Decrease in current period		Ending balance	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Convertible corporate bonds	28,000,000.00	629,305,966.83			23,150	498,724.98	27,976,850.00	628,807,241.85
In total	28,000,000.00	629,305,966.83			23,150	498,724.98	27,976,850.00	628,807,241.85

The changes in other equity instruments in the current period, the reasons for the changes, and the basis for relevant accounting treatment:

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

Note: When the convertible bonds are converted into shares, the equity component is carried forward to the capital reserve.

46. Capital reserve

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Opening balance	Increase in current period	Decrease in current period	Ending balance
Equity premium	5,361,969,497.09	12,535,790.73	800,042,155.75	4,574,463,132.07
Other capital reserve	71,393,522.74	20,112,958.79	31,175,498.35	60,330,983.18
In total	5,433,363,019.83	32,648,749.52	831,217,654.10	4,634,794,115.25

Other explanations, including the changes in the current period and the reasons for the changes:

Note 1: The company held the 2017 Annual General Meeting of Shareholders on April 19, 2018 to approve the 2017 profit distribution plan, which is based on the total share capital of the equity registration date at the time of profit distribution, and distributes cash dividends to every 10 shares of all shareholders. Yuan (including tax), and at the same time, the capital reserve will be transferred to all shareholders for 4 shares for every 10 shares. Reduce capital reserve - equity premium of 797,621,454.00 yuan.

Note 2: For details of convertible bonds, see VII. 38. Bonds payable, increase capital reserve – equity price and interest of RMB 2,206,380.75.

Note 3: This year, due to the repurchase of shares, the capital reserve (share premium) changes, see VII, 46, this year reduced capital reserve - capital premium amount of 2,420,701.75 yuan.

Note 4: the Company held the Fourth Extraordinary General Meeting in 2014 on December 12, 2014, which reviewed and passed the first phase of the Proposal on Restricted Stock Incentive Plan (Draft) and Its Abstract, Appraisal Management Measures on the Implementation of Restricted Stock Incentive Plan, and Proposal on Authorization of Shareholders' general meeting to Board of Directors to Handle Items Relating to the Company's Restricted Stock Incentive Plan, and authorized the Board of Directors to handle and implement items related to this incentive plan. On October 17, 2016, the Company's Seventh Extraordinary General Meeting in 2016 reviewed and approved the Proposal on Second Restricted Stock Incentive Plan (Draft) and Its Abstract of LONGi New Energy Materials Corp, and partial unlocked restricted shares were transferred from other capital reserves to the capital reserve (capital stock premium), with amount of RMB 10,329,409.98.

Note 5: The other capital reserve increased by RMB 20,112,958.79 this year. The fair value of the restricted stock on the grant date will be included in the relevant cost.

Note 6: The amount of the cost of the pre-tax deduction in the future period is estimated to be included in the capital reserve (other capital reserve) of RMB 20,846,088.37.

47. Treasury shares

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Ending balance
Share-based	98,428,945.60		52,952,962.30	45,475,983.30

payment				
In total	98,428,945.60		52,952,962.30	45,475,983.30

Other explanations, including the changes in the current period and the reasons for the changes:

Note: explanations of the reasons for the changes: Note: the Company granted a certain number of shares to incentive targets by means of non- public issuance, and set the lock-up period and unlocking conditions; if the unlocking conditions specified by equity incentive plan were not reached, the Company shall repurchase the shares at the grant price. The Company confirmed the subscription money received as other accounts payables in full in terms of the repurchase obligation and confirmed it as treasury shares in full in accordance with repurchase obligation of restricted shares. Restricted shares that met the unlocking conditions shall write off against the treasury shares.

48. Other comprehensive income

√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Opening balance	Actual amount in current period					Ending balance
		Accrual before income tax in current period	Less: included into other comprehensive incomes in earlier stage or transferred into current profit or loss	Less: income tax expense	Attributable to the Parent Company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive incomes that cannot be reclassified into profit or loss later							
Including: recalculation of net liabilities of defined benefit plan and changes in net assets							
The share in other comprehensive incomes that the invested unit cannot reclassify into profit or loss under the equity method							
II. Other comprehensive incomes that will be reclassified into profit or loss in the future	-1,892,375.43	6,301,572.85			6,301,572.85		4,409,197.42
Including: the share in other comprehensive incomes that the invested unit can reclassify into profit or loss under the equity method							
Gains and losses from changes in fair value of available-for-sale financial assets							
Held-to-maturity investments reclassified to profit or loss of available-for-sale financial assets							

Effective part of cash flows hedges gains and losses							
Converted difference of foreign currency financial statements	-1,892,375.43	6,301,572.85			6,301,572.85		4,409,197.42
Other comprehensive income in total	-1,892,375.43	6,301,572.85			6,301,572.85		4,409,197.42

Other explanation, including the conversion of the effective portion of the cash flow hedge gains and losses to the initial recognition amount of the hedged item:

None.

49. Special reserve

Applicable Non-applicable

50. Surplus Reserve

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Ending balance
Statutory surplus reserve	342,109,822.28	121,458,973.76		463,568,796.04
In total	342,109,822.28	121,458,973.76		463,568,796.04

Explanation of surplus reserve, including the changes in the current period and the reasons for the changes:

According to the "Company Law" and the company's articles of association, the company extracts the statutory surplus reserve based on 10% of the net profit. If the statutory surplus public accumulation is more than 50% of the registered capital of the company, it will not be withdrawn.

51. Undistributed Profit

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Item	Current period	Prior period
Undistributed profit at the end of prior period before adjustment	5,896,910,885.84	2,683,464,664.74
Total undistributed profits at the beginning of adjustment (with ,increase expressed as +, and decrease as -)		
Undistributed profits at the beginning of period after adjustment	5,896,910,885.84	2,683,464,664.74
Plus: net profit attributable to owners of the Parent Company during the current period	2,557,964,089.73	3,564,525,604.84
Less: withdraw statutory surplus reserve	121,458,973.76	151,724,895.89
Common stock dividends payable	358,720,978.01	199,354,487.85
Undistributed profit at the end of the period	7,974,695,023.80	5,896,910,885.84

Adjustment of undistributed profit at the beginning of the period:

1. Because of the retrospective adjustment in Accounting Standards for Business Enterprises and related new regulations, the undistributed profit affected at the beginning of the period was RMB 0.00.

2. Because of changes in accounting policies, the undistributed profits affected at the beginning of the period was RMB 0.00.

52. Operating Income and Operating Costs

(1). Information about Operating Income and Operating Costs

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Item	Accrual in current period		Accrual in prior period	
	Revenues	Cost	Revenues	Cost
Main business	21,987,614,949.84	17,095,694,430.48	16,362,284,494.30	11,081,826,922.22
In total	21,987,614,949.84	17,095,694,430.48	16,362,284,494.30	11,081,826,922.22

53. Taxes and Surcharges

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Urban maintenance and construction tax	28,418,965.02	46,821,660.88
Additional education fee	21,465,218.57	34,246,204.86
Property tax	7,681,698.04	7,156,410.79
Land use tax	3,552,661.22	3,433,376.05
Vehicle and vessel use tax	53,421.05	49,404.66
Stamp tax	28,680,699.50	30,634,630.36
Water construction funds	21,935,922.98	25,191,032.67
Insurance funds for the disabled	4,940,768.99	4,092,916.44
Others	452,152.49	21,341.64
In total	117,181,507.86	151,646,978.35

54. Sales expenses

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Freight and miscellaneous expense	397,398,729.50	228,047,854.58
Employee salary	200,154,377.01	142,453,123.05
Quality guarantee deposit	130,551,693.80	98,215,849.62
Advertising and publicity cost	67,585,444.65	48,523,719.03
Travel expense	58,275,201.64	43,293,861.08
Entertainment expense	23,344,918.13	18,099,390.58
Agency commission	31,884,160.50	17,123,470.06
Rental expense	27,086,546.71	2,064,373.56
Professional fee	18,638,032.22	6,204,998.60
Insurance expense	20,437,516.37	10,007,427.71
Others	41,997,944.17	50,216,823.55
In total	1,017,354,564.70	664,250,891.42

55. Administration Expense√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Employee salary	395,784,076.80	296,111,329.31
Travel expense	32,827,879.57	27,482,671.75
Professional fee	15,290,878.20	22,987,156.32
Depreciation of fixed assets	19,179,177.69	15,862,596.00
Entertainment expense	16,290,162.45	10,104,626.22
Rental expense	8,861,672.14	9,967,340.83
Recruiting cost	9,349,530.76	8,768,799.09
Hydropower power fee	9,289,243.43	8,038,375.35
Office expense	8,921,598.12	8,008,515.66
Repair fee	8,312,289.96	6,166,303.28
Others	98,759,854.00	86,602,321.84
In total	622,866,363.12	500,100,035.65

56. R&D expense√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Employee salary	104,073,047.49	91,175,124.11
Material consumption	27,924,520.19	24,959,192.33
Professional fee	17,023,316.55	6,270,005.29
Depreciation of fixed assets	12,661,614.72	11,309,365.88
Repair fee	12,439,857.13	7,168,614.92
Hydropower power fee	5,960,118.60	2,477,796.60
Travel expense	5,489,485.50	5,282,326.62
Rental expense	4,146,028.56	4,288,769.60
Inspection and testing costs	2,753,707.58	698,400.80
Technical development expense	2,739,371.54	5,092,146.82
Others	6,625,963.88	5,598,255.28
In total	201,837,031.74	164,319,998.25

57. Financial Expense√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Interest expense	408,889,931.51	269,982,923.65
Income	-128,645,025.63	-75,685,980.38
Exchange gain or loss	-66,478,346.57	-23,586,426.70
Bank charges	44,878,174.49	23,280,620.44
Others	8,231,789.45	3,856,758.59
In total	266,876,523.25	197,847,895.60

58. Asset impairment losses√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Bad debt loss	60,550,292.80	86,654,864.30
Inventory price loss	628,514,280.54	84,646,103.28
Fixed asset impairment loss	10,390,630.87	28,473,286.12
Impairment loss of construction in progress	28,271,345.50	7,576,540.26
In total	727,726,549.71	207,350,793.96

59. Other Income

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period	Amount included in non-recurring gains and losses for the year
Government subsidies related to daily activities	141,919,750.75	27,379,271.52	141,919,750.75
In total	141,919,750.75	27,379,271.52	141,919,750.75

60. Income from Investment

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Long-term equity investment income calculated by the equity method	61,855,877.81	19,479,042.19
Investment income from disposal of long-term equity investment	645,362,010.77	526,013,474.64
	783,736.14	
Unrealized gross margin offsetting investment income from disposal of available-for-sale financial assets in the downstream transactions of joint ventures	84,773,124.69	35,140,423.97
The gains from re-measurement of the remaining equity at fair value after the loss of control right	989,446.42	974,567.58
In total	793,764,195.83	581,607,508.38

61. Gains from changes in fair value

□Applicable √Non-applicable

62. Asset disposal income

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period	Amount included in non-recurring gains and losses for the year
Income of disposal of fixed assets	-4,307,816.96	-8,313,582.71	-4,307,816.96

In total	-4,307,816.96	-8,313,582.71	-4,307,816.96
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63. Non-operating income

Information of non-operating income

√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period	Amount included in non-recurring gains and losses for current period
Total gains of non-current asset disposal	1,016,785.15		1,016,785.15
Including: gains of fixed assets disposal	1,016,785.15		1,016,785.15
Government subsidy	3,541,823.10	45,210,264.83	541,823.10
Others	3,159,080.45	2,217,681.11	6,159,080.45
In total	7,717,688.70	47,427,945.94	7,717,688.70

Government subsidy included in current profit and loss

Applicable Non-applicable

Other explanation:

Applicable Non-applicable**64. Non-operating expenses**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period	
Total loss of disposal of non-current assets	5,632,985.83	18,368,366.69	5,632,985.83
Including: loss of fixed assets disposal	5,632,985.83	18,368,366.69	5,632,985.83
Others	4,105,640.25	6,978,828.88	4,105,640.25
In total	9,738,626.08	25,347,195.57	9,738,626.08

65. Income tax expenses**(1). Income tax schedule**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Current income tax expense	292,882,865.06	623,337,978.23
Deferred income tax	7,926,235.36	-155,041,469.48
In total	300,809,100.42	468,296,508.75

(1). Adjustment process of accounting profit and income tax√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period
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Total gains	2,867,433,171.22
Income tax expense at statutory/applicable tax rate	430,114,975.68
Subsidiary applies to different tax rates	-119,485,338.55
Adjust the impact of income tax in the previous period	8,930,942.89
Impact of non-taxable income	-9,278,381.67
Non-deductible costs, costs and losses	6,733,892.12
The effect of deductible temporary difference or deductible loss of deferred income tax assets is not recognized in the current period	9,971,385.32
Changes in tax rate resulting in changes in deferred income tax assets/liabilities at the beginning of the year	4,020,442.68
R&D expenses plus deduction	-25,493,710.66
The pre-tax deduction of share-based payment is greater than the book-off amount	-4,705,107.39
Income tax expense	300,809,100.42

Other explanations:

Applicable Non-applicable

66. Other comprehensive income

Applicable Non-applicable

48See seven, 48 for details.

67. Cash flow statement items

(1). Other cash received related to operating activities

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Margin and deposit	375,329,219.20	251,838,422.50
Government grant	295,677,165.88	187,029,603.14
Current payment	328,877,137.85	84,849,596.26
Interest income	119,152,052.79	48,967,851.26
Employee return loan	8,019,507.57	8,501,148.47
Others	41,503,098.66	7,641,577.47
In total	1,168,558,181.95	588,828,199.10

(2). Other cash paid in connection with operating activities

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Expenses for the period	667,596,357.59	529,318,699.54
Margin	686,366,313.46	194,048,400.37
Current payment	104,725,029.74	160,394,332.16
Bank charges	22,996,258.73	23,095,622.63
Personal loan	12,439,382.92	19,513,539.84

Others	20,816,364.85	10,472,276.47
In total	1,514,939,707.29	936,842,871.01

(3). Other cash received related to investment activities√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Margin	22,847,582.91	69,593,421.82
Advance receipt of equity transfer	55,924,951.93	113,673,950.00
Others	31,260.00	
In total	78,803,794.84	183,267,371.82

(4). Other cash paid related to investment activities√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Loss of cash on the subsidiary's control date is less than the cash difference of the subsidiary's book	14,431,482.03	
Margin	51,630,000.00	66,558,305.21
Others	3,433,816.41	2,849,574.73
In total	69,495,298.44	69,407,879.94

(5). Other cash received related to fundraising activities√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Financing lease	128,771,424.00	392,000,000.00
Financing deposit returned	100,000,000.00	
Financial lease deposit	6,417,299.00	
In total	235,188,723.00	392,000,000.00

(6). Other cash paid related to fundraising activities√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Accrual in current period	Accrual in prior period
Financial lease rent	259,176,728.33	131,424,127.03
Financing expenses	41,421,400.65	19,838,841.87
Financing deposit	67,510,000.00	151,500,000.00
Equity incentive repurchase	3,789,803.39	11,267,174.83
Others		171,366.98
In total	371,897,932.37	314,201,510.71

68. Cash flow statement supplementary information**(1). Cash flow statement supplementary information**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Supplementary information	Amount in current period	Accrual in prior period
1. Adjust net profit to cash flow from operating activities:		
Net profit	2,566,624,070.80	3,549,398,417.66
Plus: Asset impairment provision	727,726,549.71	207,350,793.96
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of productive biological assets	1,055,058,788.46	655,505,085.04
Amortization of intangible assets	11,730,141.58	9,504,645.45
Long-term deferred expenses amortization	134,749,549.67	64,659,752.38
Disposal of fixed assets, intangible assets and other long-term assets (revenues are marked with "-")	4,307,816.96	8,313,582.71
Loss of fixed assets (revenues are marked with "-")	4,616,200.68	18,368,366.69
Loss of fair value change (revenue is marked with "-")		
Financial expenses (revenues are marked with "-")	371,187,990.87	325,774,511.79
Investment loss (revenue is marked with "-")	-793,764,195.83	-581,607,508.38
Deferred income tax assets decreased (increase by "-")	-40,062,676.61	-153,186,323.80
Deferred income tax liabilities increased (reduced by "-")	47,988,911.97	-1,855,145.68
Reduction in inventory (increase by "-")	-1,931,076,428.49	-1,149,943,216.19
Reduction of operational receivables (increased by "-")	-2,950,043,596.52	-2,185,104,941.35
Increase in operational payables (reduced by "-")	3,234,683,536.10	1,200,599,235.06
Others	-1,270,455,131.82	-639,427,636.29
Net cash flow from operating activities	1,173,271,527.53	1,328,349,619.05
2. Significant investment and fundraising activities that do not involve cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Financing leased fixed assets		
3. Net change in cash and cash equivalents:		
Ending balance of cash	5,665,040,168.08	7,355,599,429.44
Minus: the opening balance of cash	7,355,599,429.44	5,184,853,679.08
Plus: ending balance of cash		

equivalents		
Minus: the opening balance of cash equivalents		
Net increase in cash and cash equivalents	-1,690,559,261.36	2,170,745,750.36

(2). Net cash paid for the acquisition of subsidiaries in the current pe

Applicable Non-applicable

(3). Net cash received from disposal of subsidiaries during the period

Applicable Non-applicable

Unit: Yuan; Currency: RMB

	Amount
Cash or cash equivalents received by the subsidiary during the period in this period	398,587,761.22
Including: Pucheng LONGi Ecological Agriculture Photovoltaic New Energy Co., Ltd.	49,635,160.00
Daqing Huiqing New Energy Co., Ltd.	84,320,250.69
Lijiang LONGi Clean Energy Co., Ltd.	68,497,700.00
Zhaozhou Longhui New Energy Co., Ltd.	25,275,048.07
Runan Fuyang New Energy Co., Ltd.	29,741,663.50
Zibo Leguang Photovoltaic Energy Technology Co., Ltd.	392,630.05
Zaoqiang Lezhao Photovoltaic Technology Co., Ltd.	23,055,956.05
Jingxian Leguang Photovoltaic Energy Technology Co., Ltd.	19,176,346.88
Yangqu Lezhao Energy Technology Co., Ltd.	12,014,219.26
Qingdao Zhongsen Green Energy Solar Technology Co., Ltd.	13,182,196.76
Weifang Senneng New Energy Technology Co., Ltd.	2,053,678.20
Tongxu Dongsong Energy Technology Co., Ltd.	8,848,312.10
Nanjing Leguang Photovoltaic Energy Co., Ltd.	2,323,501.01
Junxian Lezhao Photovoltaic Energy Co., Ltd.	7,818,183.18
Quzhou Zhongsen New Energy Technology Co., Ltd.	5,588,870.61
Dengzhou Jinyang New Energy Equipment Co., Ltd.	3,127,942.96
Suzhou Lezha Photovoltaic Energy Co., Ltd.	6,476,683.00
Hengshui Leyang Energy Co., Ltd.	6,641,334.69
Qihe Solar Photovoltaic Energy Co., Ltd.	805,100.87
Shijiazhuang Leyang New Energy Technology Co., Ltd.	4,695,396.17
Wuhu Solar Clean Energy Co., Ltd.	5,795,664.54
Yuncheng Shenghuang Photovoltaic Technology Co., Ltd.	1,472,932.29
Wuhu Solar Photovoltaic Power Engineering Co., Ltd.	2,777,342.12
Weishi Zhongtian Photovoltaic Energy Co., Ltd.	145,972.22
Linzhou Weirui New Energy Technology Co., Ltd.	14,725,676.00
Minus: Loss of control of the company's cash and cash equivalents	11,982,321.37
Including: Pucheng LONGi Ecological Agriculture Photovoltaic New Energy Co., Ltd.	635,349.99
Daqing Huiqing New Energy Co., Ltd.	24,285.07
Lijiang LONGi Clean Energy Co., Ltd.	466,509.62
Zhaozhou Longhui New Energy Co., Ltd.	106,975.12
Runan Haoyang New Energy Co., Ltd.	1,022,425.21
Zibo Leguang Photovoltaic Energy Technology Co., Ltd.	364.61

