

Dongxu Optoelectronic Technology Co., Ltd.

The Semi-annual Report 2014

August 2014

I. Important Notice, Table of Contents and Definitions

The Board of Directors ,Supervisory Committee, all directors, supervisors and senior executives of the Company hereby guarantees that there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

All the directors attended the board meeting for reviewing the Annual Report.

The Company has no plan of cash dividends carried out, bonus issued and capitalizing of common reserves either.

Mr.Li Zhaoting, The Company leader, Mr. Li Quannian, Chief financial officer and the Mr.Li Zhiyong, the person in charge of the accounting department (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in this semi-annual report.

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Definition

Terms to be defined	Refers to	Definition
Company Law	Refers to	Company Law of the People's Republic of China
Securities Law	Refers to	Securities Law of the People's Republic of China
Dongxu Group	Refers to	Dong Xu Group Co., Ltd.
Baoshi Group	Refers to	Shijiazhuang Baoshi Electronics Group Co., Ltd
Dongxu Optoelectronic , Company, The Company	Refers to	Dongxu Optoelectronic Technology Co., Ltd.
Zhengzhou Xufei	Refers to	Zhengzhou Xufei Optoelectronic Technology Co., Ltd.
Dongxu (Yingkou) Optoelectronic	Refers to	Dongxu (Yingkou) Optoelectronic Display Co., Ltd.
Sichuan Xuhong Optoelectronic	Refers to	Sichuan Xuhong Optoelectronic Technology Co., Ltd.
Shijiazhuang Xuxin	Refers to	Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.
Wuhu Optoelectronic	Refers to	Wuhu Dongxu Optoelectronic Technology Co., Ltd.
Wuhu Equipment	Refers to	Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd.
Shijiazhuang Equipment	Refers to	Shijiazhuang Dongxu Optoelectronic Equipment Technology Co., Ltd.
BOE	Refers to	BOE Technology Group Co., Ltd.

II. Basic Information of the Company

I. Company Information

Stock abbreviation	Dongxu Optoelectronic, Dongxu B	Stock code:	000413、200413
Stock abbreviation after change (if any)	Dongxu Optoelectronic, Dongxu B		
Stock exchange for listing:	Shenzhen Stock Exchange		
Name in Chinese	东旭光电科技股份有限公司		
Chinese Abbreviation	东旭光电		
English name (If any)	Dongxu Optoelectronic Technology Co., Ltd.		
English abbreviation (If any)	Dongxu Optoelectronic		
Legal Representative	Li Zhaoting		

II. Contact person and contact manner

	Board secretary	Securities affairs Representative
Name	Fu Yinfang	Wang Qingfei
Contact address	No.5 Court, No.23 A Fuxing Road, Haidian District, Beijing	Securities Dept of the Company, No.9, Huanghe Road, Shijiazhuang High-tech Industrial Development Area, Shijiazhuang, Hebei Province
Tel	010-68297016	010-68297016 0311-86917775
Fax	010-68297016	010-68297016 0311-86917775
E-mail	fyfws@126.com	baoshixzb@126.com

III. Other

(1) Way to contact the Company

Whether registrations address, offices address and codes as well as website and email of the Company changed in reporting period or not

Applicable Not applicable

Registered address	No.9, Huanghe Road, Shijiazhuang High-tech Industrial Development Area, Shijiazhuang, Hebei Province
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Postal code of the Registered Address	050035
Office Address	No.5 Court, No.23 A Fuxing Road, Haidian District, Beijing
Postal code of the office address	100036
Internet Web Site	
E-mail	bs@bseg.cn
Date of disclosing provisional announcement (If any)	

(2) About information disclosure and where this report is placed

Did any change occur to information disclosure media and where this report is placed during the reporting period?

Applicable Not applicable

The newspapers designated by the Company for information disclosure, the website designated by CSRC for disclosing this report and the location where this report is placed did not change during the reporting period. The said information can be found in the 2013 Annual Report.

(3). Registration changes of the Company

Whether registration has changed in reporting period or not

Applicable Not applicable

	Date of Registration	Authority Registered with	Number of Business License of Enterprise as Legal Person	Taxation Registration No.:	Organization Code
Initial registration	December 30, 2013	No.9, Huanghe Road, Shijiazhuang High-tech Industrial Development Area, Shijiazhuang, Hebei Province	130000000001040	130111104395983	10439598-3
Registration at the end of the reporting period	July 3, 2014	No.9, Huanghe Road, Shijiazhuang High-tech Industrial Development Area, Shijiazhuang, Hebei Province	130000000001040	130111104395983	10439598-3
Date of disclosing provisional announcement (If any)	May 20, 2014				
Description of the website for disclosing provisional announcements (If any)	China Securities Journal, Hong Kong Commercial Daily and www.cninfo.com.cn				

III. Summary of Accounting data and Financial index

I. Major accounting data and /Financial indexes

May the Company make retroactive adjustment or restatement of the accounting data of the previous years due to change of the accounting policy and correction of accounting errors.

Yes No

	Reporting period	Same period of last year	Increase/decrease over the same period of last year (%)
Operating income (RMB)	909,974,743.09	255,042,354.08	256.79%
Net profit attributable to the shareholders of the listed company (RMB)	407,536,660.90	113,967,626.00	257.59%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	265,334,873.54	36,497,091.05	627.00%
Cash flow generated by business operation, net (RMB)	-1,491,802,085.05	-917,048,985.69	-62.67%
Basic earning per share(RMB/Share)	0.15	0.2	-25.00%
Diluted gains per share(RMB/Share)(RMB/Share)	0.15	0.2	-25.00%
Weighted average income/asset ratio (%)	6.77%	5.42%	1.35%
	As at the end of the reporting period	As at the end of last year	Changed (%) over end of prev. year
Gross assets (RMB)	10,955,355,907.06	9,032,978,401.14	21.28%
Shareholders' equity attributable to shareholders of the listed company (RMB)	6,221,210,375.94	5,813,673,715.04	7.01%

II. Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	Amount	Notes
Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	175,895,903.21	
Gain/loss on loans obtained by entrusting others	3,000,000.00	
Other non-operating income and expenditure beside for the above items	1,903,740.83	
Less: Influenced amount of income tax	34,191,212.29	

Amount of influence of minority interests (After tax)	4,406,644.39	
Total	142,201,787.36	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non -recurring gain/loss in the report period.

IV. Report of the Board of Directors

I. General

For the company, the year 2014 is a groundbreaking year. During the reporting period, the company seized the important opportunity that the state supports the flat-panel display industry, adhered to the core strategy and the goal of "building China's optoelectronic industry flagship solidly", to speed up project construction, improve the scale of production capacity, expand market share, and deepen the cooperation in this industrial chain. achieve better performance in project construction, manufacturing, marketing and other aspects.

As for the glass substrate business, production line capacity performance goes well; there is important breakthrough in market development, which began to contribute to profitability performance. "flat-panel display glass substrate production line project of Wuhu Dongxu Optoelectronic Technology Co. , Ltd, " Phase I has been launched, in which 4 sets of G6 production line have been ignited and put into operation, with stable yield and achieve the desired objectives. During the reporting period, the company signed a strategic cooperation agreement with China's largest display panel manufacturer BOE, and has become one of its important supplier, which fully demonstrated that the company's technical level, product quality and other aspects have all reached the international advanced level. In Taiwan where the market is even larger, the G6 production lines have also realized the batch supply and the product certification by several enterprise customers have been gone through successfully. Hosting companies such as Xufei and Xuxin have achieved stable supply through their G5 production lines to multiple clients, In February Xuhong Company has started the project of the "floating process high aluminium plate glass" production, the product quality meets the development expectation; in June, batch supply has been achieved, and received good feedback after the supply. Marketing is currently running smoothly.

As for the business of glass substrate equipments and technical services, with continuous construction of the new production line and the technical maintenance of the existing production lines, during the reporting period, the business of glass substrate equipments and technical services has gained a substantial increase compared with the same period of last year. The company actively promote the planning production line construction, the layout of high-end display equipment in other areas, in the semiconductor equipment industry displays, upstream and downstream industry chain development and supporting other aspects began extensive cooperation to achieve new breakthroughs equipment industry.

Regarding the urbanization construction business, the company has purchased 100% shares of Sichuan Ruiyi Construction Engineering Co., Ltd to enhance the company's competitiveness, which is advantageous for the company to seize new opportunities of the urbanization construction, and to seek new economic growth.

During the reporting period, the company embarked on the new TFT-LCD glass substrate production line construction, glass substrates equipment and technical services were the main source of income. Meanwhile, the market TFT-LCD glass substrates develop smoothly, sales achieved an important breakthrough, began to contribute to the profits. the operating income, operating cost and net profit of the Company for the report period respectively increased by 256.79%,298.81% and 257.59% % year on year.

II. Main business analysis

Year-on-year changes in major financial statistics

In RMB

	This report period	Same period last year	YOY change (%)	Cause change
Operating income	909,974,743.09	255,042,354.08	256.79%	Glass substrates equipment sales and technical services increased significantly, caused G6 glass substrate market began to realize large volume sales
Operating cost	433,071,741.04	108,592,058.10	298.81%	Mainly due to substantial growth revenue and a corresponding cost substantial increase sharply
Sale expenses	4,393,918.77	3,820,269.81	15.02%	Mainly due to the increase of sales growth in freight and other expenses
Administrative expenses	80,606,612.19	52,662,936.51	53.06%	Mainly due to f substantial growth in business scale corresponding management labor costs, rent and other administrative expenses。
Financial expenses	23,389,000.06	-2,146,225.05	1,189.77%	Mainly due to the increase of the company's liquidity loans and discounted bills and the financial costs
Income tax expenses	95,070,735.56	55,532,146.72	71.20%	Mainly due to revenue growth, gross profit increased income tax expense had substantial growth
Net cash flows from operating activities	-1,491,802,085.05	-917,048,985.69	-62.67%	Mainly due to the huge increase of the equipment and materials purchase expenses for Wuhu glass substrate production line by Wuhu Dongxu Equipment Company.
Net cash flows from investing activities	-616,740,281.38	-1,312,507,717.64	53.01%	Mainly due to Wuhu glass substrate production line construction spending less than last year
Net cash flows from financing activities	1,301,189,610.62	6,018,551,169.32	-78.38%	Mainly due to the previous period raise funds

Major changes in profit composition or cources during the report period

Applicable Not applicable

The profit composition or sources of the Company have remained largely unchanged during the report period.

Delay of future development and plan disclosed in Company's IPO prospectus, fund raising prospectus and capital reorganization report into this report period.\

Applicable Not applicable

No future development and plan disclosed in Company's IPO prospectus, fund raising prospectus and capital reorganization report into this report period.

Implementation of business plans disclosed in previous periods in this period.

N/A

III. Business composition

In RMB

	Turnover	Operation cost	Gross profit	Increase/decre	Increase/decre	Increase/de

			rate(%)	ase of reverue in the same period of the previous year(%)	ase of rincipal business cost over the same period of previous year (%)	crease of gross profit rate over the same period of the previous year (%)
Industry						
Whole set of equipment and Technology serves	740,306,181.29	332,310,596.18	55.11%	263.21%	374.39%	-10.52%
Glass substrate	102,615,358.65	43,868,127.41	57.25%			
Electric vacuum glass devices and supporting electronic devices	13,083,703.77	10,251,661.82	21.65%	73.14%	107.56%	-12.99%
Construction Installation	52,564,102.63	44,743,589.77	14.88%	2,068.38%	1,919.73%	6.27%
Classification of products						
Whole set of equipment and Technology serves	740,306,181.29	332,310,596.18	55.11%	263.21%	374.39%	-10.52%
Glass substrate	102,615,358.65	43,868,127.41	57.25%			
Electric vacuum glass devices and supporting electronic devices	13,083,703.77	10,251,661.82	21.65%	73.14%	107.56%	-12.99%
Construction Installation	52,564,102.63	44,743,589.77	14.88%	2,068.38%	1,919.73%	6.27%
Area						
China mainland	889,679,376.38	421,371,941.77	52.64%	317.73%	450.09%	-11.39%
Hongkong, Macao and Taiwan	14,998,824.19	6,604,601.17	55.97%			
Overseas	3,891,145.77	3,197,432.24	17.83%	372.04%	428.83%	-8.82%

IV. Analysis On core Competitiveness

The core competitive-ness of the Company had no changes, The said information can be found in the 2013 Annual Report.