Zaoqiang Lezhao Photovoltaic Technology Co., Ltd.	1,191,587.77
Jingxian Leguang Photovoltaic Energy Technology Co., Ltd.	1,157,309.05
Yangqu Lezhao Energy Technology Co., Ltd.	511,230.99
Qingdao Zhongsen Green Energy Solar Technology Co., Ltd.	3,185.02
Weifang Senneng New Energy Technology Co., Ltd.	300,566.70
Tongxu Dongsong Energy Technology Co., Ltd.	18,075.66
Nanjing Leguang Photovoltaic Energy Co., Ltd.	374,927.95
Yixian Lezhao Photovoltaic Energy Co., Ltd.	78,390.72
Quzhou Zhongsen New Energy Technology Co., Ltd.	965,728.45
Dengzhou Jinyang New Energy Equipment Co., Ltd.	411,785.12
Suzhou Lezha Photovoltaic Energy Co., Ltd.	304,890.57
Hengshui Leyang Energy Co., Ltd.	2,265,754.67
Qihe Solar Photovoltaic Energy Co., Ltd.	95,735.04
Shijiazhuang Leyang New Energy Technology Co., Ltd.	419,871.44
Wuhu Solar Clean Energy Co., Ltd.	185,116.22
Yuncheng Shenghuang Photovoltaic Technology Co., Ltd.	1,131,053.69
Wuhu Solar Photovoltaic Power Engineering Co., Ltd.	172,269.06
Weishi Zhongtian Photovoltaic Energy Co., Ltd.	132,697.10
Linzhou Weirui New Energy Technology Co., Ltd.	6,236.53
Plus: The cash or cash equivalents received by the subsidiary during the period during the previous period	127,364,394.62
Including: Zhongning LONGi Photovoltaic New Energy Co., Ltd.	127,364,394.62
Net cash received from disposal of subsidiaries	513,969,834.47

(4). Composition of cash and cash equivalents

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Item	Ending balance	Opening balance
Cash	5,665,040,168.08	7,355,599,429.44
Including: cash on hand	16,568.05	45,889.43
Bank deposits paid at any time	5,665,023,600.03	7,355,553,540.01
II. Cash equivalents		
Including: bond investment due within three months		
III. Balance of cash and cash equivalents at the end of the period	5,665,040,168.08	7,355,599,429.44
Including: restricted cash and cash equivalents used by parent companies or in-group subsidiaries		

Other explanations:

□Applicable √Non-applicable

69. Notes on Owners' Equity Change Statement Items

Explanation of "other" item names that adjust closing balance of the previous year and the amount adjusted:

Applicable Non-applicable

70. Assets with restricted ownership or use rights

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Final book value	Restricted cause
Cash and cash equivalents	2,042,865,348.66	Cash deposit
Notes receivable	3,285,639,840.95	Pledge financing
Building	70,090,384.68	Financial leasing
Building	37,352,818.64	Financing lease mortgage
Building	52,093,328.15	Long-term loan mortgage
Machinery equipment	590,572,055.40	Financial leasing
PV power station	874,263,997.99	Financial leasing
Land use rights	18,290,340.36	Financial leasing
Land use rights	11,991,103.83	Financing lease mortgage
Land use rights	81,248,837.77	Long-term loan mortgage
In total	7,064,408,056.43	

71. Foreign Currency Items

(1). Foreign Currency Items

Applicable Non-applicable

Unit: Yuan

Items	Ending balance of foreign currency	Conversion rate	Ending balance of converted RMB
Cash and cash equivalents			
Including: U.S. Dollar	298,218,725.08	6.8632	2,046,734,753.97
Euro	16,212,819.47	7.8473	127,226,858.23
Yen	726,463,936.00	0.0619	44,968,117.64
Ringgit	11,080,190.52	1.6479	18,259,045.96
Indian rupee	43,399,024.04	0.0986	4,279,143.77
Thai Baht	129,581,081.95	0.211	27,341,608.29
Shilling	76,891,280.00	0.0019	146,093.43
Receivables			
Including: U.S. Dollar	184,287,785.52	6.8632	1,264,803,929.58
Euro	4,175,563.14	7.8473	32,766,896.63
Yen	78,433,559.00	0.061887	4,854,017.67
Thai Baht	8,593,000.00	0.211	1,813,123.00
Long term loan			
Including: U.S. Dollar	200,000,000.00	6.8632	1,372,640,000.00
Short-term loan			
U.S. Dollar	18,347,650.00	6.8632	125,923,591.48
Accounts payable			
U.S. Dollar	57,018,175.88	6.8632	391,327,144.70
Euro	1,248,370.94	7.8473	9,796,341.28

Yen	130,000.00	0.0619	8,047.00
Ringgit	16,311,790.14	1.6479	26,880,198.97
Thai Baht	4,119,534.20	0.211	869,221.72

(2). Explanation of the overseas operating entity, including for important overseas operating entities, the main operating place, the recording currency and the basis for selection should be disclosed. The reasons for the change in the recording currency should also be disclosed.

Applicable Non-applicable

Overseas subsidiaries of the Company, such as LONGi (KUCHING) SDN. BHD., LERRI Solar Technology K.K., LERRI Solar Technology (U.S.) INC, LERRI SOLAR TECHNOLOGY (INDIA) PRIVATE LIMITED, LONGi New Energy (Uganda) Limited, LONGi Solar Technologie GmbH, and LONGi NEW ENERGY (THAILAND) CO., LTD can select their own recording currency like Ringgit, Japanese Yen, U.S. Dollar, Indian Rupee, Ugandan Shilling, Euro, and Thai Baht in accordance with currency in major economic environment where they operate businesses.

72. Hedging

Applicable Non-applicable

73. Governmental Subsidy

(1). Basic information of governmental subsidy

Applicable Non-applicable

(2). Refund of governmental subsidy

Applicable Non-applicable

Other explanations:

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
Special Fund for Foreign Economic and Trade Development of Shaanxi Province in 2015 (Second Batch of Regional Coordinated Development Projects)	300,000.00						300,000.00	Related to benefits
Innovation project implementation	1,000,000.00						1,000,000.00	Related to benefits
Funds for industrial transformation and upgrading	4,000,000.00			231,325.32		2,400,000.00	1,368,674.68	Related to assets
Energy-saving reconstruction project of diamond wire cutting system with high-efficient silicon material and low-energy consumption	8,842,700.00			1,016,949.12			7,825,750.88	Related to assets
Provincial standard implementation subsidy for Small/medium-sized enterprises' intellectual Property rights	20,000.00						20,000.00	Related to assets
Special funds for provincial informatization (integration of information technology and Industrialization)	500,000.00						500,000.00	Related to assets
Reconstruction project of diamond wire thinner Slicing method	7,073,148.96			842,105.28			6,231,043.68	Related to assets

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
2015 science and technology R&D plan project Subsidy by shaanxi provincial department of finance	1,000,000.00						1,000,000.00	Related to benefits
Special funds for shaanxi foreign trade and Economic development in 2015	1,000,000.00						1,000,000.00	Related to benefits
Special project of xi'an engineering laboratory Construction in 2015	400,000.00						400,000.00	Related to benefits
Special funds for xi'an industrial development (transformation and upgrading) project in 2016	1,050,000.00						1,050,000.00	Related to benefits
Grant award for power demand side management Project in 2016	1,019,381.44			127,422.72			891,958.72	Related to assets
Special funds for solar pv development and Construction projects in malaysia on the silk road	3,000,000.00			300,000.00			2,700,000.00	Related to assets
Refinancing reward		2,000,000.00		2,000,000.00				Related to benefits
Patent grant		176,080.00		176,080.00				Related to benefits
Outstanding contribution award for the Silicon industry development		100,000.00		100,000.00				Related to benefits
Capacity award		500,000.00		500,000.00				Related to benefits

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
Award for technology coordination project		414,600.00		414,600.00				Related to benefits
Subsidy for special incremental of Export-oriented economic development		500,000.00		500,000.00				Related to benefits
Subsidy for water pollution control project under the special funds for environmental protection		292,000.00		21,629.60			270,370.40	Related to assets
Commendation awards for advanced units in industrial development		1,000,000.00		1,000,000.00				Related to benefits
Advanced unit reward for investment promotion		750,000.00		750,000.00				Related to benefits
Model enterprise award for technological innovation		500,000.00		500,000.00				Related to benefits
Special funds for export-oriented economic development		420,000.00		420,000.00				Related to benefits
Special funds for industrial transformation and upgrading, and high-end equipment manufacturing		1,400,000.00					1,400,000.00	Related to assets
Special fund for innovation chain (group) in key industries		600,000.00					600,000.00	Related to benefits
Subsidy for project of water-saving reconstruction and reclaimed water recycling in PV mono products manufacturing		637,500.00					637,500.00	Related to assets
Supportive fund for awards in		4,710,000.00		133,301.88			4,576,698.12	Related to

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
Technology reconstruction								assets
Outstanding contribution award for advanced units		80,000.00		80,000.00				Related to benefits
Financial contribution award for advanced units		80,000.00		80,000.00				Related to benefits
One-time special bonus for grid expansion		500,000.00		500,000.00				Related to benefits
Stable growth Bonus for enterprises with steady growth		500,000.00		500,000.00				Related to benefits
Funds for central industrial transformation and upgrading		5,920,000.00					5,920,000.00	Related to assets
Award for integrated standardization verification and new model application in intelligent manufacturing		1,380,000.00					1,380,000.00	Related to assets
Subsidy for reviewing clean production and establishing ISO14000 management system		86,000.00		86,000.00				Related to benefits
Industrial special bonus		300,000.00		300,000.00				Related to benefits
Refund of tax charge		1,605,553.88		1,605,553.88				Related to benefits
National subsidy for installed capacity in Qishan County	2,950,000.00			150,000.00			2,800,000.00	Related to assets
National subsidy for Anfang installed capacity	6,080,000.01			320,000.04			5,759,999.97	Related to assets
National subsidy for Lejing installed capacity	1,324,458.33			66,500.04			1,257,958.29	Related to assets
Investment incentives		30,713,708.50		30,713,708.50				Related to benefits

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
Subsidy for energy saving		2,000,000.00		2,000,000.00				Related to benefits
Government Subsidy for Sunshine Energy Roof with 1MWp	1,546,979.67			66,536.76			1,480,442.91	Related to assets
Subsidy for entering the industrial park		3,000,000.00	3,000,000.00					
Funds for mono project with 1800tons	2,350,000.00			600,000.00			1,750,000.00	Related to assets
Subsidy for public rental housing in Ningxia LONGi	12,186,905.33			781,435.08			11,405,470.25	Related to assets
Subsidy for project in power monitoring	1,623,033.25			211,700.04			1,411,333.21	Related to assets
Subsidy for power demand side management project	1,550,000.00			210,000.00			1,340,000.00	Related to assets
Funding Plan for intelligent & green engineering, and digital workshop		3,000,000.00		78,947.37			2,921,052.63	Related to assets
Cycling reconstruction		1,000,000.00		75,000.00			925,000.00	Related to assets
Stabilize job Subsidies for job stabilization		706,018.50	312,823.10	393,195.40				Related to benefits
Basic condition construction subsidy		300,000.00		300,000.00				Related to benefits
Water saving subsidy		20,000.00		20,000.00				Related to benefits
New thermalfield subsidy		2,500,000.00		2,500,000.00				Related to benefits
Key R&D plan		1,020,000.00		1,020,000.00				Related to benefits
Technology Innovation Grant		2,500,000.00		2,500,000.00				Related to

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
								benefits
Bonus for benchmarking company in benchmarking industry		500,000.00		500,000.00				Related to benefits
Special subsidy fund for public housing	6,562,109.05			502,500.00			6,059,609.05	Related to assets
Mono ingot construction project (Phase II) with an annual production of 500MW	8,000,000.00			1,333,333.33			6,666,666.67	Related to assets
Special funds for bilateral scientific and technological cooperation with Russia	3,210,000.00			437,727.27			2,772,272.73	Related to assets
Resource saving and central budget Investment subsidy for energy-saving and environmental protection under Central budget	9,400,000.00			1,342,857.14			8,057,142.86	Related to assets
Special fund for new energy industry development	800,000.00			160,000.00			640,000.00	Related to assets
Government subsidy for projects in researching key preparation technology of N-type mono with high-efficiency and high-quality	1,500,000.00	1,500,000.00					3,000,000.00	Related to assets
Special fund budget for new energy industry development (technical R&D)	1,000,000.00			1,000,000.00				Related to benefits
Reward funds for excellent construction project		200,000.00	200,000.00					Related to benefits
Subsidy for enterprise after		2,415,400.00		2,415,400.00				Related to

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
technology innovation								benefits
Investment award for the fixed assets of 5GW project in Yinchuan LONGi		60,000,000.00		2,586,956.54			57,413,043.46	Related to assets
Subsidy for mono wafer intelligent control and the R&D and application of transportation production line		4,000,000.00					4,000,000.00	Related to assets
Subsidy for intelligent production capacity of mono ingot with an annual output of 1GW or above and mono wafer with an annual output of 1GW or above		32,940,000.00		823,500.00			32,116,500.00	Related to assets
Subsidy for function development of mono growth digital platform for big data integration and analysis		3,000,000.00					3,000,000.00	Related to assets
Subsidy for research and experimental verification of collaborative manufacturing standards for pv industry enterprise's group network based on supply chain		2,400,000.00					2,400,000.00	Related to assets
Industrial support funds		500,000.00		500,000.00				Related to benefits
Freight subsidy		26,600.00	26,600.00					Related to benefits
Subsidy for industrial development (of key technical reconstruction) project	524,117.52			95,294.16			428,823.36	Related to assets

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
Subsidy for industrial upgrading	1,145,934.00			208,351.68			937,582.32	Related to assets
Energy-saving reconstruction project for power supply system	38,530.00			5,025.60			33,504.40	Related to assets
Subsidy for 500MW technical transformation project	1,466,666.72			266,666.64			1,200,000.08	Related to assets
Subsidy for 850MW technical transformation project	6,938,461.54			841,025.64			6,097,435.90	Related to assets
Industrial Transformation and Upgrading	3,393,939.40			484,848.48			2,909,090.92	Related to assets
Special guidance funds for the transformation and upgrading of industrial and information industry	1,670,561.80			238,651.68			1,431,910.12	Related to assets
IPR special project		9,000.00		9,000.00				Related to benefits
Energy-saving reconstruction project		512,000.00		29,866.67			482,133.33	Related to assets
Technical reconstruction project		1,340,000.00		67,000.00			1,273,000.00	Related to assets
intelligent workshop for automated mono wafe rproduction		300,000.00		15,000.00			285,000.00	Related to assets
Industrial upgrading fund		5,490,000.00		5,490,000.00				Related to benefits
Talent incentive subsidy		20,000.00		20,000.00				Related to benefits
Construction project of mono ingot with an annual production of 5GW under the	6,941,667.00	4,000,000.00		770,962.15			10,170,704.85	Related to assets

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
Special fund for industrial and information development								
Industry support funds	40,000,000.00	13,890,000.00		5,177,118.72			48,712,881.28	Related to assets
Special funds for industrial transformation and upgrading	10,000,000.00			999,999.96			9,000,000.04	Related to assets
Special fund for industrial transformation and upgrading	7,000,000.00			699,999.96			6,300,000.04	Related to assets
Production increment reward		479,900.00		479,900.00				Related to benefits
Credit insurance subsidy fund		2,000,000.00		2,000,000.00				Related to benefits
Market expanding subsidy		800,000.00		800,000.00				Related to benefits
Industry support fund		15,172,500.00		15,172,500.00				Related to benefits
Awards for Industry wages increase and market development		100,000.00		100,000.00				Related to benefits
Subsidy for IPR comprtitive enterprise		50,000.00		50,000.00				Related to benefits
Special funds for foreign trade and economic development		1,000,000.00		1,000,000.00				Related to benefits
High-tech Zone Subsidy for fixed assets in economic and trade bureau of Gaoxin District	8,112,927.32			1,132,036.32			6,980,891.00	Related to assets
Subsidy policy for machine substitution, intelligent workshop and factory	892,488.88			124,533.36			767,955.52	Related to assets
Technical transformation	3,865,168.54			539,325.84			3,325,842.70	Related to

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
project of mono PERC Cells with an annual production of 470MW in Hefei LONGi Solar								assets
Subsidy for new project of high-efficiency mono PERC cell technology upgrading and reconstruction with an annual production of 530MW	1,959,675.00			273,665.83			1,686,009.17	Related to assets
Subsidy for 500MW technical reconstruction project	2,716,622.18			517,451.88			2,199,170.30	Related to assets
Subsidy for 1GW technical reconstruction project	1,940,033.44			401,386.20			1,538,647.24	Related to assets
Financial subsidy funds for industrial enterprise technical reconstruction projects and awards for industrial robot purchase	3,068,843.23			354,097.32			2,714,745.91	Related to assets
Special funds for industrialization and informationization, industrial transformation and upgrading	10,000,000.00			5,872,579.38			4,127,420.62	Related to benefits
Subsidy for high-efficiency mono double glass module project		2,000,000.00		2,000,000.00				Related to benefits
Government quality award		300,000.00		300,000.00				Related to benefits
Reward for model enterprise in internet convergence development		300,000.00		300,000.00				Related to benefits
Reward for model enterprise		100,000.00		100,000.00				Related to

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
in management innovation								benefits
Expert workstation subsidy		100,000.00		100,000.00				Related to benefits
Jinde dormitory subsidy		392,900.00		392,900.00				Related to benefits
Equipment subsidy		11,077,300.00		263,745.24			10,813,554.76	Related to assets
Subsidy for 1200MW solar pv module project		1,419,800.00		33,804.76			1,385,995.24	Related to assets
Subsidy for high-efficiency pv module digital intelligent manufacturing workshop		640,600.00		11,754.12			628,845.88	Related to assets
Funding subsidy for technical projects		930,000.00					930,000.00	Related to assets
Comprehensive award for technical reconstruction of industrial enterprises	3,019,417.49			362,330.04			2,657,087.45	Related to assets
Equipment investment support fund	39,221,782.18			4,706,613.84			34,515,168.34	Related to assets
Subsidy for technical reconstruction project		1,670,000.00		185,555.59			1,484,444.41	Related to assets
Projects reach the standardized scale for the first time in the year		25,000.00		25,000.00				Related to benefits
Subsidy for cashing the coupon of technical innovation		755,000.00		755,000.00				Related to benefits
Innovative talent funding		168,000.00		168,000.00				Related to benefits
Double talent funding		52,500.00		52,500.00				Related to benefits
Special funds dor Key R&D		300,000.00		300,000.00				Related to

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
								benefits
Subsidy for unemployment dynamic monitoring in 2017		2,400.00	2,400.00					Related to benefits
Safety production team reward		15,000.00		15,000.00				Related to benefits
Enterprise R&D cost subsidy		1,000,000.00		1,000,000.00				Related to benefits
Award for “Talent thriving enterprise”		2,000,000.00		2,000,000.00				Related to benefits
Loan discount		28,479,305.00			28,479,305.00			Related to benefits
Financial Awards Supplement Project for policy and measures in featured industrial base		1,290,000.00		14,494.38			1,275,505.62	Related to assets
High-tech product subsidy		205,000.00		205,000.00				Related to benefits
Award for top 10 enterprises in developing industrial Economy		20,000.00		20,000.00				Related to benefits
Supportive funds of financial awards project for enterprise R&D institution construction t		100,000.00		100,000.00				Related to benefits
Engineering laboratory subsidy		100,000.00		100,000.00				Related to benefits
Featured Industry Awards		5,000,000.00		5,000,000.00				Related to benefits
Awards for featured industry located in Yangtze River Delta		3,100,000.00		3,100,000.00				Related to benefits
Funds for double innovation of finance bureau in Hailing		277,500.00		277,500.00				Related to benefits

Subsidy project	Opening balance at the beginning of the year	New subsidy amount in the current year	The amount of non-operating income included in the current year.	Other income amount included in the current year	Amount of cost reduction for the current year	Other changes	Closing balance at the end of the year	Related to assets/benefits
District								
Special contribution award		10,000,000.00		10,000,000.00				Related to benefits
In total	243,205,552.28	295,677,165.88	3,541,823.10	141,919,750.75	28,479,305.00	2,400,000.00	362,541,839.31	

74. Others

□Applicable √Non-applicable

VIII Changes in the scope of consolidation**1、 Business consolidation not under common control**

□Applicable √Non-applicable

2、 Business consolidation under common control

□Applicable √Non-applicable

3. Counter purchase

□Applicable √Non-applicable

4. Disposal of subsidiaries

Whether there is the situation that single disposal loses control over subsidiaries' investments

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Subsidiaries	Equity disposal price	%Equity disposal ratio (%)	Equity disposal method	Timing of losing control	Basis to determine the timing of losing control	The difference between the disposal price and the net assets share of the subsidiary at the level of consolidated financial statements corresponding to the disposal investment	(%) Proportion of remaining equity at the date of losing control %	Book value of remaining equity at the date of losing control (%)	Fair value of remaining equity at the date of losing control	Gains or losses arising from remeasurement of the remaining equity at fair value	Determination and main assumptions of the fair value of remaining equity at the date of losing control	The amount of other comprehensive incomes related to original subsidiarys equity investment transferred to investment profit and loss
Pucheng LONGi Eco Agricultural Solar New	121,052,870.00	100%	Cash	2018-1	Equity delivery completed	37,784,293.12						