V. Analysis on investment Status

1. External Equity investment

(1) External investment

Applicable Not applicable

External investment

Investment amount (January-June 2014)(RMB)	Investment Amount (January-June 2013)(RMB)	Change rate (%)
340,453,728.53	4,016,064,000.00	-91.52%
Particulars of investees		
Name	Principal business	Proportion in the investees' equity (%)
Wuhu Dongxu Optoelectronic Technology Co., Ltd.	Photoelectric display glass substrate industry investment, construction and operations and related technology development, technology consulting, technology services, technology transfer, etc.	100.00%
Sichuan Ruiyi Construction Engineering Co., Ltd.	Building Engineering, Hydropower Engineering, Municipal public Engineering, Highway Engineering, Construction of sports facilities, Earth and rock, City and road lighting engineering, Electric Power Engineering, anti-corrosion insulation, Highway and traffic Engineering, Highway surface project, Engineering Management and Land Consolidation, etc.	100.00%

2. Application of the Raised funds

(1) General application of the raised funds

Applicable Not applicable

In RMB'0000

Total amount of the raised capital	496,106.4
Total raised capital invested in the report period	2,373.7
Total accumulative raised capital invested	449,832.31
Amount of raised capital of which the purpose was changed in the report period	0
Accumulative amount of raised capital of which the purpose has been changed	0
Proportion of raised capital of which the purpose has been changed (%)	0.00%
Notes to use of raised capital	

(2) Promised projects of raised capital

Applicable Not applicable

In RMB'0000

Committed investment projects and investment	Project changed (including partial change)	Total raised capital invested as	Total investment after adjustment (1)	Amount invested in the reporting period	Accumulated amount invested at the end	Investment progress ended the reporting	Date when the project has reached	Benefit realized in the reporting period	Has the predicted result been realized	Has any material change taken place in

		committed			of the reporting period(2)	period(%) (3)=(2)/1	the predicted applicable status			feasibility
Committed investment projects										
Panel display galass substrate project of Wuhu Dongxu Optoelectronic Technology Co., Ltd.	No	496,106.4	496,106.4	2,373.7	449,832.31	90.67%		9,468.67	yes	No
Subtotal of promised investment projects	--	496,106.4	496,106.4	2,373.7	449,832.31	--	--	9,468.67	--	--
Investment of excessive raised capital										
Total	--	496,106.4	496,106.4	2,373.7	449,832.31	--	--	9,468.67	--	--
Reason or situation thatnot on schedule (on specific project)	Not applicable									
Notes to major changesin project feasibility	Not applicable									
Amount, application and application progress of the unbooked proceeds	Not applicable									
About the change of the implementation site of the projects invested with the proceeds	Not applicable									
Adjustment of the implementation way of investment funded by raised capital	Not applicable									
About the initial investment in the projects planned to be invested with the proceeds and the replacement	Applicable On April 17, 2013, The 36th Meeting of the sixth Board of Directors of the company has examined and approved the —Proposal on the Replacement of the Self-financing Funds Pre-put into Investment Project with the Raised Funds , and agreed the company to make arrangement for the funds-raising on the replacement of the pre-investment based on the plan of non-public issuance of stocks, with the pre-invested self-financing funds of RMB2,077,426,324.50 replaced by the raised funds.									
Using the idle proceeds	Applicable									

to supplement the working capital on temporary basis	On May 27, 2014, The 11th Meeting of the seventh Board of Directors of the company has examined and approved the —Proposal on Some Idle Funds-raising Used to replenish the working fund Ⅱ , and agreed the company to use the idle funds-raising of RMB250million (accounting for 5.04% of the actual net funds-raising) to temporarily replenish the working fund of the company, with the validity not exceeding 12 months after the date of examination and approval of the Board of Directors. The company shall promptly repay into the special account of the funds-raising when the payment replenished for the working fund comes due.
Balance of the proceeds in process of project implementation and the cause	Not applicable
About application and status of the proceeds unused	In the unused raised funds, 217.0490 million yuan was managed in the company raised funds account (including deposit interest income), temporarily the rest 250 million yuan was used to supplement the flow cash.
Problems existing in application of the proceeds and the information disclosure or other issues	The company strictly accordance with "use of funds raised management system" and "raise funds tripartite regulatory agreement" to raise funds and special accounts storage use, and timely, truly, accurately and completely disclosure of the deposit and use of proceeds, there is no violation circumstances.

(3) Changes of raised funds projects

Applicable Not applicable

There is no change in raised funds in company reporting period

3. Analysis on principal subsidiaries and Mutual Shareholding Companies

Applicable Not applicable

Particulars about the principal subsidiaries and Mutual shareholding companies

In RMB

Company Name	Company type	Sectors engaged in	Leading products and services	Registered capital	Total assets	Net assets	Turnover	Operating profit	Net Profit
Hebei Xubao Construction Installation Engineering Co., Ltd.	Subsidiary	Construction Installation	Engineering design and construction of houses and buildings, engineering consultation, etc	100,000,000.00	212,057,034.32	109,857,421.74	54,086,752.20	7,074,709.76	5,297,419.92
Shijiazhuang Baoshi Color Bulb	Subsidiary	Manufacture	Production and sales of glass bulbs for Colour	540,681,956.80	181,148,395.27	97,863,562.49		-1,536,109.43	-1,938,798.30

Co., Ltd..			kinescope and electronic glass products						
Wuhu Dongxu Optoelectronic Technology Co., Ltd.	Subsidiary	Manufacture	Photoelectric display glass substrate industry investment, construction and operations and related technology development, technology consulting, technology services, technology transfer, etc.	2,000,000,000	8,296,858,390.31	4,841,655,948.87	103,952,208.39	48,300,399.20	94,686,724.51
Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd	Subsidiary	Manufacture	R&D of optoelectronic mechanical equipment and electronic products, production and techniques of all kinds of non-standard equipment and parts and relevant process formulation	98,000,000	5,240,257,066.61	1,355,079,543.31	1,256,193,238.30	647,631,255.35	634,420,603.47
Wuhan Dongxu Optoelectronic Technology Co., Ltd	Subsidiary	Manufacture	Engaged in investment, construction and operation of industry of base plate of optoelectronic display glass (i.e. TFT-LCD liquid crystal glass)	5,000,000	15,308,217.05	3,617,152.07		-6,627.61	-6,627.61
Sichuan	Subsidiary	Construction	Building	100,000,00	114,632,56	100,454,30			

Ruiyi Constructi on Engineerin g Co., Ltd.	ary	Installation	Engineering, Hydropower Engineering,Muni cipal public Engineering, Highway Engineering, Earth and rock , anti-corrosion insulation ,Highw ay and traffic Engineering, Highway surface project, Highway subgrade Engineering, Electrical equipment installation, specialized Engineering, Engineering design , Engineering Management and Land Consolidation,etc.	0	0.42	8.91			
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VI. Performance Forecast for January to September 2014

Alert of loss or significant change in net profit from the beginning of year to the end of next report period or comparing with the same period of last year, and statement of causations.