Energy Co., Ltd.												
Daqing Huiqing New Energy Co., Ltd.	93,689,167.43	70%	Cash	2018-2	Equity delivery completed	184,005,093.84	30%	39,738,000.00	40,152,500.33	414,500.33		
Lijiang LONGi Clean Energy Co., Ltd.	76,108,600.00	81%	Cash	2018-10	Equity delivery completed	106,815,092.91	19%	17,843,369.14	17,852,634.57	-9,265.43		
Zhaozhou Longhui New Energy Co., Ltd.	84,250,160.22	70%	Cash	2018-12	Equity delivery completed	180,203,508.05	30%	35,523,000.00	36,107,211.52	584,211.52		
Runan Haoyang New Energy Co., Ltd.	50,511,663.50	100%	Cash	2018-7	Equity delivery completed	19,467,376.75						
Zibo Leguang Solar Energy Technology Co., Ltd.	24,544,460.84	100%	Cash	2018-1	Equity delivery completed	14,403,230.97						
Zaoqiang Lezhao Solar Energy Technology Co., Ltd.	28,846,439.21	100%	Cash	2018-9	Equity delivery completed	13,502,247.32						
Jing County Leguang Solar Energy Technology Co., Ltd.	19,229,412.04	100%	Cash	2018-8	Equity delivery completed	13,002,170.42						
Yangqu Lezhao Energy Technology Co., Ltd.	13,244,674.66	100%	Cash	2018-8	Equity delivery completed	9,292,639.12						
Qingdao Zhongsen Green Energy Solar Energy Technology Co., Ltd.	13,182,196.76	100%	Cash	2018-7	Equity delivery completed	7,639,641.72						
Jiaozhou Dingrui Clean Energy Technology Co., Ltd.	9,973,101.28	100%	Cash	2018-5	Equity delivery completed	6,400,141.40						
Weifang Senneng Clean Energy Technology Co., Ltd.	9,316,800.00	100%	Cash	2018-5	Equity delivery completed	6,365,839.41						
Tongxu Dongsong Clean Energy Technology Co., Ltd.	9,080,305.51	100%	Cash	2018-8	Equity delivery completed	5,491,098.86						
Nanjing Leguang Solar Energy Co., Ltd.	8,914,250.53	100%	Cash	2018-5	Equity delivery completed	4,630,108.62						
Yancheng Xingqi Clean Energy Technology Co., Ltd.	7,164,535.53	100%	Cash	2018-5	Equity delivery completed	4,467,373.55						
Jun County Lezhao Solar Energy Technology Co., Ltd.	7,818,183.18	100%	Cash	2018-8	Equity delivery completed	4,185,719.63						
Quzhou Zhongsen Clean Energy Technology Co., Ltd.	5,588,870.61	100%	Cash	2018-8	Equity delivery completed	4,099,369.73						

Dengzhou Jinyang New Energy Equipment Co., Ltd.	3,127,942.96	100%	Cash	2018-8	Equity delivery completed	3,801,009.50							
Suzhou Lezha Solar Energy Co., Ltd.	6,476,683.00	100%	Cash	2018-7	Equity delivery completed	3,729,465.78							
Hengshui Leyang Solar Energy Technology Co., Ltd.	6,641,334.69	100%	Cash	2018-7	Equity delivery completed	3,590,087.50							
Qihe LONGi Solar Energy Technology Co., Ltd.	6,216,361.67	100%	Cash	2018-3	Equity delivery completed	2,784,338.69							
Shijiazhuang Leyang New Energy Co., Ltd.	4,695,396.17	100%	Cash	2018-8	Equity delivery completed	2,430,824.44							
Wuhu Solar Clean Energy Co., Ltd.	5,795,664.54	100%	Cash	2018-8	Equity delivery completed	2,304,072.29							
Yuncheng Shenghuang Solar Technology Co., Ltd.	1,472,932.29	100%	Cash	2018-8	Equity delivery completed	919,641.60							
Wuhu LONGi Solar Power Engineering Co., Ltd.	3,340,034.15	100%	Cash	2018-8	Equity delivery completed	818,897.22							
Weishi Zhongtian Solar Energy Co., Ltd.	145,972.22	100%	Cash	2018-7	Equity delivery completed	525,148.22							
Linzhou Weirui New Energy Technology Co., Ltd.	17,508,367.86	100%	Cash	2018-8	Equity delivery completed	-10,397.51							
Xinxiang Xufei New Energy Co., Ltd.	323.69	100%	Cash	2018-6	Equity delivery completed	-586,961.76							
Guangdong Lezhao New Energy Co., Ltd.	Not applicable	100%	Not applicable	2018-5	Equity delivery completed								
Guangdong Shengli New Energy Technology Development Co., Ltd.	Not applicable	100%	Not applicable	2018-9	Equity delivery completed								
Hengshui Xujing New Energy Technology Co., Ltd.	Not applicable	100%	Not applicable	2018-7	Equity delivery completed								

Other Explanations:

√Applicable □Non-applicable

When disposing the equity of Daqing Huiqing New Energy Co., Ltd., Lijiang LONGi Clean Energy Co., Ltd. and Zhaozhou Longhui New Energy Co., Ltd., we found that more than 90% of its assets were PV power stations. The equity transfer pricing was based on the net assets on base day. It was not significant for premium of control right,

and gains from the remeasurement of remaining equity at fair value referred to the remaining equity on the day of losing control right and the fair value shares in its identifiable net assets.

Whether there is a situation that investments in subsidiaries were disposed through multiple transactions and the control right was lost in current period.

Applicable Non-applicable

5. Changes in consolidation range caused by other reasons

Describe the changes in consolidation range caused by other reasons (for example, the establishment of new subsidiaries, clearing subsidiaries, etc.) and their Related Information:

Applicable Non-applicable

At the end of the year, the Company newly invested in the following companies and included them in the consolidation range.

Serial No.	Subsidiaries	Main business place	Registration place	Parent Company	Registered capital	Paid-up capital
1	Xi'an LONGi Green Energy Venture Capital Management Co., Ltd.	Xi'an City	Xi'an City	LONGi	50,000,000.00	5,110,000.00
2	Xi'an LONGi Lithium Electricity New Material Co., Ltd.	Xi'an City	Xi'an City	LONGi Venture	10,000,000.00	9,300,000.00
3	Chuzhou LONGi Solar Technology Ltd.	Chuzhou City	Chuzhou City	LERRI Solar	300,000,000.00	188,300,000.00
4	Ningxia LONGi Solar Technology Ltd.	Yinchuan Economic Development Zone	Yinchuan Economic Development Zone	LERRI Solar	200,000,000.00	22,080,000.00
5	Shanxi LONGi Solar Technology Ltd.	Xi'an City	Xi'an City	LERRI Solar	200,000,000.00	
6	LONGITECHNOLOGY(KUCHING)SDNBHD	Kuching (Malaysia)	Kuching (Malaysia)	LERRI Solar	USD30,000,000	USD23,000,000
7	Longling Zhenglong Clean Energy Co., Ltd.	Longling County, Baoshan City	Longling County, Baoshan City	Clean energy	1,000,000.00	
8	Anda Longguang New Energy Co., Ltd.	Anda City, Suihua City	Anda City, Suihua City	Longqiao Clean Energy	1,000,000.00	
9	Nanhua Zhenglong Clean Energy Co., Ltd.	Nanhua County, Chuxiong Yi Autonomous Prefecture	Nanhua County, Chuxiong Yi Autonomous Prefecture	Clean energy	1,000,000.00	

Serial No.	Subsidiaries	Main business place	Registration place	Parent Company	Registered capital	Paid-up capital
10	Datong Longtai Green Energy Solar Generation Co., Ltd.	Datong County	Datong County	Clean energy	1,000,000.00	
11	Longling lulong Clean Energy Co., Ltd.	Longling County, Baoshan City	Longling County, Baoshan City	Longling lulong Clean Energy	1,000,000.00	
12	Nanhua Shenglong Clean Energy Co., Ltd.	Nanhua County, Chuxiong Yi Autonomous Prefecture	Nanhua County, Chuxiong Yi Autonomous Prefecture	Nanhua Shenglong Clean Energy	1,000,000.00	
13	Xian Lvsheng Clean Energy Co., Ltd.	Xi'an City	Xi'an City	Clean energy	250,000,000.00	
14	Tongchuan Xianguang New Energy Power Generation Co., Ltd.	Tongchuan City, Shaanxi Province	Tongchuan City, Shaanxi Province	Xian Lvsheng Clean Energy	430,000,000.00	
15	Tongchuan Baicao Modern Agricultural Technology Co., Ltd.	Tongchuan City, Shaanxi Province	Tongchuan City, Shaanxi Province	Clean energy	10,000,000.00	
16	Xian Longhua New Energy Co., Ltd.	Xi'an City	Xi'an City	Clean energy	1,000,000.00	
17	Xian Xuying New Energy Co., Ltd.	Xi'an City	Xi'an City	Longhua New Energy	1,000,000.00	
18	Licheng Yingheng Clean Energy Co., Ltd.	Changzhi City, Shanxi Province	Changzhi City, Shanxi Province	Xuying New Energy	1,000,000.00	
19	Tongchuan Leguang Solar Energy Co., Ltd	Tongchuan City, Shaanxi Province	Tongchuan City, Shaanxi Province	LONGi Solar	1,000,000.00	
20	Shijiazhuang Longye New Energy Co., Ltd.	Shijiazhuang City, Hebei Province	Shijiazhuang City, Hebei Province	Clean energy	1,000,000.00	
21	Guanyun Ganglong Clean Energy Co., Ltd.	Lianyungang City	Lianyungang City	Clean energy	1,000,000.00	
22	Guangzhou Longyuan New Energy Co., Ltd.	Guangzhou City	Guangzhou City	Guangdong New Energy	500,000.00	
23	Zhuhai Longle New Energy Co., Ltd.	Zhuhai City	Zhuhai City	Guangdong New Energy	500,000.00	
24	Lijiang LONGi Silicon Materials Ltd.	Huaping County, Lijiang City	Huaping County, Lijiang City	LONGi	300,000,000.00	

(2) Reduction of subsidiary details for other reasons this year

Serial No.	Subsidiaries	The time of loss of control	The Basis for Determining the Time of Loss of Control
1	Wuzhong LONGi Solar New Energy Co., Ltd.	2018-7	Cancellation
2	Tangshan Lvlong Solar Power Generation Co., Ltd.	2018-7	Cancellation
3	Yongcheng LONGi Clean Energy Co., Ltd.	2018-5	Cancellation

4	Jiaxiang LONGi Solar New Energy Co., Ltd.	2018-5	Cancellation
5	Suixi LONGi Eco-agriculture Co., Ltd.	2018-3	Cancellation
6	Dingbian Longjing New Energy Co., Ltd.	2018-7	Cancellation
7	Tongxin LONGi New Energy Co., Ltd.	2018-10	Cancellation
8	Mile Xinlong Clean Energy Co., Ltd.	2018-7	Cancellation
9	Wuyang Yulong Solar Agricultural Technology Co., Ltd.	2018-7	Cancellation
10	Fuxin LONGi New Energy Co., Ltd.	2018-2	Cancellation
11	Honghe Shenglong Clean Energy Co., Ltd.	2018-7	Cancellation
12	Weibei Wulong Clean Energy Co., Ltd.	2018-3	Cancellation
13	Shuangliao Longyuan New Energy Co., Ltd.	2018-3	Cancellation
14	Foshan Shengli Yunke Electric Power Co., Ltd.	2018-9	Cancellation
15	Guangzhou Qingle Technology Application Co., Ltd.	2018-9	Cancellation
16	Jixi Yitong Solar Power Generation Co., Ltd.	2018-11	Cancellation
17	Jianhu Shangcheng New Energy Co., Ltd.	2018-9	Cancellation
18	Liuzhou LONGi Solar Energy Technology Co., Ltd.	2018-12	Cancellation
19	Shanggao Longle New Energy Co., Ltd.	2018-10	Cancellation
20	Shijiazhuang Lexin Solar Energy Co., Ltd.	2018-7	Cancellation
21	Tianjin Leheng Solar Energy Co., Ltd.	2018-7	Cancellation
22	Tianjin Leyuan Solar Power Generation Co., Ltd.	2018-9	Cancellation
23	Tongchuan Leguang Solar Energy Co., Ltd.	2018-5	Cancellation
24	Wei County Lezhao Solar Energy Co., Ltd.	2018-7	Cancellation
25	Yanling Lehong Solar Energy Co., Ltd.	2018-8	Cancellation
26	Changtai LONGi New Energy Co., Ltd.	2018-7	Cancellation
27	Changyuan Twelve Well Solar Power Generation Co., Ltd.	2018-11	Cancellation

28	Zhejiang Jiaying Leguang Solar Energy Co., Ltd.	2018-2	Cancellation
29	Zhengzhou Longyuan New Energy Technology Co., Ltd.	2018-7	Cancellation
30	Laiwu Lihui Solar Power Co., Ltd.	2018-2	Cancellation
31	Sanmenxia Leda Solar Energy Co., Ltd.	2018-3	Cancellation
32	Dongying Lezhao Solar Technology Co., Ltd.	2018-1	Cancellation
33	Linying Lecheng Solar Energy Co., Ltd.	2018-9	Cancellation
34	Linyi Leyang Solar Energy Co., Ltd.	2018-3	Cancellation
35	Wen County Lexing Solar Energy Co., Ltd.	2018-8	Cancellation
36	Suixi Lexiang Solar Energy Co., Ltd.	2018-6	Cancellation
37	Quzhou Lexing Solar Energy Co., Ltd.	2018-7	Cancellation
38	Zhucheng Leheng Solar Energy Co., Ltd.	2018-5	Cancellation
39	Shanghe Leshnag Solar Energy Co., Ltd.	2018-4	Cancellation
40	Boai Leming Solar Energy Co., Ltd.	2018-8	Cancellation
41	Jiaozuo Leren Solar Energy Co., Ltd.	2018-8	Cancellation
42	Fengyang Leguang Solar Energy Co., Ltd.	2018-1	Cancellation
43	Luohe Lesong Solar Energy Co., Ltd.	2018-9	Cancellation
44	Yingde LONGi Solar Energy Co., Ltd.	2018-9	Cancellation
45	Xinxiang Fufeng Garden New Energy Co., Ltd.	2018-2	Cancellation
46	Weifang Zhongsen Solar Energy Technology Co., Ltd.	2018-7	Cancellation
47	Guan Leheng Solar Energy Co., Ltd.	2018-7	Cancellation
48	Shenyang LONGi Solar Energy Co., Ltd.	2018-2	Cancellation
49	Liquan Zhongxing Chaoyang New Energy Co., Ltd.	2018-7	Cancellation
50	Liaoning LONGi New Energy Co., Ltd.	2018-9	Cancellation
51	Shijiazhuang Yuetong Solar Energy Co., Ltd.	2018-7	Cancellation

52	Luoyang Longjia New Energy Co., Ltd.	2018-8	Cancellation
53	Xihua LONGi New Energy Technology Co., Ltd.	2018-1	Cancellation
54	Jiujiang Longle New Energy Co., Ltd.	2018-9	Cancellation
55	Yangzhou LONGi New Materials Co., Ltd.	2018-8	Cancellation
56	Junan Leguang Solar Energy Co., Ltd.	2018-5	Cancellation
57	Longhai Longle New Energy Co., Ltd.	2018-7	Cancellation
58	Nanjing ET Solar Energy Technology Co., Ltd.	2018-7	Court Judgment
59	ET Solar Global Inc.	2018-7	Loss of control over its parent Company
60	ET Solar Global Japan KK	2018-7	Loss of control over its parent Company
61	ET Solar Global Techonoligy Limited	2018-7	Loss of control over its parent Company
62	Chaoyang LONGi Solar Technology Co., Ltd.	2018-2	Cancellation
63	Tummet Zuoqi LONGi Crystal Ring Solar Co., Ltd.	2018-1	Cancellation
64	Yingkou Longxing Clean Energy Co., Ltd.	2018-11	Cancellation
65	Shanxi LONGi Solar Technology Co., Ltd.	2018-7	Cancellation
66	Xinzhou Leguang New Energy Co., Ltd.	2018-7	Cancellation
67	Xian Leneng Solar Energy Co., Ltd.	2018-11	Cancellation
68	Wuzhong Leyang Green Energy New Energy Co., Ltd.	2018-7	Cancellation
69	New Energy Co., Ltd.	2018-10	Cancellation
70	Xuchang longZhixing Solar Energy Co., Ltd.	2018-10	Cancellation
71	Nanchang Longle New Energy Co., Ltd.	2018-10	Cancellation
72	Xian Lehua New Energy Co., Ltd.	2018-9	Cancellation
73	Xian Legang New Energy Co., Ltd.	2018-12	Cancellation
74	LERRI Solar Technology (Europe) GmbH	2018-12	Cancellation
75	Huizhou Longye New Energy Co., Ltd.	2018-5	Cancellation

Note: In July 2018, according to the civil ruling No. 4 issued by the People's Court of Jianye District, Nanjing (2018) Su0105, the bankruptcy liquidation application of Nanjing ET Solar Energy Technology Co., Ltd. was accepted. On the same day, the court appointed Jiangsu Fade Yongheng Law Firm as the administrator, who took over Nanjing ET Solar Energy Technology Co., Ltd. in an all-round way. The Company lost its control.

6. Others

Applicable Non-applicable

IX. Equity in Other Entities

1. Equity in subsidiaries

(1). Composition of enterprise groups

√Applicable □Non-applicable

Subsidiaries	Main business place	Registration place	Business scope	Proportion of shares held (%)		Acquisition method					
				Direct	Indirect						
				LONGi (H.K.) Trading Limited	Xian City, Shaanxi Province		Hong Kong	Import and export business	100		Newly established
				LONGI (KUCHING) SDN. BHD.	Kuching (Malaysia)		Kuching (Malaysia)	Production and sales		100	Newly established
LONGi New Energy (Uganda) Limited	Uganda	Uganda	Investment and development		99	Newly established					
LONGI SOLAR TECHNOLOGY K.K.	Tokyo (Japan)	Tokyo (Japan)	Sales	100		Newly established					
LONGi Solar Technology (U.S.) Inc.	Delaware (United States)	Delaware (United States)	Sales	100		Newly established					
LONGI Solar Technologie GmbH	Frankfurt, Hesse Darmstadt, (Germany)	Frankfurt, Hesse Darmstadt, (Germany)	Sales	100		Newly established					
Ningxia LONGi Silicon Materials Ltd.	Zhongning County, Ningxia Hui Autonomous Region	Zhongning County	Production and sales	100		Newly established					
Yinchuan LONGi Silicon Materials Ltd.	Yinchuan City, Ningxia Hui Autonomous Region	Yinchuan City	Production and sales	100		Newly established					
Wuxi LONGi Silicon Materials Ltd.	Wuxi City, Jiangsu Province	Wuxi City	Production and sales	98.67	1.33	Newly established					
Baoshan LONGi Silicon Materials Ltd.	Longling County, Baoshan City, Yunnan Province	Huangcaoba, Longxin Town, Longling County	Production and sales	100		Newly established					
Lijiang LONGi Silicon Materials Ltd.	Huaping County, Lijiang City, Yunnan Province	Clean Energy Industry Park, Shilongba Town, Huaping County	Production and sales	60		Newly established					
Chuxiong LONGi Silicon Materials Ltd.	Chuxiong yi autonomous prefecture, Yunnan Province	Chuxiong yi autonomous prefecture, Yunnan Province	Production and sales	100		Newly established					
LONGi Solar	Xian City,	Xian City	Production	100		Newly					

Technology Ltd.	Shaanxi Province		and sales			established
Zhejiang LONGi Solar Technology Ltd.	Quzhou City, Zhejiang Province	Quzhou City	Production and sales		100	Consolidation not under common
Hefei LONGi Solar Technology Ltd.	Hefei City, Anhui Province	Hefei City	Production and sales		100	Newly established
Taizhou LONGi Solar Technology Ltd.	Taizhou City, Jiangsu Province	Taizhou City	Production and sales		100	Newly established
Yinchuan LONGi Solar Technology Ltd.	Yinchuan City, Ningxia Hui Autonomous Region	Yinchuan City	Production and sales		100	Newly established
LERRI SOLAR TECHNOLOGY (INDIA) PRIVATE LIMITED	Andhra Pradesh (India)	Andhra Pradesh (India)	Production and sales	40	60	Newly established
Mile LONGi Solar Technology Ltd.	Mile City, Hani-Yi Autonomous Prefecture of Honghe, Yunnan Province	Mile City, Hani-Yi Autonomous Prefecture of Honghe, Yunnan Province	Production and sales		100	Newly established
Datong LONGi Solar Technology Ltd.	Datong County, Shanxi Province	Datong County	Production and sales		100	Newly established
Xiaan LONGi Solar Technology Ltd.	Changan District, Xian City, Shaanxi Province	Xian City, Shaanxi Province	Production and sales		100	Newly established
Xian LONGi Clean Energy Co., Ltd.	Xian City, Shaanxi Province	Xian City	Investment and development	100		Newly established
Qinghai Baihe Clean Energy Co., Ltd.	Xining City, Qinghai Province	Xining City	Investment and development		100	Newly established
Shanxi Xinglong Jiye Clean Energy Co., Ltd.	Linfen City, Shanxi Province	Linfen City	Investment and development		100	Newly established
Chunhua Lvlong Clean Energy Co., Ltd.	Chunhua County, Shaanxi Province	Chunhua County	Investment and development		100	Newly established
Nanyang Wolong LONGi Clean Energy Co., Ltd.	Nanyang City, Henan Province	Nanyang City	Investment and development		100	Newly established
Zaozhuang LONGi Clean Energy Co., Ltd.	Zaozhuang City, Shandong Province	Zaozhuang City	Investment and development		100	Newly established
Zaozhuang Shanting LONGi Eco Agricultural Solar New	Zaozhuang City, Shandong Province	Zaozhuang City	Investment and development		100	Newly established