Applicable Not applicable

VII. Explanation of the Board of Directors and the Supervisor Committee concerning the “Non-standard audit report ” issued by the CPAs firm for the reporting period

Applicable Not applicable

VIII.Explanation by the Board of Directors about the “ non-standard audit report “ for lastyear.

Applicable Not applicable

IX. Profit distribution carried out in the report period

Execution or adjustment of profit distribution, especially cash dividend, and capitalizing of reserves in the report period.

Applicable Not Applicable

On May 27, 2014, the company intended to implement the following distribution of profits and capital reserve plan: The company implemented annual capital reserve plan of the year 2013, On the base of December 31, 2013, 903 million shares of the total share capital, the company would distribute 20 shares to all the shareholders for every 10 shares, for a total distribution of 1806 million shares. The total share capital of the Company will be increased to 2709 million shares after capitalization.

Special explanation on cash dividend policy	
Comply with the Articles of Association or resolution made at the General Shareholders' Meeting	Yes
Clear and definite distribution standard and proportion	Yes
Decision-making procedure and mechanism	Yes
Independent directors fulfill their duties	Yes
Middle and small shareholders express their opinions and claims. Their rights are well protected.	Yes
Cash dividend distribution policies are adjusted or revised according to law.	Yes

X. Preplan for profit distribution and turning capital reserve into share capital in the reporting period

Applicable Not applicable

The Company planned that no to distribute cash dividend, bonus shares and there was no turning of capital reserve into share capital.

XI. Particulars about researches, visits and interviews received in this reporting period

Applicable Not Applicable

Reception time	Reception place	Way of reception	Types of visitors	Visitors received	Discussion topics and provision of materials
January 6, 2014	The Company	Onsite investigation	Organization	Fortune SG Fund, Boshi Fund	Visited the company showroom, understanding project progress and raised investment business and R & D in 2014.
January 17, 2014	The Company	Onsite investigation	Organization	Guangfa Securities, New China Asset, CCB Principal Asset, HFT Investment, Huaxia Fund, ICBC Ruixin, Manulife Teda Fund, Huashang Fund, Invesco Great Wall and Dacheng Fund.	know about the company raise investment project progress and the main business case in 2014
May 12,	The Company	Onsite investigation	Organization	Gangfa securities, King Tower	Know about the company

2014				Asset, Guosen Securities, Guojin Fund, Yinmin Fund, CITICPE, Yinhua Fund, Sunshine Insurance ,KCI Securities, Huaxia Fund, Zhongjin Company, Union Asset, Efund,Uon Fund and Changsheng Fund.	raise investment project progress, hosting company operations, hosting company investment arrangements and the company's future development strategy.
June 18, 2014	The Company	Onsite investigation	Organization	Cathay Securities Co., Ltd., Qunyi Securities Investment trust Co., Ltd., Taixin Securities Investment Trust Co., Ltd., Tongyi Securities Investment Trust Co., Ltd.,and Mega International Securities Investment Trust Co., Ltd.	Know about the company raise investment project progress, hosting company operations, the company 2013 annual report and first quarter of 2014 Performance Notes.
January 1, 2014 to June 30, 2014	The Company	By phone	Individual	Individual Investor	Understand the company production and operation, raise investment project progress and hosting company.

V. Important Events

1. Governance of the Company

There is no difference between the actual corporate governance and the requirements of Company Law and the relevant provisions of China Securities Regulatory Commission.

II. Transaction in Assets

1. Business combination

Applicable Not applicable

The 10th meeting of the seventh Board of Director and the first provisional shareholder's meeting of 2014 examined and adopted "the proposal of acquiring controlling shareholder Dongxu Group subsidiaries's equity " agreed the company to trade net asset value of 20.5137 million as audit assessments trading price of the acquisition wholly owned subsidiary of the controlling shareholder Dongxu Group Ltd. 100% stake in Sichuan Ruiyi Construction Engineering Co., Ltd., the company will complete the acquisition of the entire equity related work before June 2014.

III. Implementation and Influence of Equity Incentive Plan of the Company

Applicable Not applicable

On August 18, 2014, the 15th Meeting of the Seventh Board of Directors of the company has reviewed and approved the Proposal of the Restricted Stock Incentive Plan (draft) of Wuhu Dongxu Optoelectronic Technology Co., Ltd and the Abstract, and the company plans to implement the restricted stock incentive plan, while the relevant proposals are still in suspension, until the Restricted Stock Incentive Plan (draft) of Dongxu Optoelectronic Technology Co., Ltd and related materials are submitted to China Securities Regulatory Commission for filing and approval, after which they will be submitted to the general meeting of shareholders of the company for approval..

IV. Significant related-party transactions

1. Related transactions in connection with daily operation

Applicable Not applicable

Related parties	Relationship	Type of related parties	Description of related transactions	Principle of pricing of the related transaction	Price of related transactions	Amount of the related transaction (RMB'0000)	Proportion in the amount of the similar transaction (%)	Mode of settlement	Market price	Disclosure date	Disclosure index
Zhengzhou Xuifei	Controlled by the	Commodity	Checking machine	Reference price		726.5	0.63%	Currency			

Optoelectronic Technology Co., Ltd.	same parent company Actual Controller	purchased /labor service received		setting							
Shijiazhuang Xuling Electric Technology Co., LTD.	Controlled by the same parent company Actual Controller	Commodity purchased /labor service received	Supervising system	Reference price setting		82.05	100.00%	Currency			
Chengdu Dongxu Energy Saving Technology Co., Ltd.	Controlled by the same parent company Actual Controller	Commodity purchased /labor service received	Energy saving lamp	Reference price setting		81.94	1.77%	Currency			
Shijiazhuang Baoshi Electronics Group Co., Ltd.	Controlled by the same parent company Actual Controller	Sales Goods/Labor service received	Energy	Reference price setting		193.71	100.00%	Currency			
Dongxu(Yingkou) Optoelectronic Display Co., Ltd	Controlled by the same parent company Actual Controller	Sales Goods/Labor service received	Equipment for High-end display production line	Reference price setting		556.08	0.75%	Currency			
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	Controlled by the same parent company Actual Controller	Sales Goods/Labor service received	Equipment for High-end display production line	Reference price setting		2,016.75	2.72%	Currency			
Shijiazhuang	Controlled by the	Sales Goods/Labor	Equipment for High	Reference price		71,457.79	96.52%	Currency			