Energy Co., Ltd.						
Ningxia LONGi Clean Energy Co., Ltd.	Yinchuan City, Ningxia	Yinchuan City	Investment and development		100	Newly established
Xinjiang LONGi Clean Energy Co., Ltd.	Urumqi, Xinjiang	Urumqi	Investment and development		99	Newly established
Xinjiang LONGi Solar Technology Ltd.	Urumqi, Xinjiang	Urumqi	Investment and development		70	Newly established
Emin LONGi Animal Husbandry+PV New Energy Co., Ltd.	Emin County, Xinjiang	Emin County	Investment and development		100	Newly established
Jiangshan LONGi New Energy Technology Co., Ltd.	Jiangshan City, Zhejiang Province	Jiangshan	Investment and development		100	Newly established
Wuqi Longan Clean Energy Co., Ltd.	Wuqi County	Wuqi County	Investment and development		100	Newly established
Mile Xinlong Clean Energy Co., Ltd.	Mile City, Yunan Province	Mile City	Investment and development		100	Newly established
Dongguan Lvlong Clean Energy Co., Ltd.	Dongguan City, Guangdong Province	Dongguan city	Investment and development		100	Newly established
Guangdong Yanyuan Longqing New Energy Co., Ltd.	Dongguan City, Guangdong Province	Dongguan City	Investment and development		70	Newly established
Anhui Jiancheng USTC LONGi new Energy Co., ltd.	Anhui Province	Anhui Province	Investment and development		60	Newly established
Xian Longqiao Clean Energy Co., Ltd.	Xian City, Shaanxi Province	Xian City	Investment and development		100	Newly established
Shuangliao Baihe New Energy Co., Ltd.	Shuangliao City, Jilin Province	Shuangliao City	Investment and development		100	Newly established
Liaoning Zhaori New Energy Co., Ltd.	Chaoyang City, Liaoning Province	Chaoyang City	Investment and development		100	Newly established
Hami Liurui New Energy Development Co., Ltd.	Hami City, Xinjiang	Hami City	Investment and development		100	Consolidation not under common control
Hami Liuyang Solar Technology Development Co., Ltd.	Hami City, Xinjiang	Hami City	Investment and development		100	Consolidation not under common control
Baoji Longxing Clean Energy Power Generation Co., Ltd.	Baoji City, Shaanxi Province	Baoji City	Investment and development		100	Newly established

Danzhou LONGi Solar Agricultural Development Co., Ltd.	Danzhou City, Hainan Province	Danzhou City	Investment and development		100	Newly established
Chunhua Xinlong Agricultural Technology Co., Ltd.	Chunhua County	Chunhua County	Investment and development		100	Newly established
Huaibei Nanlong Clean Energy Co., Ltd.	Suixi County	Suixi County	Investment and development		100	Newly established
Yanchuan Minhao Solar Power Plant Investment Management Co., Ltd.	Yanchuan County	Yanchuan County	Investment and development		100	Consolidation not under common control
Pingyi Longhui New Energy Co., Ltd.	Pingyi County	Pingyi County	Investment and development		100	Newly established
Xian Baolong Clean Energy Co., Ltd.	Xian City	Xian City	Investment and development		100	Newly established
Hebei Shenrao Agricultural Development Co., Ltd.	Raoyang County	Raoyang County	Investment and development		100	Consolidation not under common control
Xian LONGi Agricultural Science and Technology Development Co., Ltd.	Xian City, Shaanxi Province	Xian City, Shaanxi Province	Investment and development		100	Newly established
Jinzhong LONGi Solar Power Technology Co., Ltd.	Yuci District, Jinzhong City	Jinzhong City	Investment and development		100	Newly established
Pucheng Baofeng Agricultural Technology Co., Ltd.	SunZhen, Pucheng County	SunZhen, Pucheng County	Investment and development		100	Newly established
Yuanmou Zhenglong Clean Energy Co., Ltd.	Yuanmou County	Yi Autonomous Prefecture of Chuxiong	Investment and development		100	Newly established
Beipiao Longtan New Energy Co., Ltd.	Beipiao City, Chaoyang City, Liaoning Province	Beipiao City, Chaoyang City, Liaoning Province	Investment and development		100	Newly established
Huanglong Longfu Clean Energy Co., Ltd.	Yanan City, Shaanxi Province	Yanan City, Shaanxi Province	Investment and development		100	Newly established
Yanchuan Longfu Solar Power Generation Co., Ltd.	Yanan City, Shaanxi Province	Yanan City, Shaanxi Province	Investment and development		100	Newly established
Huludao Longxing New Energy Co., Ltd.	Lianshan District, Huludao City, Liaoning Province	Lianshan District, Huludao City, Liaoning Province	Investment and development		100	Newly established
Zhongning Longmu New Energy Co., Ltd.	Zhongning County	Zhongning County	Investment and development		100	Newly established

Hainan LONGi Solar New Energy Co., Ltd.	Hainan Province	Yatai town, Baisha li Autonomous County	Investment and development		100	Newly established
Quzhou Julong Clean Energy Co., Ltd.	Quzhou City	Quzhou City	Investment and development		100	Newly established
Hami Liushuquan Xuanli Solar Power Co., Ltd.	Hami City, Xinjiang	Hami City	Investment and development		100	Consolidation not under common control
Datong LONGi Green And Clean Energy Co., Ltd.	Datong County	Datong County	Investment and development		100	Newly established
Zhanjiang Zhongji Electric Power Co., Ltd.	Zhanjiang City	Zhanjiang City	Investment and development		100	Consolidation not under common control
Leizhou Zhongji Electric Power Co., Ltd.	Leizhou City	Jijia Town, Leizhou City	Investment and development		100	Consolidation not under common control
Nyainrong Shenglong Clean Energy Co., Ltd.	Nyainrong County	Nyainrong County	Investment and development		100	Newly established
Yanan Longxing Clean Energy Co., Ltd.	Bata District, Yanan City	Yan'an City, Shaanxi Province	Investment and development		100	Newly established
Yanan Yanlong Clean Energy Co., Ltd.	Bata District, Yanan City	Yanan City, Shaanxi Province	Investment and development		100	Newly established
Guangling Longxing Green And Clean Energy Co., Ltd.	Guangling County	Guangling County	Investment and development		100	Newly established
Guangling Jinpeng New Energy Co., Ltd.	Guangling County	Guangling County	Investment and development		100	Newly established
Datong Yunzhong Green And New Energy Co., Ltd.	Datong County	Datong County	Investment and development		100	Newly established
Yanan Longsheng Clean Energy Co., Ltd.	Bata District, Yanan City	Yanan City, Shaanxi Province	Investment and development		100	Newly established
Baisha longguang Power New Energy Co., Ltd.	Baisha, Hainan Province	Baisha Li Autonomous County	Investment and development		100	Newly established
Ninghai Junlong New Energy Co., Ltd.	Ninghai County, Ningbo City, Zhejiang Province	Ningbo City, Zhejiang Province	Investment and development		100	Newly established
Lingwu Longqiao Solar New Energy Co., Ltd.	Lingwu City, Ningxia	Lingwu City, Ningxia	Investment and development		100	Newly established
Ninghai Hailong Clean Energy Co., Ltd.	Ninghai County, Ningbo City,	Ningbo City, Zhejiang	Investment and		100	Newly established

	Zhejiang Province	Province	development			
LONGi New Energy Technology Co., Ltd.	Xian City, Shaanxi Province	Xian City	Investment and development	100		Newly established
Guangdong LONGi New Energy Co., Ltd.	Guangzhou City, Guangdong Province	Guangzhou City, Guangdong Province	Investment and development		100	Newly established
Beijing LONGi New Energy Ltd.	Beijing	Beijing	Investment and development		100	Newly established
Shandong Leguang Solar Energy Co., Ltd.	Jinan City, Shandong Province	Jinan City	Investment and development		100	Newly established
Hebei LONGi New Energy Development Co., Ltd.	Shijiazhuang City, Hebei Province	Shijiazhuang City	Investment and development		100	Newly established
LONGi Green Energy Solar Engineering Co., Ltd.	Xian City, Shaanxi Province	Xian City	Investment and development		100	Newly established
Xian LONGi Anfang Solar Energy Ltd.	Xian City, Shaanxi Province	Xian City	Investment and development		100	Newly established
Huizhou Fukangyuan Technology Co., Ltd. Huizhou City, Guangdong Province	Huizhou City, Guangdong Province	Huizhou City	Investment and development		100	Consolidation not under common control
Qishan Baotong Solar Energy Co., Ltd.	Baoji City, Shaanxi Province	Baoji City	Investment and development		100	Newly established
Daming Lezhao Solar Energy Technology Co., Ltd.	Daming County Hebei Province	Daming County	Investment and development		100	Newly established
Shouguang Jinhe Solar Technology Co., Ltd.	Weifang City, Shandong Province	Weifang City	Investment and development		100	Consolidation not under common control
Heze Ningdian New Energy Co., Ltd.	Heze City, Shandong Province	Heze City	Investment and development		100	Consolidation not under common control
Cangzhou Bohai Jile Solar Energy Co., Ltd.	Cangzhou City, Hebei Province	Cangzhou City	Investment and development		100	Newly established
Jining LONGi Solar Energy Co., Ltd.	Jining City, Shandong Province	Jining City	Investment and development		100	Newly established
Wei-County Lezhao Solar Energy Co., Ltd.	Wei County, Hebei Province	Wei County	Investment and development		100	Newly established
LinZhang Lezhao Solar	LinZhang County, Hebei	LinZhang County	Investment and		100	Newly established

Energy Co., Ltd.	Province		development			
Qingzhou Yuhui Solar Co., Ltd.	Qingzhou City, Shandong Province	Qingzhou City	Investment and development		100	Consolidation not under common control
Taizhou LONGi Solar Energy Co., Ltd.	Taizhou City, Jiangsu Province	Taizhou City	Investment and development		100	Newly established
Longkou LONGi Solar Energy Co., Ltd.	Longkou City, Yantai City, Shandong Province	Longkou City	Investment and development		100	Newly established
Xian Lejing Solar Energy Co., Ltd.	Xian Economic & Technological Development Zone	Xian City	Investment and development		100	Newly established
Ningxia LONGi Green And New Energy Co., Ltd.	Yinchuan Economic & Technology Development Area	Yinchuan City	Investment and development		100	Newly established
Qufu Lexiang Solar Energy Co., Ltd.	Qufu City, Shandong Province	Qufu City	Investment and development		100	Newly established
Henan LONGi Green Energy Technology Co., Ltd.	Zhengzhou City, Henan Province	Zhengzhou City	Investment and development		100	Newly established
Yangjiang LONGi Clean Energy Co., Ltd.	Yangjiang City, Guangdong Province	Yangjiang City	Investment and development		100	Newly established
Shantou Solar Power Co., Ltd.	Shantou City, Guangdong Province	Shantou City	Investment and development		100	Consolidation not under common control
Binzhou Lezhao Solar Energy Co., Ltd.	Binzhou City, Shandong Province	Binzhou City	Investment and development		100	Newly established
Shangqiu Lehai New Energy Technology Co., Ltd.	Shangqiu City, Henan Province	Shangqiu City	Investment and development		100	Newly established
Xiangcheng Lechang PV Energy Co., Ltd.	Xiangcheng County, Henan Province	Xiangcheng County	Investment and development		100	Newly established
Ningde LONGi Solar Energy Co., Ltd.	Ningde City, Fujian Province	Ningde City	Investment and development		100	Newly established
Zhuhai LONGi Clean Energy Co., Ltd.	Zhuhai City, Guangdong Province	Zhuhai City	Investment and development		100	Newly established
Zhumadian Qijian New Energy Co., Ltd.	Zhumadian City, Henan Province	Zhumadian City	Investment and development		100	Consolidation not under common control

Cao-County Lezhao Solar Technology Co., Ltd.	Caoxian County, Heze City, Shandong	Caoxian County	Investment and development		100	Newly established
Xi Xian New Area Leyue Solar Energy Co., Ltd.	Jinghe New City, Xi Xian New Area, Shaanxi Province	Xi Xian New Area	Investment and development		100	Newly established
Wugong Lejia Solar Energy Co., Ltd.	Wugong County, Xinyang City, Shaanxi Province	Wugong County	Investment and development		100	Newly established
Tianjin Lexiang Solar Energy Co., Ltd.	Baodi District, Tianjin	Tianjin	Investment and development		100	Newly established
Linqu Letou Solar Energy Co., Ltd.	Linqu County, Weifang City, Shandong Province	Linqu County	Investment and development		100	Newly established
Linyi Lezhao Solar Energy Co., Ltd.	Feixian, Linyi City, Shandong Province	Feixian	Investment and development		100	Newly established
Shijiazhuang Lezhao New Energy Co., Ltd.	Luquan Area, Shijiazhuang City, Hebei Province	Shijiazhuang City	Investment and development		100	Newly established
Zoucheng LONGi Solar Energy Co., Ltd.	Zoucheng City, Shandong Province	Zoucheng City	Investment and development		100	Newly established
Linqing Lezhao Solar Technology Co., Ltd.	Linqing City, Liaocheng City, Shandong Province	Linqing City	Investment and development		100	Newly established
Guangrao Leguang Solar Energy Co., Ltd.	Guangrao Xian, Dongying City, Shandong Province	Guangrao Xian	Investment and development		100	Newly established
Weifang LONGi Solar Energy Co., Ltd.	Weifang City, Shandong Province	Weifang City	Investment and development		100	Newly established
Jining Economic and Technological Development Zone Leguang Solar Energy Co., Ltd.,	Jining Economic and Technological Development Zone, Shandong Province	Jining Economic and Technological Development Zone	Investment and development		100	Newly established
Henan Xindong New Energy Technology Co., Ltd.	Xinxiang City, Henan Province	Xinxiang City	Investment and development		100	Consolidation not under common control

Xian and Xianyang New Area Ledong Solar Energy Co., Ltd.,	Xi Xian New Area, Xianyang, Shaanxi Province	Xi Xian New Area, Xianyang	Investment and development		100	Newly established
Xian Leheng Solar Energy Co., Ltd.	Changan District, Xian City, Shaanxi Province	Changan District, Xian City	Investment and development		100	Newly established
Wuzhong Leheng Solar Energy Technology Co., Ltd.	Jinji Industrial Park, Wuzhong City, Ningxia	Jinji Industrial Park, Wuzhong City	Investment and development		100	Newly established
Baoding Leqing Solar Energy Co., Ltd.	Baoding City, Hebei Province	Baoding City	Investment and development		100	Newly established
Lijin Letou Solar Energy Co., Ltd.	Lijin County, Dongying City, Shandong Province	Lijin County, Dongying City	Investment and development		100	Newly established
Jinxiang Huiqun New Energy Technology Co., Ltd.	Jinxiang County, Jining City, Shandong Province	Jinxiang County, Jining City	Investment and development		100	Consolidation not under common control
Zoucheng Lehui New Energy Co., Ltd.	Zoucheng City, Jining City, Shandong Province	Zoucheng City, Jining City	Investment and development		100	Consolidation not under common control
Jining Yanzhou Leguang Solar Energy Co., Ltd.	Yanzhou District, Jining City, Shandong Province	Yanzhou District, jining City	Investment and development		100	Newly established
Sishui LONGi Solar Energy Co., Ltd.	Sishui County, Jining City, Shandong Province	Sishui County, Jining City	Investment and development		100	Newly established
Ningde Leguang Solar Energy Co., Ltd.	Dong Qiao Economic Development Zone, Ningde	Dong Qiao Economic Development Zone, Ningde	Investment and development		100	Newly established
Sanya LONGi Solar Energy Co., Ltd.	Sanya, Hainan Province	Sanya, Hainan Province	Investment and development		100	Newly established
Suzhou Leguang Energy Co., Ltd.	Suzhou City, Jiangsu Province	Wujiang Economic Development Zone, Suzhou	Investment and development		100	Newly established
Xian Letian Solar Energy Co., Ltd.	Xian City, Shaanxi Province	Xian International Trade&Logistics Park	Investment and development		100	Newly established
Liyang LONGi Solar Energy Co., Ltd.	Liyang City, Changzhou, Jiangsu	Liyang City	Investment and development		100	Newly established
Xianghe Leguang Solar	Xianghe County,	Xianghe County,Langfang	Investment and		100	Newly established

Energy Co., Ltd.	Langfang City, Hebei Province	City	development			
Zhengzhou Lemu Solar Energy Co., Ltd.	Zhongmu County, Zhengzhou City	Zhongmu County, Zhengzhou City	Investment and development		100	Newly established
Haicheng Disheng Hailian New Energy Technology Co., Ltd.	Haicheng City, Anshan City, Liaoning Province	Haicheng City, Anshan City	Investment and development		100	Consolidation not under common control
Shangshui Lexing Solar New Energy Co., Ltd.	Shangshui County, Zhoukou City	Shangshui County, Zhoukou City	Investment and development		100	Newly established
Zhongshan LONGi Solar Energy Co., Ltd.	Banfu Town, Zhongshan City, Guangdong Province	Banfu Town, Zhongshan City, Guangdong Province	Investment and development		100	Newly established
Yancheng Shangfeng New Energy Technology Co., Ltd.	Yancheng City	Yancheng City	Investment and development		100	Consolidation not under common control
Jiangmen LONGi Solar Energy Co., Ltd.	Jiangmen City	Jiangmen City	Investment and development		100	Newly established
Luoding LONGi New Energy Co., Ltd.	Guangzhou City	Guangzhou City	Investment and development		100	Newly established
Guangzhou Letou Solar Power Engineering Co., Ltd.	Guangzhou City	Guangzhou City	Investment and development		100	Newly established
Shenzhen Grid Connection Solar Co., Ltd.	Guangzhou City	Guangzhou City	Investment and development		90	Consolidation not under common control
Xuzhou LONGi Solar Technology Co., Ltd.	Xuzhou, Jiangsu	Xuzhou, Jiangsu	Investment and development		100	Consolidation not under common control
Wucheng Senneng Power Technology Co., Ltd.	Shandong Province	Shandong Province	Investment and development		100	Consolidation not under common control
Weifang Dongsong Power Technology Co., Ltd.	Weifang, Shandong Province	Weifang, Shandong Province	Investment and development		100	Consolidation not under common control
Changling Suoruite New Energy Technology Co., Ltd.	Jilin Province	Jilin Province	Investment and development		100	Consolidation not under common control
Jiangsu LONGi New Energy Ltd.	Qixia District, Nanjing City	Qixia District, Nanjing City	Investment and development		100	Newly established
Jiaozhou Rongrui New Energy Technology Co.,	Qingdao City, Shandong	Qingdao City	Investment and		100	Consolidation not under

Ltd.	Province		development			common control
Xi'an Zhongxing Chaoyang New Energy Co., Ltd.	Xian City	Xincheng District, Xian City	Investment and development		100	Consolidation not under common control
Lantian Mingrui New Energy Co., Ltd.	Lantian County, Xian City	Lantian County, Xian City	Investment and development		100	Consolidation not under common control
Chengan Lezhao Solar Energy Co., Ltd.	Cheng'an County, Hebei Province	Cheng'an County, Hebei Province	Investment and development		100	Newly established
Changling Dongsong New Energy Technology Co., Ltd.	Jilin Province	Jilin Province	Investment and development		100	Newly established
Linyi Dongsong New Energy Technology Co., Ltd.	Linyi County, Dezhou City, Shandong Province	Linyi County, Dezhou City, Shandong Province	Investment and development		100	Consolidation not under common control
Dezhou Dongsong Power Technology Co., Ltd.	Dezhou City, Shandong Province	Dezhou City, Shandong Province	Investment and development		100	Consolidation not under common control
Linqu Senneng New Energy Technology Co., Ltd.	Weifang City, Shandong Province	Weifang City, Shandong Province	Investment and development		100	Consolidation not under common control
Shanghe Zhongsen Solar Energy Technology Co., Ltd.	Shanghe County, Jinan City, Shandong Province	Jinan City, Shandong Province	Investment and development		100	Consolidation not under common control
Xuzhou Xinwei New Energy Technology Co., Ltd.	Xuzhou, Jiangsu	Xuzhou, Jiangsu	Investment and development		100	Consolidation not under common control
Ningxia Xiaoli New Energy Co., Ltd.	Dawukou District, Shizuishan City	Dawukou District, Shizuishan City	Investment and development		100	Consolidation not under common control
Ningxia Xiaodong Clean And New Energy Co., Ltd.	Jiabao Industrial Park, Qingtongxia City	Jiabao Industrial Park, Qingtongxia City	Investment and development		100	Consolidation not under common control
Xinyang Jinli New Energy Equipment Co., Ltd.	Yangshan New Area, Xinyang City	Yangshan New Area, Xinyang City	Investment and development		100	Consolidation not under common control
Sanyuan LONGi Green Energy Solar Integration Co., Ltd.	Sanyuan County	Sanyuan County	Investment and development		100	Newly established
Liujing Energy Engineering (Kunshan) Co., Ltd.	Zhoushi Town, Kunshan City	Zhoushi Town, Kunshan City	Investment and development		100	Consolidation not under common

						control
Yinchuan Longye New Energy Co., Ltd.	Yinchuan City, Ningxia Province	Yinchuan City, Ningxia Province	Investment and development		100	Newly established
Jiujiang LONGi New Energy Co., Ltd.	Jiujiang City, Jiangxi Province	Jiujiang City, Jiangxi Province	Investment and development		100	Newly established
Heyuan Longle New Energy Co., Ltd.	Yuancheng District, Heyuan City	Yuancheng District, Heyuan City	Investment and development		100	Newly established
Guangzhou Longle Solar Technology Co., Ltd.	Zengcheng District, Guangzhou City	Zengcheng District, Guangzhou City	Investment and development		100	Newly established
Xuzhou Nuoyuan New Energy Technology Co., Ltd.	Xuzhou, Jiangsu	Xuzhou, Jiangsu	Investment and development		100	Newly established
Zhangpu LONGi New Energy Co., Ltd.	Zhangzhou City, Fujian Province	Zhangzhou City, Fujian Province	Investment and development		100	Newly established
Shaoyang Guotai New Energy Development Co., Ltd.	Shaoyang City, Hunan Province	Shaoyang City, Hunan Province	Acquisition		100	Consolidation not under common control
Langfang Longye New Energy Co., Ltd.	Langfang City, Hebei Province	Langfang City, Hebei Province	Investment and development		100	Newly established
Xuzhou Longye New Energy Technology Co., Ltd.	Xuzhou City, Jiangsu Province	Xuzhou City, Jiangsu Province	Investment and development		100	Newly established
Lankao LONGi Solar Energy Co., Ltd.	Lankao County, Henan Province	Lankao County, Henan Province	Investment and development		100	Newly established
Dingyuan Jingneng Solar Power Co., Ltd.	Dingyuan County, Chuzhou City, Anhui Province	Dingyuan County, Chuzhou City, Anhui Province	Investment and development		100	Newly established
Chuzhou Longyuan New Energy Technology Co., Ltd.	Chuzhou City, Anhui Province	Chuzhou City, Anhui Province	Investment and development		100	Newly established
Shanghai Lvjian Energy Technology Co., Ltd.	Shanghai	Shanghai	Investment and development		100	Newly established
LONGi NEW ENERGY (THAILAND) CO., LTD.	Thailand	Thailand	Investment and development		100	Newly established
Yinchuan Leda New Energy Co., Ltd.	Yinchuan City, Ningxia Province	Yinchuan City, Ningxia Province	Investment and development		100	Newly established
Jiaxing Longle New Energy Co., Ltd.	Jiaxing City, Zhejiang Province	Jiaxing City, Zhejiang Province	Investment and development		100	Newly established
Jinhua Longle New	Jinhua City,	Jinhua City,	Investment		100	Newly

Energy Co., Ltd.	Zhejiang Province	Zhejiang Province	and development			established
Shenzhen Longle New Energy Co., Ltd.	Shenzhen City	Shenzhen City	Investment and development		100	Newly established
Jinjiang LONGi New Energy Co., Ltd.	Jinjiang City, Quanzhou City, Fujian Province	Jinjiang City, Quanzhou City, Fujian Province	Investment and development		100	Newly established
Zhuji Lengneng New Energy Technology Co., Ltd.	Zhuji City, Zhejiang Province	Zhuji City, Zhejiang Province	Investment and development		100	Newly established
Kunshan Lemu New Energy Co., Ltd.	Kunshan City, Jiangsu Province	Kunshan City, Jiangsu Province	Investment and development		100	Newly established
Tianjin Longye New Energy Co., Ltd.	Tianjin	Tianjin	Investment and development		100	Newly established
Xian Leyang New Energy Technology Co., Ltd.	Xi'an City, Shaanxi Province	Xian City, Shaanxi Province	Investment and development		100	Newly established
Wulian LONGi Solar Energy Co., Ltd.	Rizhao City, Shandong Province	Rizhao City, Shandong Province	Investment and development		100	Newly established
Jiangmen Jiye New Energy Co., Ltd.	Jiangmen City	Jiangmen City	Investment and development		100	Newly established
Xian Lefeng New Energy Co., Ltd.	Xian Economic & Technological Development Zone	Xian Economic & Technological Development Zone	Investment and development		100	Newly established
Cao-County Dalin New Energy Co., Ltd.	Heze City, Shandong Province	Heze City, Shandong Province	Investment and development		100	Consolidation not under common control
Xian Leheng New Energy Co., Ltd.	Zhouzhi County, Xian City	Zhouzhi County, Xian City	Investment and development		100	Newly established
Xi'an LONGi Green Energy Venture Capital Management Co., Ltd.	Xi'an City	Xi'an City	Investment and development	100		Newly established
Xi'an LONGi Lithium Electricity New Material Co., Ltd.	Xi'an City	Xi'an City	Investment and development		51	Newly established
Chuzhou LONGi Solar Technology Ltd.	Chuzhou City	Chuzhou City	Production and sales		100	Newly established
Ningxia LONGi Solar Technology Ltd.	Yinchuan Economic Development Zone	Yinchuan Economic Development Zone	Production and sales		100	Newly established
Shanxi LONGi Solar Technology Ltd.	Xi'an City	Xi'an City	Production and sales		100	Newly established
LONGI TECHNOLOGY (KUCHING) SDN BHD	Kuching (Malaysia)	Kuching (Malaysia)	Production and sales		100	Newly established

Longling Zhenglong Clean Energy Co., Ltd.	Longling County, Baoshan City	Longling County, Baoshan City	Investment and development		100	Newly established
Anda Longguang New Energy Co., Ltd.	Anda City, Suihua City	Anda City, Suihua City	Investment and development		100	Newly established
Nanhua Zhenglong Clean Energy Co., Ltd.	Nanhua County, Chuxiong Yi Autonomous Prefecture	Nanhua County, Chuxiong Yi Autonomous Prefecture	Investment and development		100	Newly established
Datong Longtai Green Energy Solar Generation Co., Ltd.	Datong County	Datong County	Investment and development		100	Newly established
Longling Ivlong Clean Energy Co., Ltd.	Longling County, Baoshan City	Longling County, Baoshan City	Investment and development		100	Newly established
Nanhua Shenglong Clean Energy Co., Ltd.	Nanhua County, Chuxiong Yi Autonomous Prefecture	Nanhua County, Chuxiong Yi Autonomous Prefecture	Investment and development		100	Newly established
Xian Lvsheng Clean Energy Co., Ltd.	Xi'an City	Xi'an City	Investment and development		100	Newly established
Tongchuan Xiaguang New Energy Power Generation Co., Ltd.	Tongchuan City, Shaanxi Province	Tongchuan City, Shaanxi Province	Investment and development		51	Newly established
Tongchuan Baicao Modern Agricultural Science and Technology Co., Ltd.	Tongchuan City, Shaanxi Province	Tongchuan City, Shaanxi Province	Investment and development		100	Newly established
Xian Longhua New Energy Co., Ltd.	Xi'an City	Xi'an City	Investment and development		100	Newly established
Xian Xuying New Energy Co., Ltd.	Xi'an City	Xi'an City	Investment and development		100	Newly established
Licheng Yingheng Clean Energy Co., Ltd.	Changzhi City, Shanxi Province	Changzhi City, Shanxi Province	Investment and development		51	Newly established
Tongchuan Leguang Solar Energy Co., Ltd	Tongchuan City, Shaanxi Province	Tongchuan City, Shaanxi Province	Production and sales		100	Newly established
Shijiazhuang Longye New Energy Co., Ltd.	Shijiazhuang City, Hebei Province	Shijiazhuang City, Hebei Province	Investment and development		100	Newly established
Guanyun Ganglong Clean Energy Co., Ltd.	Lianyungang City	Lianyungang City	Investment and development		100	Newly established
Guangzhou Longyuan New Energy Co., Ltd.	Guangzhou City	Guangzhou City	Investment and development		100	Newly established

(2). Major non-wholly-owned subsidiary√Applicable Non-applicable**(3). Main financial information of major non-wholly-owned subsidiary**√Applicable Non-applicable

(4). Main restrictions on using Group assets or paying off Group liabilities:√Applicable Non-applicable**(5). Financial support or other supports provided to structured entities included in the scope of consolidated finance report**

Statements:

√Applicable Non-applicable

Other Explanations:

√Applicable Non-applicable**2. Changes in the owners equity in the subsidiaries and continuous control over transaction of subsidiaries**√Applicable Non-applicable**3. Equity in cooperative ventures or joint ventures**√Applicable Non-applicable**(1). Major cooperative ventures or joint ventures**√Applicable Non-applicable

Unit: Yuan; Currency: RMB

Cooperative venture or joint ventures	Main business place	Registration place	Business scope	Proportion of shares held (%)		Accounting treatment of investment in cooperative venture or joint ventures
				Direct	Indirect	
Zhongning New Energy	Zhongning county, Ningxia	Zhongning county, Ningxia	Investment and development		30	equity method
Tongxin LONGi	Tongxin county, Ningxia	Tongxin county	Investment and development		49	equity method
LONGi Tianhua	Zhongning county, Ningxia	Zhongning county	Investment and development		49	equity method
Shanghai	Shanghai	Shanghai	Investment	30		equity method

Baowang			and development			
Zhejiang MTCN	Changxing County, Zhejiang Province	Changxing County	Production and sales	12.03		equity method
Pingmei LONGi	Xuchang City, Henan Province	Xuchang City	Production and sales		19.8	equity method
Sichuan Yongxiang New Energy Co., Ltd.	Leshan City, Sichuan Province	Leshan City	Production and sales	15		equity method
Yidao New Energy	Quzhou City, Zhejiang Province	Quzhou City, Zhejiang Province	Production and sales		21.43	equity method
SCE	Andhra Pradesh (India)	Andhra Pradesh	Operation and management		30.38	equity method
Daqing New Energy	Daqing City, Heilongjiang Province	Daqing City	Investment and development		30	equity method
Zhaozhou New Energy	Daqing City, Heilongjiang Province	Daqing City	Investment and development		30	equity method
Ningxia Yellow River LONGi Distribution Power Co., Ltd.	Yinchuan City, Ningxia	Yinchuan City	Investment and development	40		equity method

Note: No paid-in capital has been invested in Ningxia Yellow River LONGi Distribution Power Co., Ltd. as of the financial statement date.

Explanation that the proportion of shareholding in a cooperative venture or joint ventures is different from that of voting rights:

The Company's nominal investment in Yidao New Energy is 15%, but according to Yidao Investment Company's shareholder investment agreement, the shareholder Quzhou Greenfield invests in a management partnership (nominal investment ratio is 30%) and receives an annual profit of 4.95%, which is recovered by another shareholder Liu Yong after five years. Therefore, the Company's actual investment in Yidao New Energy is 21.43%.

The basis for holding less than 20% of the voting rights but with significant impact, or 20% or more of the voting rights but without significant impact:

The actual participation of directors in the production and operation decision-making of the investee whose share-holding ratio is less than 20% can have a significant impact, so the equity method is adopted to calculate.

(2). Main financial information of major cooperative enterprise

√Applicable □Non-applicable

(3). Main financial information of major joint ventures

√Applicable □Non-applicable

Unit: Ten Thousand Yuan; Currency: RMB

	Ending balance/ accrual in current period							Opening balance/ accrual in prior period						
	Zhongning New Energy	Tongxin LONGi	LONGi Tianhua	Pingmei LONGi	Zhejiang MTCN	Daqing New Energy	Zhaozhou New Energy	Zhongning New Energy	Tongxin LONGi	LONGi Tianhua	Pingmei LONGi	Zhejiang MTCN	Daqing New Energy	Zhaozhou New Energy
Current assets	21,302.60	24,420.74	5,194.22	66,725.55	25,467.16	46,811.00	7,548.49	25,657.50	22,259.38	4,782.80	40,377.58	24,609.17		
Non-current assets	140,261.41	54,078.90	15,297.33	98,171.45	16,738.05	60,915.92	54,852.56	130,195.12	57,297.60	16,363.25	85,187.19	10,648.41		
Total asset	161,564.01	78,499.64	20,491.55	164,897.00	42,205.21	107,726.92	62,401.05	155,852.62	79,556.98	21,146.05	125,564.77	35,257.58		
Liquid liabilities	15,572.68	4,533.18	956.76	76,323.57	9,545.29	89,553.59	50,033.50	95,904.55	5,388.13	1,470.29	38,139.37	9,860.05		
Non-current liability	111,430.00	42,658.87	11,804.74	18,129.69	3,237.10			29,595.10	45,792.60	12,696.64	29,190.00	2,962.08		
Total liabilities	127,002.68	47,192.05	12,761.50	94,453.26	12,782.39	89,553.59	50,033.50	125,499.65	51,180.73	14,166.93	67,329.37	12,822.13		
Minority equity														
Share of net assets calculated by shareholding ratio	34,561.33	31,307.59	7,730.05	70,443.74	29,422.82	18,173.33	12,367.55	30,352.97	28,376.25	6,979.12	60,450.09	22,716.48		
Share of net assets calculated by shareholding ratio	10,368.40	15,340.72	3,787.72	13,947.86	3,539.57	5,452.00	3,710.27	9,105.89	13,904.36	3,419.77	11,969.12	2,730.52		
Adjusting items	-573.84	-1,304.25	-1,190.82	-96.2	49.49				-1,304.19	-1,190.82	68.71	17.35		
--Unrealized profits from internal transactions				-96.2							68.71			
others	-573.84	-1,304.25	-1,190.82		49.49				-1,304.19	-1,190.82		17.35		

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Book value of equity investment in joint ventures	9,794.56	14,036.47	2,596.90	13,851.66	3,589.06	5,452.60	3,710.27	9,105.89	12,600.17	2,228.95	12,037.82	2,747.87		
Operating income														
operation revenue	16,242.94	8,317.00	2,306.09	244,600.58	25,376.13	9,967.69	571.26	640.15	7,253.31	2,193.22	91,473.27	23,692.72		
Net profits	4,208.35	2,931.21	750.93	9,399.37	6,992.40	4,789.16	331.82	28.13	1,439.13	501.57	663.09	5,505.23		
Other comprehensive incomes														
Total comprehensive incomes	4,208.35	2,931.21	750.93	9,399.37	6,992.40	4,789.16	331.82	28.13	1,439.13	501.57	663.09	5,505.23		
Dividends received from joint ventures during the current year														

Other explanations:

Daqing New Energy and Zhaozhou New Energy became joint ventures after disposing of 70% of their shares this year, and in 2017 they were wholly owned subsidiaries of the Company.

(4) Summary financial information of unimportant cooperative ventures and joint ventures

Applicable Non-applicable

(5) Explanation of significant limitations on the ability of a cooperative venture or joint venture to transfer funds to the Company

Applicable Non-applicable

(6) Excess losses incurred by cooperative ventures or joint ventures

Applicable Non-applicable

(7) Unconfirmed commitments related to cooperative venture investment

Applicable Non-applicable

(8) Contingent liabilities related to cooperative venture or joint venture investment

Applicable Non-applicable

4. Major joint operation

Applicable Non-applicable

5. Equity of structured entities not included in the scope of consolidated financial statements

Relevant explanations about structured entities not included in the scope of consolidated financial statements:

Applicable Non-applicable

6. Others

Applicable Non-applicable

X. Risks associated with financial instruments

Applicable Non-applicable

The Company's main financial instruments include equity investment, borrowing, accounts receivable, accounts payable and so on. Detailed explanations of various financial instruments can be found in the relevant items in Note 7 to this note. The risks associated with these financial instruments and the risk management policies adopted by our Company to reduce these risks are described below. The Company's management manages and monitors these exposures to ensure that the above risks are within the limits.

The Company uses sensitivity analysis technology to analyze the reasonable and possible changes of risk variables which may have an impact on current profits and losses or shareholders' rights and interests. Since any risk variable seldom changes in isolation, and the correlation between variables will have a

significant impact on the final amount of change in a risk variable, the following is assumed to be independent of each variable.

The Company's goal in risk management is to strike a proper balance between risk and return, to minimize the negative impact of risk on the Company's operating performance, and to maximize the interests of shareholders and other equity investors. Based on this risk management objective, the basic strategy of the Company's risk management is to identify and analyze the various risks faced by the Company, establish appropriate risk-bearing bottom line and risk management, and timely and reliable supervision of various risks, so as to control the risks within a limited range.

1. Market risks

(1) Foreign exchange risk

Foreign exchange risk refers to the risk of loss arising from changes in exchange rates. As for the Company's subsidiaries, such as LONGI (KUCHING) SDN. BHD., LERRI Solar Technology K.K., LERRI Solar Technology (U.S.), INCLERRI SOLAR TECHNOLOGY (INDIA) PRIVATE LIMITED, Longi New Energy (Uganda) Limited, LONGI Solar Technologie GmbH, LONGI NEW ENERGY (THAILAND) CO., LTD., their main business place is in Malaysia, Japan, United States, India, Uganda, Germany and Thailand. Besides overseas operational risks, the foreign exchange risk faced by domestic companies is related to Ringgit, Japanese Yen, U.S. Dollar, Indian Rupee, Ugandan Shilling, Euro, and Thai Baht; there is purchase and sales of goods in U.S. Dollar, Euro, and Japanese Yen in companies such as LONGI Green Energy, LONGI Solar, Ningxia LONGI, Yinchuan LONGI, Wuxi LONGI, LONGI (H.K.), and Zhejiang LONGI Solar. In addition, other major businesses in the Company are settled in Renminbi. The Company's assets and liabilities were all in Renminbi except for those in U.S. Dollar, Euro and Hong Kong Dollar as of December 31, 2018 in the Table below. The Company's operating performance may be affected by foreign exchange risks arising from the assets and liabilities in such foreign currency balances.