Xuxin Optoelectronic Technology Co., Ltd.	same parent company Actual Controller	bor service received	-end display production line	setting								
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	Controlled by the same parent company Actual Controller	Sales Goods/Labor service received	A-frame	Reference price setting		172.65	13.20%	Currency				
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	Controlled by the same parent company Actual Controller	Sales Goods/Labor service received	Material	Reference price setting		54.86	39.04%	Currency				
Shijiazhuang Bofa Mechanical Equipment Co., Ltd.	Controlled by the same parent company Actual Controller	Sales Goods/Labor service received	A-frame	Reference price setting		382.69	29.25%	Currency				
Dongxu Group	Controlling shareholder	Sales Goods/Labor service received	Carat Tube	Reference price setting		301.08	23.01%	Currency				
Dongxu Group	Controlling shareholder	Equity management right Managed	Equity management right Managed	Agreement price		50	50.00%	Currency				
Dongxu Optoelectronic investment	Controlled by the same parent	Equity management right Managed	Equity management right Managed	Agreement price		25	25.00%	Currency				

t Co., Ltd.	company Actual Controller										
Shijiazhuang Baoshi Electronic Group Co., Ltd.	Controlled by the same parent company Actual Controller	Equity management right Managed	Equity management right Managed	Agreement price		25	25.00%	Currency			
Dongxu(Yingkou) Optoelectronic Display Co., Ltd	Controlled by the same parent company Actual Controller	Equity management right Managed	Equity management right Managed	Agreement price		50	25.00%	Currency			
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	Controlled by the same parent company Actual Controller	Equity management right Managed	Equity management right Managed	Agreement price		50	25.00%	Currency			
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	Controlled by the same parent company Actual Controller	Equity management right Managed	Equity management right Managed	Agreement price		50	25.00%	Currency			
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	Controlled by the same parent company Actual Controller	Equity management right Managed	Equity management right Managed	Agreement price		50	25.00%	Currency			
Total				--	--	76,326.1	--	--	--	--	--
Report the actual implementation of the normal related transactions which were				These related party transactions in the company's 2014 daily related transaction were expected.							

projected about their total amount by types during the reporting period(if any)	
---	--

2. Related-party transactions arising from asset acquisition or sale

Applicable Not applicable

The Company was not involved in any related-party transactions arising from asset acquisition or sale during the reporting period.

3. Related-party transactions with joint investments

Applicable Not applicable

The Company was not involved in any related-party transaction with joint investments during the reporting period.

4. Credits and liabilities with related parties

Applicable Not applicable

Was there any non-operating credit or liability with any related party?

Yes No

There is no any credit and liability with related parties of the Company of the reporting period.

5. Other significant related-party transactions

Applicable Not applicable

The Company was not Other significant related-party transactions during the reporting period.

V. Particulars about the non-operating occupation of funds by the controlling shareholder and other related parties of the Company

Applicable Not applicable

The Company was not involved in the non-operating occupation of funds by the controlling shareholder and other related parties during the reporting period..

VI. Particulars about significant contracts and their fulfillment

1. Particulars about trusteeship, contract and lease

(1) Trusteeship

Applicable Not applicable

Description of custodies

Wuhu Dongxu Optoelectronic Technology Company, a wholly-owned subsidiary of the Company is mainly engaged in the

production and sales of panel display glass substrate. It have intra-industry competition with Dongxu Group, the controlling shareholder and its related parties. To effectively solve the problem of horizontal competition between the Company and related parties, Dongxu Group, Dongxu Optoelectronic Investment and Baoshi Group respectively entrusted equity of Dongxu (Yingkou) Optoelectronic Display Co., Ltd., equity of Sichuan Xuhong Optoelectronic Technology Co., Ltd., equity of Zhengzhou Xufei Optoelectronic Technology Co., Ltd. and Equity of Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd. held by them to the Company for management. the Company was entrusted to manage the operation right of Dongxu (Yingkou) Company, Sichuan Xuhong Optoelectronic, Zhengzhou Xufei Copany and Shijiazhuang Xuxin Company. The company shall exclusively conduct the operation, management, supervision and direction to above four companies, and shall have full discretion and control of all matters of the operation and management for above four companies.

Projects that have brought about gains/losses to the company taking over 10% of the Company's total profit in the reporting period

Applicable Not applicable

The Company had no item generated over 10% gains/losses in total profit in reporting period for the Company in Period.

2. Guarantees

Applicable Not applicable

In RMB'0000

External Guarantee (Exclude controlled subsidiaries)								
Name of the Company	Relevant disclosure date/No. of the guaranteed amount	Amount of Guarantee	Date of happening (Date of signing agreement)	Actual amount of guarantee	Guarantee type	Guarantee term	Complete implementation or not	Guarantee for associated parties (Yes or no)
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	December 11, 2013	19,821.95	January 3, 2014	19,821.95	The joint liability guaranty		No	Yes
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	December 11, 2013	16,353.39	January 3, 2014	16,353.39	The joint liability guaranty		No	Yes
Total of external guarantee approved in Period(A1)			0	Total of actual external guarantee in Period(A2)				36,175.34
Total of external guarantee approved at Period-end(A3)			36,175.34	Total balance of actual external guarantee at Period-end(A4)				36,175.34
Guarantee of the Company for the controlling subsidiaries								
Name of the Company	Relevant disclosure	Amount of	Date of happening	Actual amount of	Guarantee type	Guarantee term	Complete implement	Guarantee e

guaranteed	date/No. of the guaranteed amount	guarantee	(Date of signing agreement)	guarantee			tation or not	for associated parties (Yes or no)
Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd.	April 28, 2014	150,000		0	Joint liability guarantee		No	No
Total of guarantee for subsidiaries approved in the Period (B1)		150,000		Total of actual guarantee for subsidiaries in the Period (B2)		0		
Total of guarantee for subsidiaries approved at Period-end (B3)		370,000		Total of actual guarantee for subsidiaries at Period-end (B4)		220,000		
Total of Company's guarantee (namely total of the large two aforementioned)								
Total of guarantee in the Period (A1+B1)		150,000		Total of actual guarantee in the Period (A2+B2)		36,175.34		
Total of guarantee at Period-end(A3+B3)		406,175.34		Total of actual guarantee atPeriod-end (A4+B4)		256,175.34		
The proportion of the total amount of actually guarantee in the net assets of the Company(that is A4+B4) (%)				41.18%				
Including:								
Amount of guarantee for shareholders, actual controller and its associated parties(C)				36,175.34				
Explanations about joint and several liability for repayment in respect of undue guarantee (if any)				N/A				