Items	Ending amounting	Opening amounting
Monetary capital		
U.S. Dollar	298,218,725.08	164,034,143.87
Euro	16,212,819.47	1,191,539.27
Yen	726,463,936.00	135,101,894.00
Ringgit	11,080,190.52	5,626,901.33
Indian Rupee	43,399,024.04	2,656,150.99
Thai baht	129,581,081.95	56,082,813.00
Shilling	76,891,280.00	46,760,562.73
Receivables		
U.S. Dollar	184,287,785.52	137,134,179.05
Euro	4,175,563.14	2,894,346.00
Yen	78,433,559.00	
Thai baht	8,593,000.00	
Prepayment		
U.S. Dollar	28,312,323.88	7,859.04
Euro	995,151.00	
Ringgit	394,641.74	7,120,373.49
Yen	2,743,104.00	194,225.00

Items	Ending amounting	Opening amounting
Thai baht	17,634,655.52	1,241,000.00
Shilling		154,446,660.00
Other receivables		
U.S. Dollar	4,092,362.02	70,028.88
Euro	2,820.30	2,679.28
Yen	19,901,336.00	17,703,600.00
Ringgit	253,255.68	399,147.07
Indian Rupee	55,500.00	52,250.00
Thai baht	608,909.45	428,975.35
Shilling		32,750,836.00
Inventory		
U.S. Dollar	20,112,551.87	348,604.88
Euro	14,801,628.28	
Ringgit	340,641,206.17	175,226,296.16
Yen	64,452,682.00	
Shilling	732,101,749.58	480,193,245.24
Thai baht	10,200,637.52	
Other current assets		
Euro	4,821.10	4,029.29
Ringgit	4,535,013.75	4,728,746.83
Indian Rupee	8,881,985.00	
Thai baht	8,041,457.63	97,757.37
Shilling		23,841,063.97
Long-term receivables		
Indian Rupee	13,074,450.00	12,330,000.00
Fixed assets		
U.S. Dollar	9,331.82	1,465.68
Euro	4,635.85	1,825.58
Ringgit	914,925,559.83	773,824,253.41
Yen	1,703,030.00	1,408,822.35
Indian Rupee	52,461.60	90,844.80
Shilling	1,757,850.04	2,181,550.00
Thai baht	198,384.50	
Construction in progress		
Ringgit	133,405,279.15	97,620,426.03
Indian Rupee	27,460,712.00	1,012,638.38
Thai baht		521,185.50
Intangible assets		
Ringgit	2,017,380.89	1,265,401.98
Long-term unamortized expenses		
Yen	5,239,002.00	6,850,994.05
Ringgit	11,388,440.30	11,967,914.43
Rouble	379,744,000.00	225,313,131.34
Thai baht	374,708.48	
Deferred income tax assets		

Items	Ending amounting	Opening amounting
U.S. Dollar	52,647.52	24,986.94
Yen	19,082,944.69	18,435,534.17
Euro	35,986.22	22,700.57
Short-term borrowing		
U.S. Dollar	18,347,650.00	132,000,000.00
Accounts payable		
U.S. Dollar	57,018,175.88	129,875,244.13
Euro	1,248,370.94	4,465,632.34
Yen	130,000.00	45,821,989.00
Ringgit	16,311,790.14	5,665,108.40
Thai baht	4,119,534.20	
Advance payment		
U.S. Dollar	57,018,175.88	798,101.34
Euro	1,248,370.94	31,478.40
Yen	130,000.00	36,308,865.00
Ringgit	16,311,790.14	41,997,999.97
Thai baht	4,119,534.20	
Payroll payable		
U.S. Dollar	191,275.50	21,096.50
Euro	136,874.08	192.13
Yen	18,874,937.00	3,030,837.02
Ringgit	4,064,726.48	3,271,819.07
Indian Rupee	521,553.00	607,971.00
Thai baht	17,926.00	
Shilling		4,941,000.00
Tax payable		
U.S. Dollar	1,964,586.57	145,638.33
Euro	8,771.46	15,907.12
Yen	13,644,574.00	10,021,348.32
Ringgit	300,106.34	283,254.85
Indian Rupee	125,915.00	121,982.00
Thai baht	343,194.09	89,585.58
Shilling		4,744,299.00
Other payables		
U.S. Dollar	40,319,561.84	447,622.07
Euro	3,602,218.31	186,683.39
Yen	57,714,894.00	12,920,226.00
Ringgit	15,786,039.33	117,027,531.13
Indian Rupee	2,734,464.00	507,248.00
Shilling	333,000.00	6,161,340.50
Thai baht	5,319,754.49	408,751.00
Long-term loan		
U.S. Dollar	200,000,000.00	
Estimated liabilities		
U.S. Dollar	563,285.79	563,285.79

Items	Ending amounting	Opening amounting
Euro	21,824.74	21,824.74
Yen	1,129,897.14	1,129,897.14
Ringgit	4,821,609.39	

Our Company pays close attention to the impact of exchange rate changes on our foreign exchange risk. At present, the Company has not taken any measures to avoid foreign exchange risk.

Foreign exchange risk sensitivity analysis:

Foreign exchange risk sensitivity analysis assumes that all net investment hedging and cash flow hedging for overseas operations are highly effective. On the basis of the above assumptions and other variables unchanged, the possible reasonable changes in exchange rates have the following pre-tax effects on current profits and losses and shareholders' equity:

Items	Change in exchange rate	In this year		In the previous year	
		Influence on profit	Influence on shareholders equity	Influence on profit	Influence on shareholders equity
Asset category	Appreciation against RMB by 1%	64,354,877.09	64,354,877.09	20,263,486.67	37,808,537.49
	Depreciation against RMB by 1%	-64,354,877.09	-64,354,877.09	-20,263,486.67	-37,808,537.49
Liability category	Appreciation against RMB by 1%	-12,785,026.54	-12,785,026.54	-17,577,441.16	-20,376,237.95
	Depreciation against RMB by 1%	12,785,026.54	12,785,026.54	17,577,441.16	20,376,237.95

(2) Interest Rate Risk-Cash Flow Change Risk

The risk of cash flow changes of financial instruments caused by interest rate changes in our Company is mainly related to bank loans with floating interest rate. Our policy is to keep the floating interest rates.

Interest rate risk sensitivity analysis:

The interest rate risk sensitivity analysis is based on the following assumptions:

- The change of market interest rate affects the interest income or expenses of the financial instruments with variable interest rate.
- For the financial instruments with fixed interest rate measured at fair value, the changes of market interest rates only affect their interest income or expenses.
- For derivative financial instruments designated as hedging instruments, changes of market interest rates affect their fair value, and all interest rate hedging expectations are highly effective;
- The fair value changes of derivative financial instruments and other financial assets and liabilities are calculated by discount cash flow method at market interest rate on balance sheet day.

On the basis of the above assumptions and other variables unchanged, the possible reasonable changes in interest rates have the following pre-tax effects on current profits and losses and shareholders' equity:

Items	Interest rate change				
		This year		Last year	
Liability category	Increase by 1%	Influence on profits	Influence on shareholders' equity	Influence on profits	Influence on shareholders' equity
	Decrease by 1%	2,123,073.28	-2,123,073.28	1,612,436.34	1,612,436.34

(3) Other price risks

The investments held by the Company are classified as for the-sale financial assets and transactional financial assets, which are measured at fair value on the balance sheet date. Therefore, the Company bears the risk of changes in the securities market. The Company adopts the way of holding a variety of equity portfolio to reduce the price risk of equity portfolio investment.

2. Credit risk

On December 31, 2018, the greatest credit risk exposure that might cause financial losses of the Company comes mainly from the loss of the financial assets of the Company caused by the failure of the other party to perform its obligations and the financial guarantees undertaken by the Company, including:

The book value of financial assets recognized in the consolidated balance sheet reflects the risk exposure of financial instruments measured at fair value, but it is not the largest risk exposure, and its maximum risk exposure will change with the change of future fair value.

To reduce the credit risk, the Company has set up a team to determine the credit limit, conduct credit examination and approval, and implement other monitoring procedures to ensure that necessary measures are taken to recover overdue claims. In addition, the Company reviews the recovery of each individual receivable on each balance sheet day to ensure that sufficient provision for bad debts is made for uncollectible amounts. Therefore, the Company's management believes that the Company's credit risk has been greatly reduced.

The liquidity of the Company is deposited in banks with high credit rating, so the credit risk of liquidity is low.

3. Liquidity risk

When managing liquidity risk, the Company maintains and monitors cash and cash equivalents that the management considers adequate to meet the Company's business needs and reduce the impact of cash flow fluctuations. The Company's management monitors the use of bank loans and ensures compliance with the loan agreement.

The Company uses bank loans as its main source of funds. On December 31, 2018, our unused bank credit lines were RMB 824,484.52 million and \$36.6 million (RMB 373,447 million and \$638.75 million on December 31, 2017).

XI. Disclosure of Fair Value

1. End fair value of assets and liabilities measured at fair value

Applicable Non-applicable

2. Determination basis of market value of continuous and non-continuous level-1 fair value measurement items

Applicable Non-applicable

3. Qualitative and quantitative information of valuation techniques and important parameters used for continuous and noncontinuous level-2 fair value measurement items

Applicable Non-applicable

4. Qualitative and quantitative information of valuation techniques and important parameters used for continuous and noncontinuous level-3 fair value measurement items

Applicable Non-applicable

5. The adjustment information and unobservable parameter sensitivity analysis between book value at opening and closing of period in terms of continuous level-3 fair value measurement items

Applicable Non-applicable

6. The reasons for the conversion among all levels and the policy for determining the timing of conversion within the current period in terms of continuous fair value measurement items

Applicable Non-applicable

7. Changes in valuation techniques and reasons for change during the period

Applicable Non-applicable

8. Fair value of financial assets and financial liabilities not calculated at fair value

Applicable Non-applicable

9. Others

Applicable Non-applicable

XII. Affiliated Party and Related Transactions

1. Information of the Parent Company of the Enterprise

Applicable Non-applicable

The explanation of the parent Company of the enterprise

The Company is an independent company. The major investors are Mr. Li Zhenguo (holding 14.96% shares) and Mrs. Li Xiyan (holding 5.35% shares), who hold 20.31% shares in total.

The ultimate controlling parties of this enterprise are Li Zhenguo and Li Xiyan.

2. Information about subsidiaries of the Enterprise

Please refer to Notes for more details about subsidiaries of the enterprise

Applicable Non-applicable

Please refer to Equity in Subsidiaries in IX. 1.

3. Information about cooperative ventures and joint ventures of the Enterprise

Please refer to Notes for more details about major cooperative ventures and joint ventures of the Enterprise

Applicable Non-applicable

Please refer to Equity in cooperative ventures and joint ventures in IX. 3.

Informations about other cooperative ventures and joint ventures that have related party transactions with the Company in the current period or have a balance of related party transactions with the Company in the earlier period are as follows

Applicable Non-applicable

Cooperative ventures and joint ventures	Relationship with the Company
Zhongning New Energy	Joint ventures
Tongxin LONGi	Joint ventures
LONGi Tianhua	Joint ventures
Shanghai Baowang	Joint ventures
Zhejiang MTCN	Joint ventures
Pingmei LONGi	Joint ventures
Sichuan Yongxiang New Energy Co., Ltd.	Joint ventures
Yidao New Energy	Joint ventures
SCE	Joint ventures
Daqing New Energy	Joint ventures
Zhaozhou New Energy	Joint ventures
Ningxia Yellow River LONGi Distribution Power Co., Ltd.	Joint ventures

Other explanations

Applicable Non-applicable

4. Other Affiliated Parties

Applicable Non-applicable

Other Affiliated Parties	Relationship Between other affiliated parties with the Company
Li Zhenguo	Other
Li Xiyan	Other
Li Chun'an	Other
Zhong Baoshen	Other
Liu Xuewen	Other
Xu Dapeng	Other
Zhang Rumin	Other
Zou Zonghai	Other
Tian Gaoliang	Other
Li Shoushuang	Other
Guo Ju'e	Other
Sun Zhuo	Other
Qi Chengjun	Other
Li Xiangju	Other
He Jing	Other
Wang Xiaozhe	Other
Liu Xiaodong	Other
Shenyang LONGi Electromagnetic Technology Co., Ltd.	Other
Dalian Linton NC Machine Co., Ltd	Other

Linton Crystal Technologies Corp.	Other
Shanghai Fuchuan Automation Equipment Co., Ltd.	Other
Ningxia MTCN Semiconductor Materials Technology Co., Ltd.	Other
Xi'an MTCN Semiconductor Materials Co., Ltd.	Other
Audiowell Electronics (Guangdong) Co., Ltd.	Other

5. Information about related transactions

(1). Related Transactions for goods purchase and sale, and provision and acceptance of labor service

Table for goods purchase and acceptance of labor service

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Affiliated Parties	Related transactions	Accrual in current period	Accrual in prior period
Dalian Linton NC Machine Co., Ltd.	Spare parts	528,377.44	845,132.65
Dalian Linton NC Machine Co., Ltd.	Production equipment	912,869,951.47	776,790,995.86
Ningxia MTCN Semiconductor Materials Co., Ltd.	Spare parts and others	1,793,421.76	4,727,716.26
Ningxia MTCN Semiconductor Materials Co., Ltd.	Polysilicon material	908,199.96	
Pingmei LONGi New Energy Technology Co., Ltd.	Cell processing commissioned	783,640,560.15	232,406,291.95
Shanghai Fuchuan Automation Equipment Co., Ltd.	Spare parts	688,280.96	372,747.00
Shanghai Fuchuan Automation Equipment Co., Ltd.	Production equipment	49,645,560.88	23,947,008.46
Shenyang LONGi Electromagnetic Technology	Spare parts	500,136.22	61,976.08
Shenyang LONGi Electromagnetic Technology Co. Ltd.	Production equipment	12,376,051.17	3,782,957.44
Linton Crystal Technologies Corp.	Production equipment		139,644.20
Total		1,762,950,540.02	1,043,074,469.90

Table for goods sales and provision of labor service

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Affiliated Parties	Related transactions	Accrual in current period	Accrual in prior period
Dalian Linton NC Machine Co., Ltd.	Other	30,581.78	
Ningxia MTCN Semiconductor Co., Ltd.	Other	296,369.66	
Ningxia MTCN Semiconductor Co., Ltd.	Electricity	11,261,556.45	9,398,965.38
Ningxia MTCN Semiconductor Materials Co., Ltd.	Other	960,899.81	397,825.57

Pingmei LONGi New Energy Technology Co., Ltd.	Silicon wafer	112,797,383.89	95,123,938.15
Pingmei LONGi New Energy Technology Co., Ltd.	Technical services	3,350,979.06	
Xi'an MTCN Semiconductor Materials Co., Ltd.	Electricity	1,696,373.74	1,077,483.71
Xi'an MTCN Semiconductor Materials Co., Ltd.	Other	74,186.57	14,734.56
Xi'an MTCN Semiconductor Materials Co., Ltd.	Water	175,707.98	136,423.11
Total		158,488,104.51	106,149,370.48

Explanation of Related Transactions for Purchasing and Selling Goods, Providing and Accepting Labor Service

Applicable Non-applicable

(2) Affiliated Trusteeship/Contracting and Trusteeship/Outsourcing

Table for trusteeship management and contracting of the Company:

Applicable Non-applicable

Explanation of affiliated trusteeship management and contracting

Applicable Non-applicable

Table for commissioned management and outsourcing of the Company:

Applicable Non-applicable

Explanation of affiliated trusteeship management and outsourcing

Applicable Non-applicable

(3). Information about affiliated lease

The Company serves as the lessor:

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Lessee	Category of leasing asset	Rental income confirmed in current period	Rental income confirmed in prior period
Ningxia MTCN Technology Co., Ltd.	Housing	1,799,526.99	1,577,580.45
Ningxia MTCN Technology Co., Ltd.	Fixed assets	56,952.00	69,822.00
Total		1,856,478.99	1,647,402.45

The Company serves as the lessee:

Applicable Non-applicable

Explanation of affiliated lease

Applicable Non-applicable

(4). Affiliated party guarantee

The Company serves as the guarantor

√Applicable □Non-applicable

Unit: Ten Thousand Yuan; Currency: RMB

Secured party	Amount guaranteed	Starting date of guarantee	Expiring date of guarantee	Whether the guarantee completed or not
Cao-County Lezhao	42,800.00	2017/5/18	2024/5/17	No
Hami Liurui	12,000.00	2016/10/25	2023/10/25	No
Hami Liuyang	10,000.00	2016/10/25	2023/10/25	No
Hulu island New Energy	15,607.58	2017/6/17	2029/7/3	No
Huanglong Clean Energy	22,412.35	2017/12/26	2029/6/26	No
LONGi Anfang	5,300.00	2016/9/30	2023/9/30	No
LONGi Solar	12,750.00	2018/9/22	2021/9/10	No
LONGi Solar	10,000.00	2018/2/1	2021/2/1	No
LONGi Solar	30,000.00	2018/4/26	2021/4/18	No
LONGi Solar	34,400.00	2018/7/27	2027/7/26	No
Shouguang Jinhe	22,400.00	2016/11/24	2023/11/24	No
Taizhou LONGi Solar	15,000.00	2018/1/19	2022/12/31	No
Taizhou LONGi Solar	50,000.00	2018/3/29	2021/3/28	No
Wuxi LONGi	6,000.00	2017/1/21	2022/1/21	No
Wuxi LONGi	10,000.00	2018/3/22	2022/3/22	No
Yanchuan Longfu	10,866.60	2017/12/20	2029/6/26	No
Yinchuan LONGi	10,000.00	2017/3/21	2024/3/20	No
Yinchuan LONGi	24,000.00	2017/6/23	2020/6/22	No
Yinchuan LONGi	14,400.00	2017/3/31	2020/3/30	No
Yinchuan LONGi	20,000.00	2017/3/7	2024/3/6	No
Yinchuan LONGi	15,000.00	2016/12/5	2023/12/4	No
Yinchuan LONGi	11,000.00	2014/12/16	2021/12/16	No
Yinchuan LONGi	12,000.00	2018/6/6	2021/3/2	No
Zhejiang LONGi Solar	5,500.00	2017/1/18	2022/1/18	No
Zhejiang LONGi Solar	11,000.00	2017/11/9	2022/11/8	No
Zhejiang LONGi Solar	16,500.00	2018/9/5	2022/3/5	No
LONGi New Energy	20,000.00	2018/6/20	2019/6/20	No
Guangzhou Longle	4,218.32	2018/7/18	2027/6/18	No
Ningde LONGi Solar	7,147.70	2018/6/28	2027/5/28	No
Xiangcheng Lechang	6,679.00	2018/6/29	2027/5/29	No
Xinyang Jinli	3,398.09	2018/6/29	2027/5/29	No
Zhengzhou Lemu Solar	6,796.17	2018/6/29	2027/5/29	No
Lijiang LONGi	32,691.79	2018/6/1	2025/6/1	No
Lijiang LONGi	16,964.27	2018/6/1	2025/6/1	No
Taizhou LONGi Solar	6,000.00	2018/4/19	2021/3/2	No
LONGi Solar	17,400.00	2018/8/20	2021/8/19	No
Xuzhou Xinwei	10,100.59	2018/9/4	2025/9/3	No

Wuzhong Leheng	3,993.26	2018/9/16	2025/9/15	No
Yinchuan LONGi	32,000.00	2018/10/17	2021/10/16	No
LONGi Solar	20,000.00	2018/9/25	2021/9/25	No
LONGi Solar	30,000.00	2018/11/27	2021/11/26	No
Taizhou LONGi Solar	14,000.00	2018/12/1	2021/11/30	No
LONGi (H.K.)	20,000.00 \$ 20,000.00	2018/6/27	2025/6/27	No
LONGi Solar	1,500.00 \$ 1,500.00	2018/3/7	2021/3/6	No
LONGi(the United States)	3,000.00 \$ 3,000.00	2018/8/28	2019/12/31	No
LONGi(Germany)	8,016.52 \$ 8,016.52	2018/12/18	2019/12/31	No

The Company serves as the Secured party

Applicable Non-applicable

Unit: Ten Thousand Yuan; Currency: RMB

Secured party	Amount guaranteed	Starting date of guarantee	Expiring date of guarantee	Whether the guarantee completed or not
Wuxi LONGi	15,000.00	2018/3/27	2019/3/26	No
Wuxi LONGi, Yinchuan LONGi	30,000.00	2018/8/1	2019/7/23	No

Explanation of Connected-party guarantee

Applicable Non-applicable

Note:

1. The Company applies to the Shaanxi Branch of the Bank of China for the establishment of a financing guarantee with Gujin LONGi, a wholly-owned subsidiary, or LONGi New Energy (Thailand) as the guarantor. AS the applicant for the guarantee , the company confirms that it undertakes the joint and several liability guarantee under the guarantee with RMB 150 million for the period from 31 August, 2018 to 31 August, 2020.

2. The Company applies to Citibank (China) Co., Ltd. for a comprehensive credit line with an equivalent value not exceeding \$50 million. LONGi Solar shares the credit line and is guaranteed by the Company for the period from October, 2018 to October,2019.

3. The Company guarantees the credit business in which Zhejiang LONGi Solar applies to Quzhou Branch of Hangzhou Banking Company Limited for bank acceptance of draft, letter of guarantee and total opening of letter of credit not exceeding RMB 165 million, starting from August 6, 2018 to August 5, 2019.

4. The Company provides performance guarantee to its wholly-owned subsidiary, LONGi(the United States), from August 28, 2018 to December 31, 2019; and to its wholly-owned subsidiary, LONGi(Germany), from December 18, 2018 to December 31, 2019.

(5). Loan at call for affiliated party

Applicable Non-applicable

(6). Information about assets transfer and debt restructuring of affiliated parties

Applicable Non-applicable

(7). Remuneration of key management personnel

√Applicable □Non-applicable

Unit: Ten Thousand Yuan; Currency: RMB

Item	Accrual in current period	Accrual in prior period
Remuneration of key management personnel	4,714.23	3,902.82

(8). Other related transactions

√Applicable □Non-applicable

On October 24, 2014, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (major Investor) provided joint and several liability guarantees for the RMB 110 million after-sale leaseback financing lease contract signed by Yinchuan LONGi, a wholly-owned subsidiary of the Company, and CAAC International Leasing Co., Ltd. The guarantee covers all the debts of Yinchuan LONGi under the lease contract and the transfer contract of CAAC International Leasing Co., Ltd.

On August 25, 2015, the Company signed a total loan of RMB 249 million between Tongxin LONGi New Energy Co., Ltd. and Ningxia Hui Autonomous Region Branch of National Development Bank Co., Ltd. for a joint venture, with a borrowing period of 15 years (from August 28, 2015 to August 27, 2030) and a principal of RMB 120.1million as well as its interest, penalty, compound interest, compensation and liquidation fine. Damage compensation and the cost of realizing creditor's rights shall provide joint and several liability guarantee to the lender for two years from the expiration date of each debt under the main contract.

On August 25, 2015, the Company signed a total loan of RMB 76million between Tongxin LONGi New Energy Co., Ltd. and Ningxia Hui Autonomous Region Branch of National Development Bank Co., Ltd. for a joint venture, and borrowed for 15 years (from September 15, 2015 to September 14, 2030) for a long-term loan of RMB 37.24 million principal and its interest, penalty, compound interest, compensation, breach of contract fine, etc. Damage compensation and the cost of realizing creditor's rights provide the lender with joint and several liability guarantee for two years from the expiration date of each debt under the main contract.

On August 25, 2015, the Company signed a total loan of RMB 229 million between Tongxin LONGi New Energy Co., Ltd. and Ningxia Hui Autonomous Region Branch of National Development Bank Co., Ltd. for a joint venture, with a borrowing period of 15 years (from September 15, 2015 to September 14, 2030) and RMB 112.21 million in the long-term loan, as well as its interest, penalty, compound interest, compensation and liquidation fine. Damage compensation and the cost of realizing creditor's rights shall provide joint and several liability guarantee to the lender for two years from the expiration date of each debt under the main contract.

On August 28, 2015, the Company signed a total loan of RMB 152 million between LONGi Tianhua New Energy Co., Ltd. of Zhongning and Ningxia Hui Autonomous Region Branch of National Development Bank Co., Ltd. for a 15-year period (from September 15, 2015 to September 14, 2030) with a principal of RMB 74.48 million and its interest, penalty, compound interest, compensation and default. Goods, damages and expenses for the realization of creditor's rights provide joint and several liability guarantee to the lender for two years from the expiration of each debt under the main contract.

On December 14, 2016, Li Zhenguo (the legal representative, general manager and major investor of the Company) signed a credit award amounting to RMB 150 million between Yinchuan LONGi, a wholly-owned subsidiary of the Company, and Xicheng Branch of Ningxia Bank. The total principal, interest, overdue interest and interest under the Fixed Asset Loan Contract (hereinafter referred to as the "main contract") with the full number of NY010010020020160900004 are included. Compound interest, penalty, liquidated damages, damages, commitment fees, losses caused by exchange rate changes and other expenses are guaranteed. The guarantee period shall be two days from the expiration date of each debt under the main contract.

On August 3, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) guaranteed the Comprehensive Credit Agreement signed by LONGi Solar, a subsidiary of the Company, and Xi'an Branch of Guangda Bank. The valid period of the credit is from August 2018 to August 2019. The maximum amount of guarantee shall be RMB 175 million. It covers principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, compensation for damages, expenses for the realization of creditor's rights and other expenses payable under the main contract. The term of guarantee is two years from the expiration of the time limit for the performance of debts by the trustee specified in the specific credit business contract or agreement.

On June 19, 2018, the Company guaranteed the credit agreement signed by its subsidiary New Energy and the Xi'an Branch of Guangda Bank. The maximum amount of the guarantee is RMB 200 million. The effective use period of the credit line is from June 21, 2018 to June 20, 2019. The guarantee period is two years from the effective date of the guarantee contract to the expiration date of the specific credited debts under the main contract. The scope of guarantee covers the principal, interest, compound interest and penalty of all debts (including contingent liabilities) that the debtor should bear under the main contract, and the cost of realizing the creditor's rights.

In October 2018, the Company guaranteed the financing agreement signed between LONGi Solar and Citibank (China) Limited. The guaranteed amount is \$30 million, covering all debts under the main contract, including but not limited to principal, interest, compound interest, penalty, liquidated damages, etc. The guarantee period is two years from the last repayment date of the business under the main contract.

On March 12, 2018, Li Zhenguo (the Company's legal representative, general manager, major investors) and Li Xiyan (major investors) provided guarantees for the "Credit Quota Contract" signed by the Company and the Xi'an Branch of Guangzhou Development Bank. The valid period of the credit quota was from March 12, 2018 to March 11, 2019. The maximum amount of guarantee was RMB 500 million, covering the main contract. The principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fees, liquidation damages, damages, expenses for the realization of creditor's rights and other expenses payable under this item shall be guaranteed for a period of two years from the expiration of the time limit for the performance of the debts of the trustee specified in the specific credit-granting business contract or agreement.

On April 17, 2017, the Company guaranteed the debt contract signed by its subsidiary LONGi Solar and the Xi'an Branch of HSBC Bank (hereinafter referred to as the "main contract") with a guaranteed amount of \$16.5 million, covering all debts owed to the bank at the beginning of the determination of the creditor's rights period of the main contract, with a guaranteed period of two years from the expiration of the main creditor's rights period of the main contract.

On March 9, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) provided guarantee for the credit granting agreement signed by the Company and Xi'an Branch of HSBC Bank. The effective period of the credit granting is from March 9, 2018 to March 8, 2019, and the maximum amount of guarantee is no more than \$ 16.5 million. The scope of guarantee covers principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, compensation for damages, expenses for the realization of creditor's rights and other expenses payable under the main contract. The term of guarantee is two years from the expiration of the time limit for the performance of debts by the trustee specified in the specific credit business contract or agreement. On February 1, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) guaranteed the credit agreement signed between the Company and Xi'an Branch of China Construction Bank, Hi-tech Branch. The amount of guarantee was RMB 400 million, covering all debts under the main contract, including but not limited to principal, interest (including compound interest and penalty interest). The term of guarantee shall be three years from the date of signing the main contract of a single credit granting business to the date of expiration of the debtor's obligation under the main contract.

On April 24, 2018, the Company guaranteed the credit agreement signed by its subsidiary LONGi Solar and Xi'an Branch of China Construction Bank with a maximum amount of RMB 100 million. The guarantee covers all debts under the main contract, including but not limited to principal, interest (including compound interest and penalty), liquidated damages, compensation, etc. The guarantee period is the owner of the self-written credit business. From the date of signing the contract to three years after the maturity of the debtor's debts under the main contract.

On January 17, 2017, Li Zhenguo (the legal representative, general manager and major investor of the Company) pledged the credit loan contract signed by the Company with the Export-Import Bank of China for RMB 300 million and the export seller of high-tech products with RMB 52 million shares of the Company. The loan term is 24 months.

On August 9, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) pledged their RMB 77 million shares of the Company and RMB 45 million shares of the Company held by Li Chun'an to the Shaanxi Branch of the Export-Import Bank. The Company and its subsidiaries pledged to Shaanxi Province Branch of the Export-Import Bank from June 15, 2018 to June 15, 2020. Specific business contracts signed by provincial branch banks shall not exceed RMB 750 million in debt to provide guarantees. The guarantees cover principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fees, liquidated damages, compensation for the realization of creditor's rights and other expenses payable under the main contract. The guaranteed period shall be self-specific credit business contracts or agreements. The agreed trustee shall perform the debt for two years from the expiration date.

On September 26, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) guaranteed the comprehensive credit agreement signed between the Company and Minsheng Bank of China Xi'an Branch. The effective period of the credit line was from September 25, 2018 to September 25, 2019. The maximum amount of guarantee was no more than RMB 900 million, and the scope of guarantee was under the main contract. The principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, damages, expenses for realizing creditor's rights and other expenses payable shall be guaranteed for two years from the expiration of the time limit for the performance of the debts of the trustees specified in the specific credit-granting business contract or agreement.

On December 20, 2017, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) provided guarantee for the basic credit contract signed by the Company and Xi'an Branch of Industrial Bank. The effective use period of the credit line was from August 18, 2017 to August 17, 2018, and the maximum amount of guarantee was no more than RMB 300 million of the exposures of the main creditor's rights. The scope of guarantee covers principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, compensation for damages, expenses for the realization of creditor's rights and other expenses payable under the main contract. The term of guarantee is two years from the expiration of the time limit for the performance of debts by the trustee specified in the specific credit business contract or agreement.

On May 29, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) guaranteed the acceptance agreement of the Bank of Xi'an Branch of the Postal Savings Bank of our Company. They guaranteed acceptance bills of exchange not exceeding RMB 190 million during the period from May 29, 2018 to November 29, 2018. The scope of guarantees was mainly under the main contract. Creditor's principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, damages, expenses for realizing creditor's rights and other expenses payable, the guarantee period shall be two years from the expiration of the time limit for performance of the debts agreed upon by the trustee in the specific business contract or agreement. On May 10, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) guaranteed the principal and interest of the main creditor's rights under the main contract from March 12, 2018 to November 19, 2018 when they handled all kinds of business in Xi'an Branch of Zhejiang Commercial Bank to form a debt of no more than RMB 412.5 million. The scope of guarantees was mainly under the main contract. Creditor's principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, damages, expenses for realizing creditor's rights and other expenses payable, the guarantee period shall be two years from the expiration of the time limit for performance of the debts agreed upon by the trustee in the specific business contract or agreement.

On May 11, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) provided guarantees for the business of LONGi Solar, a subsidiary of the Company, from March 12, 2018 to November 19, 2018, in Xi'an Branch of Zhejiang Commercial Bank, forming a debt of no more than RMB 200 million. The scope of guarantees was mainly under the main contract. Creditor's principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, damages, expenses for realizing creditor's rights and other expenses payable, the guarantee period shall be two years from the expiration of the time limit for performance of the debts agreed upon by the trustee in the specific business contract or agreement.

On May 10, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) guaranteed the principal and interest of the main creditor's rights under the main contract from March 12, 2018 to November 19, 2018 when they handled all kinds of business in Xi'an Branch of Zhejiang Commercial Bank to form a debt of no more than RMB 412.5 million, covering the principal and interest of the main creditor's rights under the main contract. Including statutory interest, agreed interest and penalty interest, compound interest, handling fee, liquidated damages, compensation for damages, expenses for the realization of creditor's rights and other expenses payable, the guarantee period shall be two years from the expiration of the time limit for the performance of the debts of the trustee specified in the specific business contract or agreement. On December 21, 2017, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) were the subsidiaries of the Company, Zhejiang LONGi Solar. From December 21, 2017 to November 19, 2020, they guaranteed debts of no more than RMB 330 million in the form of bills pool business conducted

by Quzhou Branch of Zhejiang Commercial Bank. The scope of the guarantees was under the main contract. The principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, compensation for damages, expenses for realizing creditor's rights and other expenses payable shall be guaranteed for a period of two years from the date of advance payment by Quzhou Branch of Zhejiang Commercial Bank.

On February 28, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) were the subsidiaries of Taizhou LONGi Solar Company. From February 24, 2018 to November 19, 2018, they guaranteed all kinds of business in Taizhou Branch of Zhejiang Commercial Bank to form debts not exceeding RMB 220 million. The scope of guarantees was mainly under the main contract. Creditor's principal, interest (including statutory interest, agreed interest and penalty interest), compound interest, handling fee, liquidated damages, damages, expenses for realizing creditor's rights and other expenses payable, the guarantee period shall be two years from the expiration of the time limit for performance of the debts agreed upon by the trustee in the specific business contract or agreement.

In December 2016, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) provided guarantees for the Fund Share Transfer Agreement and the Difference Completion Agreement signed between the Company and Chang'an International Trust Co., Ltd. The guaranteed creditor's rights guaranteed all the amount payable and all the obligations that the Company should perform under the main contract. Including, but not limited to, the transfer price of fund share, with a maximum amount not exceeding RMB 900 million, whichever is the actual amount, including the principal and liquidated damages of the principal claims, damages, expenses for realizing the creditor's rights and security rights, and other expenses payable by the debtor of the main contract.

On September 4, 2018, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) provided guarantees for the debts of the Bank of China Shaanxi Branch no more than RMB 150 million. The guarantees ranged from principal, interest (including statutory interest, agreed interest and penalty), compound interest, handling fee, liquidated damages, etc. under the main contract. The term of guarantee for damages, expenses for the realization of creditor's rights and other expenses payable shall be two years from the expiration of the time limit for the performance of the debts of the trustee as stipulated in the specific business contract or agreement. On April 26, 2017, from April 26, 2018 to April 18, 2019, Li Zhenguo (legal representative, general manager and main investor) and Li Xiyan (main investor) were the subsidiaries of LONGi Solar. From April 26, 2018 to April 18, 2019, a debt provider guarantee of no more than RMB 300 million RMB was formed in the Xi'an Branch of CITIC Bank, covering the principal and interest of the main creditor's rights under the main contract. It includes statutory interest, agreed interest and penalty interest, compound interest, handling fee, liquidated damages, compensation for damages, expenses for the realization of creditor's rights and other expenses payable. The term of guarantee is two years from the expiration of the time limit for the performance of the debts of the trustee specified in the specific business contract or agreement.

6. Items Receivable and payable for affiliated party

(1). Items receivable

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Items	Affiliated party	Closing balance		Opening balance	
		Book balance	Bad-debt provision	Book balance	Bad-debt provision
Receivables	Zhaozhou Longhui New Energy Co., Ltd.	263,205,540.28	8,313,196.96		
Notes receivable	Pingmei LONGi New Energy Technology Co., Ltd.	110,000,000.00			
Notes receivable	Ningxia MTCN Technology Co., Ltd.	1,771,513.28		1,973,940.00	
Notes receivable	Xi'an MTCN Technology Co., Ltd.	702,754.00		20,000.00	
Prepayment	Dalian Linton NC Machine Co., Ltd.	13,803,473.55		108,473,300.00	
Prepayment	Shanghai Fuchuan Automation Equipment Co., Ltd.			8,598,166.68	
Prepayment	Shenyang LONGi Magnet Co. Ltd.			1,653,855.00	
Other receivables	Zhaozhou Longhui New Energy Co., Ltd.	634,863.14	31,743.16		
Other receivables	Zhongning LONGi Solar New Energy Co., Ltd.			99,530,592.68	4,976,529.63
Other receivables	Ningxia MTCN Technology Co., Ltd.	98,214.64	4,910.73	938,750.95	46,937.54
Other receivables	Xi'an MTCN Technology Co., Ltd.	2,691.11	134.56	444,838.86	22,241.95

(2). Items payable

√Applicable □Non-applicable

Unit: Yuan; Currency: RMB

Items	Affiliated party	Ending balance	Opening balance
Receivables	Dalian Linton NC Machine Co., Ltd.	1,136,656.39	2,219,136.90
Receivables	Ningxia MTCN Technology Co., Ltd.	987,401.58	1,696,701.68
Receivables	Shanghai Fuchuan Automation Equipment Co., Ltd.	169,635.65	211,896.24
Receivables	Shenyang LONGi Magnet Co. Ltd.	187,515.33	54,000.00
Receivables	Pingmei LONGi New Energy Technology Co., Ltd.	44,526,561.21	299,323.38
Notes receivable	Dalian Linton NC Machine Co., Ltd.	12,384,539.08	11,126,734.00
Notes receivable	Shenyang LONGi Magnet Co. Ltd.	62,290.00	205,990.00
Notes receivable	Shanghai Fuchuan Automation Equipment Co., Ltd.	137,811.97	1,973,896.98
Notes receivable	Pingmei LONGi New Energy Technology Co., Ltd.	99,254,625.06	11,215,500.00
Notes receivable	Ningxia MTCN Technology Co., Ltd.	378,919.20	38,514.40
Advance payment	Ningxia MTCN Technology Co., Ltd.	487,612.08	74,700.35
Advance	Audiowell Electronics (Guangdong) Co., Ltd.	1,068,354.00	

payment			
Other payables	Dalian Linton NC Machine Co., Ltd.	538,243,112.98	264,863,614.24
Other payables	Shanghai Fuchuan Automation Equipment Co., Ltd.	33,845,813.65	13,485,100.00
Other payables	Shenyang LONGi Magnet Co. Ltd.	8,173,519.68	2,433,437.37
Other payables	Ningxia MTCN Technology Co., Ltd.	1,100,000.00	1,100,000.00

7. Commitment of affiliated party

Applicable Non-applicable

8. Others

Applicable Non-applicable

XIII. Share-based Payment

1. Overall situation of share-based payment

Applicable Non-applicable

Unit: Share; Currency: RMB

Total amount of equity instruments granted by the Company during the current period	
The total amount of equity instruments exercised by the Company during the current period	28,630,435.11
The total amount of equity instruments lapsed by the Company during the current period	
The range of strike prices of stock options issued by the Company at the end of the period and the remaining term of the contract	
The price range of other equity instruments issued by the Company at the end of the period and the remaining term of the contract	

2. Share-based payment settled by equity

Applicable Non-applicable

Unit: Yuan; Currency: RMB

The method for determining the fair value of the equity instrument granted on a daily basis	Grant date share price minus grant price
The basis for determining the number of instruments available for equity	Management's best estimate
The reason for the significant difference between the current estimate and the previous estimate	Not Applicable
Share payments settled in equity are included in the accumulated amount of capital reserves	97,816,129.54

The total amount of expenses recognized for the current period shall be paid by shares settled in equity	20,112,958.79
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Other explanations

Note:

According to the "Restricted Stock Incentive Plan" and the bill of its abstract adopted by the resolution of the 4th Provisional Shareholders' Meeting on December 12, 2014, confirmed by the China Securities Regulatory Commission, no objection has been raised and filed. The Company intends to award 12.225 million restricted stocks to the incentive target, with a total of 728 persons, including some directors and senior managers of the Company. The Company's core technology, business and management personnel shall be awarded RMB 9.90 per share. The actual granting date is December 16, 2014. A total of 489 incentives were granted to subscribe 9,272,300.00 restricted RMB common shares and increase the registered capital by RMB. 9,272,300.00.

According to the 16th meeting of the third Board of Directors held on November 10, 2015, the Company deliberated and approved the *Bill on the Granting of Reserved Restricted Stocks to the Incentive Objects*. The Company awarded the restricted RMB ordinary shares 3,000,000.00 shares to 76 incentive objects by way of directional additional issuance, with a face value of RMB 1 per share and a grant price of RMB 6.26 per share. The actual granting date is November 10, 2015. A total of 76 incentives were granted to subscribe 2,960,000.00 shares of RMB common stock and increase the registered capital by 2,960,000.00 yuan.

According to the resolution of the 7th Provisional Shareholders' Meeting of the Company on October 17, 2016 and the revised articles of association, the Company applies for the award of 18.9 million restricted RMB common shares to 1371 middle-level managers and core technology (business) personnel by way of directional additional issuance. Among them, 15.12 million shares were awarded for the first time, and 1202 middle-level managers and core technology (business) personnel were awarded the first time to subscribe for 12,577,400 shares of restricted RMB common shares, increasing the registered capital of RMB 12,577,400.00.

3. Share-based payment settled by cash

Applicable Non-applicable

4. Modification and termination of share-based payment

Applicable Non-applicable

5. Others

Applicable Non-applicable

XIV. Commitments and Contingencies

1. Major commitments

Applicable Non-applicable

External significant commitments, nature, amount and operating lease commitments at the balance sheet date

As of the balance sheet date, the irrevocable operating lease contracts signed by the Company were as follows:

Items	Closing balance at the end of the year	Opening balance at the beginning of the year
Minimum lease payment for an irrevocable operating lease:		
The first year after balance sheet date	45,791,429.22	42,910,122.13
The second year after balance sheet date	66,769,316.16	42,926,285.57
The third year after balance sheet date	57,489,576.23	43,501,104.21
Subsequent years	631,947,694.83	710,693,060.78
Total	801,998,016.44	840,030,572.69

2. Contingencies

(1). Major contingencies at the balance sheet date

Applicable Non-applicable

As of December 31, 2018, the Company does not need to disclose major contingencies.

(2). There should be explanation when there are no major contingencies to be disclosed by the Company:

Applicable Non-applicable

3. Others

Applicable Non-applicable

XV. Items after the Balance Sheet Date

1. Major Non-adjustment items

Applicable Non-applicable

2. Profit distribution

Applicable Non-applicable

Unit: Yuan; Currency: RMB

Proposed allocation of profits or dividends	362,364,674.30
Profits or dividends declared to be distributed after review and approval	

Note:

The profit distribution plan for 2018 approved by the fourth annual meeting of the Board of Directors of the Company in 2018 is as follows: the share capital of 576,254 shares (subject to the restricted repurchase shares approved by the shareholders' meeting) which are to be repurchased after deducting

the total share capital on the date of equity registration at the time of implementing the profit distribution and not participating in the profit distribution, is distributed to all shareholders for every 10 shares. Cash dividend is 1.00 yuan (including tax).

The "profit or dividend to be distributed" in the above table for 2018 is calculated on the basis of the total equity of the Company after the completion of the allotment and the deduction of 576,254 shares of the Company's restricted stock to be repurchased after the implementation of the allotment based on the total equity of the Company on April 8, 2019. The actual data are based on the announcement of the implementation of the Company's equity allocation.

3. Sales return

Applicable non-applicable

4. Explanation of other items after the balance sheet date of other assets

Applicable Non-applicable

The impact of the implementation of the new accounting standards on January 1, 2019:

On March 31, 2017, the Ministry of Finance promulgated Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments (Revised in 2017) (Accounting [2017] no. 7), Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets (Revised in 2017) (Accounting [2017] no. 8), Accounting Standards for Business Enterprises No. 24 - Hedging Accounting (Revised in 2017) (Accounting [2017] no. 9), Accounting Standards for Business Enterprises No. 37 - Financial Instruments Presentation (Revised in 2017) (Accounting [2017] no. 14) was issued on May 2, 2017 (hereinafter referred to as the "New Financial Instruments Standards"), and domestic listed companies are required to implement it as of January 1, 2019. By the resolution of the fourth annual meeting of the Board of Directors of the Company in 2018, the Company will implement the new financial instrument standards mentioned above on January 1, 2019, and will change the relevant accounting policies in accordance with the provisions of the new financial instrument standards mentioned above.