Description of the guarantee with complex method

VII. Commitments made by the Company or shareholders holding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

√ Applicable □ Not applicable

Commitment	Commitment maker	Contents	Time of making commitment	Peiod of commitment	Fulfillment
Commitment	Shijiazhuang Baoshi	If listed companies plans to sell tradable stocks	July 23,	Long-term	Under

on share reform	Electronics Group Co., Ltd	through the bid trading system of Shenzhen Stock Exchange and sell greater than 5% of shares within six months after the first sales, will disclose the contents specified by the Form Guide to Prompt Announcement of Removing Restriction on Sales of Non-tradable Stocks of Listed Companies through the prompt announcement of disclosing sales of listed companies.	2009	effective	Fulfillment
Commitment in the acquisition report or the report on equity changes					
Commitment made upon the assets replacement					
Commitments made upon issuance	Dongxu Group, Shijiazhuang Baoshi Electronics Group Co., Ltd.	<p>1.From the date of commitment letter issued, except the managed hosting company for Dongxue Optoelectronic , this company and majority-owned subsidiaries do not in any way, directly or indirectly engaged in business and Dongxue Optoelectronic and its subsidiaries are the same, or similar, future Dongxue Optoelectronic shares and its subsidiaries are not engaged in the same or similar businesses.</p> <p>2.The company assurances against the use of precious stones share any act prejudicial to the control relationship of Dongxu Optoelectronic interests and its wholly-owned subsidiaries, holding, or causing Dongxue Optoelectronic shares and its wholly-owned subsidiaries, holding form business competition decisions. 3. The company will not directly invest, purchase and Dongxu Optoelectronic identical or similar business enterprises and projects.</p> <p>4.If the assets owned by the Dongxu Optoelectronic . compete with , the company will adopt effective measures and give up the same business. 5. If the company has horizontal competition with Dongxu Optoelectronic and lead to lose to it, the company will bear all the responsibilities.</p>	April 1, 2012	Long-term effective	Under Fulfillment

		<p>6. Before December 31, 2015, by way of designated placement, the company will transfer all the shares that Dongxu Optoelectronic Investment, entrusted to Zhengzhou Xufei company and all the shares that are entrusted to Baoshi Group, to Dongxu Optoelectronics; Before December 31, 2016, by way of designated placement, the company will transfer all the shares that Dongxu Group entrusted to Dongxu Yingkou and Sichuan Xuhong to Dongxu Optoelectronics. Within the time limit mentioned above, if there were the external factors such as a depression of industry as a whole, or the changes in regulatory requirements, which lead to the result that the shares of hosting company can not meet the requirements of capital investment, Li Zhaoting, the actual controller, Dongxu Optoelectronic Investment, Dongxu Group and Baoshi Group as well as the company will actively negotiate with related parties, continue to entrust the above mentioned shares and the power of management to Dongxu Optoelectronics. Within the period when the company is still the controlling shareholder of Dongxu Optoelectronics, the commitments are in effect.</p>			
	Dongxu Group Co., Ltd.	<p>Dongxu Group Co., Ltd. subscribed for 25.01% of the shares privately issued by the Company and promised that the period of sale restriction of such shares was 36 months from the first day of listing.</p>	April 17, 2013	From April 18, 2013 to April 17, 2016.	Under Fulfillment
Other commitments made to minority shareholders	Shijiazhuang Baoshi Electronics Group Co., Ltd.	<p>On September 18, 2006, the Company provided guarantee, together with Baoshi Group Co., Ltd., for the application of Shijiazhuang Construction Investment Co., Ltd. for loan of RMB 70 million) with some land and houses (with appraised value of RMB 30.3018 million) (The valid guarantee value for the Company is RMB 18.80 million). The guarantee period is one year. The type of guarantee is mortgage guarantee. At present, the valid term of this guarantee has expired. The controlling shareholder has made corresponding commitment in respect of the loss that may be incurred by this guarantee. On October 15, 2012, Shijiazhuang Baoshi Electronics Group Co., Ltd.</p>	March 28, 2009	Long-term effective	His signed an agreement with creditors, agreed to lift the obligation secured of the company

		made the following notes to this commitment: "The mode of commitment fulfilled by Baoshi Group: Where the Dongxu Optoelectronic is liable to make compensation for this.			
	Dongxu Group, Shijiazhuang Baoshi Electronics Group Co., Ltd.	If Dongxu Group loses the case in which U.S. Conning sued Dongxu Group in respect of infringement upon business secrets according to the final judgment of China's court and economic losses are thus incurred to the production and operation of panel display glass substrate by the Company and its subsidiaries, our company will compensate the Company and its subsidiaries for the economic losses thus incurred. After the non-public issue of controlling shareholders Dongxu Group is committed to compensate the economic losses of Baoshi group and its subsidiaries	October, 2012	Long-term effective	The two sides have signed an agreement, the court has been closed in mediation
Executed timely or not?	Yes				

VI. Change of share capital and shareholding of Principal Shareholders

I. Changes in share capital

In shares

	Before the change		Increase/decrease (+, -)					After the Change	
	Amount	Proportion	Share allotment	Bonus shares	Capitalization of common reserve fund	Other	Subtotal	Quantity	Proportion
I. Share with conditional subscription	130,112,723	14.41%			260,225,446		260,225,446	390,338,169	14.41%
3.Other domestic shares	130,112,723	14.41%			260,225,446		260,225,446	390,338,169	14.41%
Of which: Domestic legal person shares	130,103,000	14.41%			260,206,000		260,206,000	390,309,000	14.41%
Domestic natural person shares	9,723	0.00%			19,446		19,446	29,169	0.00%
II. Shares with unconditional subscription	772,887,277	85.59%			1,545,774,554		1,545,774,554	2,318,661,831	85.59%
1.Common shares in RMB	672,887,277	74.52%			1,345,774,554		1,345,774,554	2,018,661,831	74.52%
2.Foreign shares in domestic market	100,000,000	11.07%			200,000,000		200,000,000	300,000,000	11.07%
III. Total of capital shares	903,000,000	100.00%			1,806,000,000		1,806,000,000	2,709,000,000	100.00%

Reasons for share changed:

√Applicable □ Not applicable

On May 27, 2014, the company intended to implement the following distribution of profits and capital reserve plan: The company implemented annual capital reserve plan of the year 2013 On the base of December 31, 2013 ,903 million shares of the total share capital, the company would distribute 20 shares to all the shareholders for every 10 shares, for a total distribution of 1806 million shares. The total share capital of the Company will be increased to 2709 million shares after capitalization.