The following are the main contents and impacts of the accounting policy changes involved:

Under the new Financial Instruments Standard, all recognized financial assets are subsequently measured at the amortized cost or fair value.

On the date of implementation of the new financial instrument standards, the business model of managing financial assets is evaluated on the basis of the existing facts and circumstances of the Company on that day, and the characteristics of contractual cash flow on the financial assets are evaluated on the basis of facts and circumstances at the time of initial confirmation of the financial assets. The financial assets are divided into three categories: measuring according to the amortized cost, measuring according to the fair value and accounting for the changes in other comprehensive benefits. It is measured at fair value and its changes are recorded in profits and losses. Among them, when the financial asset terminates recognition, the accumulated gains or losses previously included in other comprehensive gains will be transferred from other comprehensive gains to retained gains, not into current profits and losses.

Under the new financial instrument standards, based on the expected credit loss, the Company makes provision for impairment of financial assets measured by amortized cost, investment in debt instruments measured by fair value and its changes included in other comprehensive gains, lease receivables, contractual assets and financial guarantee contracts, and confirms the loss of credit impairment.

XVI. Other Major Items

1. Correction of accounting errors in previous periods

(1). Traces the restatement method

Applicable Non-applicable

(2). Prospective application

Applicable Non-applicable

2. Debt restructuring

Applicable Non-applicable

3. Replacement of assets

(1). Non-monetary asset exchange

Applicable Non-applicable

(2). Replacement of other assets

Applicable Non-applicable

4. Annuity plan

Applicable Non-applicable

5. Discontinuing operation

Applicable Non-applicable

6. Segment information

(1). Determination basis and accounting policies of the report segment:

Applicable Non-applicable

According to the Company's internal organizational structure, management requirements and internal reporting system, the Company's business is divided into five divisions. The Company's management regularly evaluates the operating results of these divisions in order to determine the allocation of

resources to them and evaluate their performance. On the basis of the business division, the Company has identified four report divisions: wafer division, module division, centralized power station division and distributed power station division. These identifications are based on: (1) the component can generate revenue and incur expenses in daily activities; (2) the management of the group can regularly evaluate the operating results of the component in order to determine the allocation of resources to it and evaluate its performance; (3) the group can obtain relevant accounting information such as the financial status, operating results and cash flow of the component. If two or more business divisions have similar economic characteristics and meet certain conditions, they may be merged into one. The main products and services provided by each report section of our Company are single crystal silicon wafer, solar module, centralized power station and distributed power station.

The information reported by divisions is disclosed according to the accounting policies and measurement standards adopted by divisions when reporting to the management. These measurement bases are consistent with those used in preparing financial statements.

(2). Financial information of the report segment

√Applicable □Non-applicable

Unit: Ten Thousand Yuan; Currency: RMB

Items	Wafer Division	Module Division	Centralized PV System Division	Distributed PV System Division	Others	Offset among segments	In total
Operating income	1,223,602.40	1,541,418.46	50,795.50	120,012.31		737,067.17	2,198,761.50
Including: external transaction Revenues	634,793.88	1,403,617.17	41,963.69	118,386.76			2,198,761.50
Inter-segment transaction Revenues	588,808.51	137,801.29	8,831.81	1,625.56		737,067.17	
Main business cost	976,414.63	1,347,728.71	28,249.63	84,266.27		727,089.80	1,709,569.44
Business tax and surcharges	7,318.11	3,590.78	541.71	267.55			11,718.15
Selling expense	8,766.66	82,762.65	3,263.68	7,842.75	197.81	1,098.10	101,735.45
Administrative expenses	20,321.59	34,702.37	6,282.25	6,612.30	14,551.85		82,470.36
Assets impairment loss	15,618.78	37,188.78	1,030.33	7,363.77	905.84	-10,680.33	72,787.83
Total profits	187,685.76	45,819.56	48,567.44	14,047.41	-13,316.10	-4,244.61	287,048.68
Income tax	22,092.38	7,817.58	3,410.11	-524.3	-2,111.07	582.86	30,101.84
Net profits	165,593.38	38,001.98	45,157.34	14,571.71	-11,205.03	-4,827.47	256,946.85
Total assets	1,907,188.74	1,119,038.39	374,068.88	444,841.21	1,376,295.15	1,255,200.13	3,966,232.24
Total liabilities	809,685.69	692,146.07	260,518.32	296,708.94	246,440.81	22,028.08	2,283,471.75

Note: The discrepancy between data and financial statements in departmental reports is caused by rounding.

Note: The R&D expenses in the sub-report are still grouped under the management expenses.

(3). Reasons must be given if there is no report about segments or no disclosure of total assets or total liabilities in all segments√Applicable Non-applicable**(4). Other descriptions:**√Applicable Non-applicable**7. Major transactions and items that significantly affect decision-making of other investors**√Applicable Non-applicable**8. Others**√Applicable Non-applicable**XVII. Notes for Major Items in Financial Statement of the Parent Company****1. Notes receivable and accounts receivable****Total table condition****(1)Classification and presentation**√Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Notes receivable	2,247,266,510.12	1,329,057,203.55
Accounts receivables	2,671,215,207.12	1,278,263,174.70
Total	4,918,481,717.24	2,607,320,378.25

Other Explanations:

√Applicable Non-applicable

Notes receivable

(2)Classification and presentation of notes receivable√Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Bank's acceptance bill	2,247,266,510.12	1,329,057,203.55
Trade acceptance bill		
Total	2,247,266,510.12	1,329,057,203.55

(3) Notes receivable pledged by the Company at the end of the period√Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Amount pledged at the end of the period
Bank's acceptance bill	1,867,620,119.92

Trade acceptance bill	
Total	1,867,620,119.92

(4) Notes receivable endorsed or discounted by the Company at the end of the period and not yet due on the balance sheet date

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Terminated Confirmation Amount at the End of the Period	Untermiated Confirmation Amount at the End of the Period
Bank's acceptance bill	608,093,418.83	0.00
Total	608,093,418.83	0.00

(5) . The Company transfers the drawer to accounts receivable due to his non-performance of the contract at the end of the period

Applicable Non-applicable

Other Explanations:

Applicable Non-applicable

1. Receivables

(1). Disclosure of Receivables classification:

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Ratio (%)	Amount	Withdrawal ratio (%)		Amount	Ratio (%)	Amount	Withdrawal ratio (%)	
Receivables with significant single amount and with individual bad-debt provision										
Receivables with provision for baddebt in accordance with credit risk characteristic portfolio	2,689,154,792.93	100	17,939,585.81	0.67	2,671,215,207.12	1,304,346,764.31	100	26,083,589.61	2	1,278,263,174.70
Including:										
Aging portfolio	960,201,662.35	35.71	17,939,585.81	1.87	942,262,076.54	630,871,908.35	48.37	26,083,589.61	4.13	604,788,318.74
Other portfolios	1,728,953,130.58	64.29			1,728,953,130.58	673,474,855.96	51.63			673,474,855.96

Receivables with insignificant single amount and with individual bad-debt provision										
In total	2,689,154,792.93	100	17,939,585.81	0.67	2,671,215,207.12	1,304,346,764.31	100	26,083,589.61	2	1,278,263,174.70

Receivables with significant single amount and with individual bad-debt provision at the end of the period:

Applicable Non-applicable

In the portfolio, receivables for bad-debt provision in accordance with aging analysis method:

Applicable Non-applicable

Unit: Yuan Currency: RMB

Aging	Closing balance		
	Receivables	Bad-debt provision	Withdrawal ratio (%)
Within 1 year			
Including: sub-items within 1 year			
Within 6 months	769,625,802.88		
7-12 months	57,892,952.17	2,894,647.60	5
Subtotal within 1 year	827,518,755.05	2,894,647.60	0.35
1 to 2 years	123,799,669.90	12,379,966.99	10
2 to 3 years	8,883,237.40	2,664,971.22	30
In total	960,201,662.35	17,939,585.81	1.87

In the portfolio, receivables for provision for bad debts is calculated by the percentage balance method:

Applicable Non-applicable

In the portfolio, receivables for bad-debt provision in accordance with other methods in portfolios:

Applicable Non-applicable

Portfolio name	Closing balance		
	Receivables	Bad-debt provision	Withdrawal ratio (%)
Intra-group portfolio of affiliate parties	1,728,953,130.58		
In total	1,728,953,130.58		

(2). Bad-debt provision withdrawn, recovered and restituted in current period:

The allowance for bad debts is RMB 0 in the current period and RMB 7,944,003.31 in the allowance for recovering or returning bad debts in the current period.

Among them, the amount of bad debts ready to be recovered or transferred back in the current period is important:

Applicable Non-applicable

(3). Receivables that were actually cancelled after verification in this period:

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount cancelled after verification
Receivables actually cancelled after verification	200,000.49

Including: situation of significant receivables cancelled after verification

Applicable Non-applicable

(4). Receivables of the top 5 Closing balances collected by debtor:

Applicable Non-applicable

The total amount of the top five receivables collected by the debtors is 1,989,275,940.58 yuan, accounting for 73.97% of the total accounts of the Closing balance at the end of the year, and the corresponding total amount of baddebt reserve at the end of the year is RMB0 .

(5). Receivables derecognized due to transfer of financial assets:

Applicable Non-applicable

(6). The amount of assets and liabilities formed by receivables transferred and continuous involvement:

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

2. Other Receivables

Total table condition

(1)Classification and presentation

Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interests receivable		4,000,382.69
Other receivables	512,763,345.44	578,330,814.34
In total	512,763,345.44	582,331,197.03

Other explanations:

Applicable Non-applicable

Interests receivable

(2) Classification of interests receivable

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Entrusted loan		4,000,382.69
In total		4,000,382.69

(3) Important overdue interests

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

Dividends receivable

(4) Dividends receivable

Applicable Non-applicable

(5) Important dividends receivable over one aging year

Applicable Non-applicable

Other explanations:

Applicable Non-applicable

Other receivables

(1) Disclosure of Other Receivables' classification:(2) Applicable Non-applicable

Unit: Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Ratio (%)	Amount	Withdrawal ratio (%)		Amount	Ratio (%)	Amount	Withdrawal ratio (%)	
Other Receivables with significant single amount and with individual bad-debt provision										
Other Receivables with provision for bad-debts in accordance with credit risk characteristic portfolio	513,217,311.50	99.61	453,966.06	0.09	512,763,345.44	578,813,316.77	99.66	482,502.43	0.08	578,330,814.34
Including:										
Aging portfolio	3,257,910.58	0.63	453,966.06	13.93	2,803,944.52	6,264,115.65	1.08	482,502.43	7.7	5,781,613.22
Other portfolios	509,959,400.92	98.98			509,959,400.92	572,549,201.12	98.58			572,549,201.12

Other Receivables with insignificant single amount and with individual bad -debt provision	2,000,000.00	0.39	2,000,000.00	100		2,000,000.00	0.34	2,000,000.00	100	
In total	515,217,311.50	100	2,453,966.06	0.48	512,763,345.44	580,813,316.77	100	2,482,502.43	0.43	578,330,814.34

Other receivables with significant individual amount and provision for bad-debt at the end of the period:

Applicable Non-applicable

In the portfolio, other receivables with provision for bad -debt are calculated by aging analysis method:

Applicable Non-applicable

Unit: Yuan Currency: RMB

Aging	Ending balance		
	Other receivables	Bad-debt provision	Withdrawal ratio (%)
Within 1 year			
Including: sub-items within 1 year			
Subtotal within 1 year	1,741,823.01	87,091.15	5
1 to 2 years	649,756.82	64,975.68	10
2 to 3 years	806,330.75	241,899.23	30
More than 5 years	60,000.00	60,000.00	100
In total	3,257,910.58	453,966.06	13.93

In the portfolio, other receivables for provision for bad debts are calculated by the percentage balance method:

Applicable Non-applicable

In the portfolio, other receivables for provision for bad debts are calculated by other methods:

Applicable Non-applicable

Portfolio name	Ending balance		
	Other receivables	Bad-debt provision	Withdrawal ratio
Intra-group affiliate portfolio	507,588,444.94		
Employee petty cash	2,370,955.98		
In total	572,549,201.12		

(2) Classification by nature of money

Applicable Non-applicable

Unit: Yuan Currency: RMB

Payment nature	Ending balance	Opening balance
Intra-group open credit	507,588,444.94	570,894,753.97

Cash deposit	3,560,233.31	5,274,086.00
Intercourse funds outside the Group	1,684,383.65	2,984,620.04
Employee reserve	2,370,955.98	1,654,447.15
Other	13,293.62	5,409.61
In total	515,217,311.50	580,813,316.77

(3) The provision for bad debts withdrawn, recovered or returned in the current period

The allowance for bad debts is 0 yuan in the current period and 28,536.37 yuan in the allowance for recovering or returning bad debts in the current period.

Among them, the amount of provision for return or recovery of bad debts in the current period is important:

Applicable Non-applicable

(4) Other receivables actually written off in the current period

Applicable Non-applicable

(5) Other receivables in the top five of the Closing balances collected by the debtor

Applicable Non-applicable

Unit: Yuan Currency: RMB

Companies	Payment nature	Closing balance	Aging	Proportion accounted by in total Closing balance of other receivables (%)	Closing balance of bad-debt provision
Xian LONGi Clean Energy Co., Ltd.	Intercourse funds of affiliated party in the Group	392,612,736.35	Within 1 year	76.2	
Chuxiong LONGi Silicon Materials Ltd.	Intercourse funds of affiliated party in the Group	14,100,000.00	Within 1 year	2.74	
Baoshan LONGi Silicon Materials Ltd.	Intercourse funds of affiliated party in the Group	49,506,695.62	Within 1 year	9.61	
Lijiang LONGi Silicon Materials Ltd.	Intercourse funds of affiliated party in the Group	13,078,832.38	Within 1 year	2.54	

LONGi Solar Technology Ltd.	Intercourse funds of affiliated party in the Group	31,343,699.75	Within 1 year	6.08	
In total		500,641,964.10		97.17	

(6) Accounts receivable involving government subsidies√Applicable Non-applicable**(7) Other receivables whose recognition is terminated due to the transfer of financial assets**√Applicable Non-applicable**(8) Amount of assets and liabilities formed by transferring other receivables and continuing to be involved**√Applicable Non-applicable

Other explanations:

√Applicable Non-applicable**3. Long-term equity investment**√Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value
Investment in subsidiaries	12,731,497,716.38		12,731,497,716.38	11,249,531,204.03		11,249,531,204.03
Investment in joint ventures and cooperative ventures	218,523,885.14		218,523,885.14	155,461,586.19		155,461,586.19
In total	12,950,021,601.52		12,950,021,601.52	11,404,992,790.22		11,404,992,790.22

(1) Investment in subsidiaries√Applicable Non-applicable

Unit: Yuan Currency: RMB

Invested	Opening balance	Increase in	Decrease in	Closing balance	Depreciation	Ending
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Company		current period	current period		reserve in current period	balance of provision for impairment
Ningxia LONGi	527,793,693.62	1,821,858.63		529,615,552.25		
Yinchuan LONGi	3,420,197,421.83	2,634,876.38		3,422,832,298.21		
Wuxi LONGi	492,546,437.39	799,162.37		493,345,599.76		
LONGi (H.K.)	402,743,570.00	239,378,635.42		642,122,205.42		
LONGi Clean Energy	502,903,524.91	625,149.27		503,528,674.18		
LONGi Solar	3,072,852,908.71	2,414,505.86		3,075,267,414.57		
LONGi New Energy	1,086,397,713.46	290,127,243.30		1,376,524,956.76		
LONGi SOLAR TECHNOLOGY (India)	10,240,000.00	10,240,000.00		20,480,000.00		
LONGi LERRI SOLAR TECHNOLOGY K.K.	6,431,139.21			6,431,139.21		
LONGi SOLAR TECHNOLOGY (U.S.)	17,076,250.00			17,076,250.00		
Lijiang LONGi	84,272,689.10	396,236,044.89		480,508,733.99		
Baoshan LONGi	1,588,490,581.76	47,850,020.32		1,636,340,602.08		
Chuxiong LONGi	11,187,326.24	489,164,579.37		500,351,905.61		
LERRI (Germany)	3,807,600.00			3,807,600.00		
LONGi venture		5,110,000.00		5,110,000.00		
Nanjing ET	9,000,000.00		9,000,000.00			
Equity incentives to other investing companies under level 2 (not included)	13,590,347.80	4,564,436.54		18,154,784.34		
In total	11,249,531,204.03	1,490,966,512.35	9,000,000.00	12,731,497,716.38		

(2) Investment in joint ventures and cooperative ventures

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Investing Company	Opening balance	Increase or decrease in current period								Ending balance	Ending balance of provision for impairment
		Additional investment	Investment reduced	Investment profits and losses recognized under the equity method	Adjustment in other comprehensive incomes	Changes in other equities	Cash dividends or profits declared to be distributed	Depreciation reserve	Others		
I. Cooperative ventures											
Subtotal											
II. Joint ventures											
Shanghai Baowang	6,482,880.10			-3,829,952.87						2,652,927.23	
Zhejiang MTCN	27,478,706.09			8,411,857.51						35,890,563.60	
Sichuan Yongxiang	121,500,000.00	58,500,000.00		-19,605.69						179,980,394.31	
Subtotal	155,461,586.19	58,500,000.00		4,562,298.95						218,523,885.14	
Total	155,461,586.19	58,500,000.00		4,562,298.95						218,523,885.14	

4. Operating revenue and operating costs

(1) Operating revenue and operating costs

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Accrual in current period		Accrual in prior period	
	Revenues	Costs	Revenues	Costs
Main	11,638,878,016.81	11,094,721,688.24	10,937,182,019.31	9,277,275,824.25

business				
In total	11,638,878,016.81	11,094,721,688.24	10,937,182,019.31	9,277,275,824.25

5. Investment income

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Items	Accrual in current period	Accrual in prior period
Long-term equity investment income calculated at cost method	1,100,000,000.00	500,000,000.00
Long-term equity investment income calculated at equity method	4,562,298.95	8,293,719.48
Investment income from disposal of long-term equity investment		13,617,650.90
Investment income from disposal of available-for-sale financial assets	62,469,258.97	19,688,710.79
Income from entrusted loans to subsidiaries	596,912.89	9,249.24
In total	1,167,628,470.81	541,609,330.41

6. Others

√Applicable Non-applicable**XVIII. Supplementary Information****1. Detailed statement of current non-recurring profits and losses**√Applicable Non-applicable

Unit: 1 Currency: RMB

Items	Amount
Profits and losses on disposal of non-current assets	-5,230,991.11
Governmental subsidies included into current profits and loss (except for governmental subsidies that are closely related to the Company's business and are shared in quota or in accordance with national uniform standards)	173,940,878.85
Except for the effective hedging business related to the Company's normal business operations, profits and losses from changes in fair value arising from trading financial assets and trading financial liabilities, and the investment income from the disposal of trading	84,773,124.69

financial assets, trading financial liabilities and available-for-sale financial assets.	
Income and expenditure other than those mentioned above	-946,559.80
Amount affecting income tax	-38,119,046.03
In total	214,417,406.60

The reasons should be explained for the non-recurring profits and losses items defined by the Company according to "Explanatory Announcement No. 1 - Non-recurring Profits and Losses of Company Information Disclosure of Public Securities" and for the defined recurring profits and losses items that are listed as non-recurring profits and losses in "Explanatory Announcement No. 1 - Non-recurring Gains and Loss of Company Information Disclosure of Public Securities".

Applicable Non-applicable

2. Rate of Return on Common Stockholders' Equity and Earnings Per Share

Applicable Non-applicable

Profit during reporting period	Weighted average Rate of Return on Common Stockholders' Equity (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profits belonging to common shareholders of the Company	16.71	0.93	0.92
Net profits belonging to common shareholders of the Company after the deduction of non-recurring profits and losses	15.31	0.85	0.85

3. Differences in Accounting Data under Domestic and Foreign Accounting Standards

Applicable Non-applicable

4. Others

Applicable Non-applicable

Section XII. Catalogue of Reference Documents

Catalogue of reference documents	The financial statements signed and sealed by the legal representative of the Company, the person mainly responsible for accounting work, and the leading member of accounting body (accounting officer).
Catalogue of reference documents	The original Audit Report sealed by the accounting firm and signed and sealed by the certified public accountant.
Catalogue of reference documents	The originals of all the Company's documents and the manuscripts of the announcements publicly disclosed on the website designated by CSRC during the report period.

Chairman: Zhong Baoshen

The approval and submission date from the Board of Directors:

April 30, 2019

Revision information

Applicable Non-applicable