Approval of Change of Shares

√Applicable □ Not applicable

on May 19, 2014, the Company 2013 Annual General Meeting examined and adopted the "the Company annual plan of distribution of profits and capital reserve of 2013." Ownership transfer of share changes

Applicable Not applicable

Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of Company in latest year and period

Applicable Not applicable

After the implementation of the capitalization shares, according to the new share capital 2,709,000,000 shares diluted basis, in 2013 the annual basic EPS and diluted EPS is 0.17 yuan

Other information necessary to disclose for the company or need to disclosed under requirement from security regulators

Applicable Not applicable

Explanation on changes in aspect of total shares, shareholders structures as well as structure of assets and liability of the Company

Applicable Not applicable

II. Shareholders and actual controlling shareholder

In Shares

Shareholders	Nuture of shareholder	Proportion of shares held (%)	Number of shares held at period -end	Changes in reporting period	Amount of restricted shares held	Amount of un-restricted shares held	Number os share pledged/frozen	
							State of share	Amount
Total number of common shareholders at the end of the reporting period								
32,359 (Including 25,065 shareholders holding A shares and 7,294 shareholders holding B shares)		Total number of preferred shareholders that had restored the voting right at the end of the reporting period (if any) (note 8)		0				
Shareholding of shareholders holding more than 5% shares								
Dongxu Group	Domestic Non-State-owned legal person	14.40%	390,093,000		390,093,000		Pledge	390,093,000
Huarong Securities—ICBC—Huarong Fixed Growth No. 1 Limited-amount Specific Asset Management Program	Other	13.71%	371,517,000			371,517,000		
Shijiazhuang Baoshi Electronic Group Co., Ltd.	Domestic Non-State-owned legal person	12.27%	332,380,950			332,380,950	Pledge	120,000,000
Yinmin Fund Company—Minsheng—Yinmin Fund	Other	6.50%	176,100,000			176,100,000		

Non-Public Issuing Assets Management Plan								
Minsheng Jiayin Fund Company—Minsheng—Pingan Trust—Pingan Wealth Huitai No.11 Collective fund trust plan	Other	5.83%	157,902,000			157,902,000		
Huitianfu Fund Company—Agricultural Bank of China—SDIC Trust Golden Eagle No.108 Collective Fund trust plan	Other	4.57%	123,837,000			123,837,000		
Dacheng Fund Company—Agricultural Bank of China—SDIC Tust Golden Eagle No.109 Collective Fund trust plan	Other	4.57%	123,837,000			123,837,000		
Guangfa Fund Company—Agricultural Bank of China—SDIC Tust Golden Eagle No.109 Collective Fund trust plan	Other	4.57%	123,837,000			123,837,000		
International Finance — ICBC—Zhongjin Increase No.1 Collective Assets Management plan	Other	3.43%	92,877,000			92,877,000		
National Social Security Fund portfolio 108	Other	0.75%	20,400,000			20,400,000		
Explanation on associated relationship among the aforesaid shareholders	Among the top ten shareholders, Dongxu Group and Baoshi Group have relationship and constitute persons taking concerted action. The Company does not know whether there is relationship between other 8 shareholders or whether they are persons taking concerted action defined in Administrative Measures Relating to Acquisitions of Listed Companies.							
Shareholding of top 10 shareholders of unrestricted shares								
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type						
		Share type	Quantity					
Huarong Securities—ICBC—Huarong Fixed Growth No. 1 Limited-amount Specific Asset Management Program	371,517,000	RMB Common shares	371,517,000					
Shijiazhuang Baoshi Electronic Group Co., Ltd.	332,380,950	RMB Common shares	332,380,950					

Yinmin Fund Company—Minsheng—Yinmin Fund Non-Public Issuing Assets Management Plan	176,100,000	RMB Common shares	176,100,000
Minsheng Jiayin Fund Company—Minsheng—Pingan Trust—Pingan Wealth Huitai No.11 Collective fund trust plan	157,902,000	RMB Common shares	157,902,000
Huitianfu Fund Company—Agricultural Bank of China—SDIC Trust Golden Eagle No.108 Collective Fund trust plan	123,837,000	RMB Common shares	123,837,000
Dacheng Fund Company—Agricultural Bank of China—SDIC Tust Golden Eagle No.109 Collective Fund trust plan	123,837,000	RMB Common shares	123,837,000
Guangfa Fund Company—Agricultural Bank of China—SDIC Tust Golden Eagle No.109 Collective Fund trust plan	123,837,000	RMB Common shares	123,837,000
International Finance —ICBC—Zhongjin Increase No.1 Collective Assets Management plan	92,877,000	RMB Common shares	92,877,000
National Social Security Fund portfolio 108	20,400,000	RMB Common shares	20,400,000
Taifook Securities Company Limited-Account Client	19,961,605	Foreign shares placed in domestic exchange	19,961,605
Explanation on associated relationship or consistent action among the top 10 shareholders of non-restricted negotiable shares and that between the top 10 shareholders of non-restricted negotiable shares and top 10 shareholders	Among the top ten shareholders holding non-restricted negotiable shares, Dongxu Group and Baoshi Group have relationship and constitute persons taking concerted action. The Company does not know whether there is relationship between the other top 10 shareholders holding non-restricted negotiable shares and between such shareholders and the other top 10 shareholders		

Was there any agreed repurchasing trade by shareholders in the report period.

Yes No

No agreed repurchasing trade by shareholders in the report period.

III. Change of the controlling shareholder or the actual controller

Change of the controlling shareholder in the reporting period

Applicable Not Applicable

There was no any change of the controlling shareholder of the Company in the reporting period.

Change of the actual controller in the reporting period

Applicable Not applicable

There was no any change of the actual controller of the Company in the reporting period.

VII. Information about Directors, Supervisors and Senior Executives

I. Change in shares held by directors, supervisors and senior executives

√ Applicable □ Not applicable

Name	Positions	Office status	Shares holding at the beginning of term(share s)	Shares increased this term (shares)	Shares decreased this term (shares)	Shares held at the end of term(share s)	Shares under restriction at beginning of period (shares)	Shares put under restriction in the period (shares)	Shares under restriction at end of period (shares)
Li Zhaoting	Board chairman	In office	0	0	0	0	0	0	0
Zhou Bo	Director	In office	9,724	19,448	0	29,172	0	0	0
Fu Yingfang	Director, Board secretary	In office	0	0	0	0	0	0	0
Niu Jianlin	Director	In office	0	0	0	0	0	0	0
Lu Guihua	Independent director	In office	0	0	0	0	0	0	0
Mu Tiehu	Independent director	In office	0	0	0	0	0	0	0
Zhang Shuangcai	Independent director	In office	0	0	0	0	0	0	0
Guo Zhisheng	Chairman of the supervisory committee	In office	0	0	0	0	0	0	0
Wang Jianqiang	Supervisor	In office	0	0	0	0	0	0	0
Xie Mengxiong	Supervisor	In office	0	0	0	0	0	0	0
Jia Qinjun	Supervisor	In office	0	0	0	0	0	0	0
Liu Li	Supervisor	In office	0	0	0	0	0	0	0
Shi	General	In office	0	0	0	0	0	0	0

Zhiqiang	Manager								
Liu Wentai	Deputy General Manager	In office	0	0	0	0	0	0	0
Hou Jianwei	Deputy General Manager	In office	0	0	0	0	0	0	0
Wang Xiaohu	Deputy General Manager	In office	0	0	0	0	0	0	0
Li Quannian	Financial Manager	In office	0	0	0	0	0	0	0
Zhang Qunsheng	Independe nt Director	Resigned	0	0	0	0	0	0	0
Total	--	--	9,724	19,448	0	29,172	0	0	0

II. Changes in directors, supervisors and senior management staffs

√ Applicable □ Not Applicable

Name	Titles	Type	Date	Causes
Zhang Chunseng	Independent director	Dismissal	May 18,2014	According to the Central Organization Department notice , individually applied to resign from independent director.
Lu Guihua	Independent director	Hire	May 19,2014	New hire

VIII. Financial Report

I . Audit report

Has this semi-annual report been audited?

Yes No

The semi-annual financial report has not been audited.

II. Financial statements

Currency unit for the statements in the notes to these financial statements:RMB

1.Consolidated Balance sheet

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Year-end balance	Year-beginning balance
Current asset:		
Monetary fund	1,732,658,157.43	2,586,660,951.04
Settlement provision		
Outgoing call loan		
Trading financial assets		
Bill receivable	397,800,000.00	
Account receivable	1,579,215,223.12	943,285,462.11
Prepayments	3,814,217,028.77	2,788,962,137.94
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	62,113,548.66	29,300,640.49
Repurchasing of financial assets		
Inventories	202,650,541.65	298,619,165.08
Non-current asset due in 1 year		

Other current asset	94,813,548.62	75,632,804.57
Total of current assets	7,883,468,048.25	6,722,461,161.23
Non-current assets:		
Loans and payment on other's behalf disbursed		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment		
Property investment		12,216,614.26
Fixed assets	1,377,164,492.17	141,108,554.36
Construction in progress	1,449,231,729.09	1,914,118,112.98
Engineering material	7,807,847.40	112,687,660.04
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	167,448,036.26	112,787,665.77
R & D petrol	2,307,406.77	
Goodwill		
Long-germ expenses to be amortized		
Differed income tax asset	67,928,347.12	17,598,632.50
Other non-current asset		
Total of non-current assets	3,071,887,858.81	2,310,517,239.91
Total of assets	10,955,355,907.06	9,032,978,401.14
Current liabilities		
Short-term loans	540,000,000.00	580,000,000.00
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Trade off financial liabilities		
Bill payable	705,000,000.00	150,000,000.00
Account payable	351,494,831.35	134,665,580.06
Advance payment	13,611,157.83	3,451,630.20
Selling of repurchased financial assets		

Fees and commissions receivable		
Employees' wage payable	19,316,740.46	17,885,009.53
Tax payable	-161,525,662.87	-168,850,322.26
Interest payable	5,543,923.61	
Dividend payable		
Other account payable	87,201,521.76	46,922,065.04
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Non-current liability due in 1 year		
Other current liability	61,548,000.00	60,989,000.00
Total of current liability	1,622,190,512.14	825,062,962.57
Non-current liabilities:		
Long-term loan	3,000,000,000.00	2,300,000,000.00
Bond payable		
Long-term payable		
Special payable		
Expected liabilities		
Differed income tax liability		
Other non-current liabilities	19,865,000.00	33,714,000.00
Differed income	3,019,865,000.00	2,333,714,000.00
Total of liability	4,642,055,512.14	3,158,776,962.57
Owners' equity		
Share capital	2,709,000,000.00	903,000,000.00
Capital reserves	3,130,613,311.80	4,936,613,311.80
Less: Shares in stock		
Special reserves		
Surplus reserves	27,454,788.05	27,454,788.05
Common risk provision		
Undistributed profit	354,142,276.09	-53,394,384.81
Different of foreign currency translation		
Total of owner's equity belong to the parent company	6,221,210,375.94	5,813,673,715.04

Minority shareholders' equity	92,090,018.98	60,527,723.53
Total of owners' equity	6,313,300,394.92	5,874,201,438.57
Total of liabilities and owners' equity	10,955,355,907.06	9,032,978,401.14

2. Balance sheet of the Parent Company

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Year-end balance	Year-beginning balance
Current asset:		
Monetary fund	86,717,982.80	29,805,307.79
Trading financial assets		
Bill receivable		
Account receivable	24,820,022.80	16,547,491.42
Prepayments	24,839,328.26	25,310,796.89
Interest receivable		
Dividend receivable		
Other account receivable	179,758,741.09	432,062,236.88
Inventories	17,125,753.17	19,766,175.81
Non-current asset due in 1 year		
Other current asset	19,211.84	19,211.84
Total of current assets	333,281,039.96	523,511,220.63
Non-current assets:		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	5,068,912,035.49	4,728,458,306.96
Property investment		4,203,586.44
Fixed assets	58,752,553.02	31,342,639.14
Construction in progress		23,712,084.39
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	10,684,396.66	10,847,178.52
R & D petrol		

Goodwill		
Long-germ expenses to be amortized		
Differed income tax asset	8,034,510.33	8,034,510.33
Other non-current asset		
Total of non-current assets	5,146,383,495.50	4,806,598,305.78
Total of assets	5,479,664,535.46	5,330,109,526.41
Current liabilities		
Short-term loans	100,000,000.00	
Trade off financial liabilities		
Bill payable		
Account payable	14,553,659.93	16,158,244.45
Advance payment	1,003,175.40	6,702,336.70
Employees' wage payable	3,557,092.36	3,964,746.75
Tax payable	1,178,822.18	1,676,183.24
Interest payable		
Dividend payable		
Other account payable	169,890,774.09	105,904,670.83
Non-current liability due in 1 year		
Other current liability	20,000.00	20,000.00
Total of current liability	290,203,523.96	134,426,181.97
Non-current liabilities:		
Long-term loan		
Bond payable		
Long-term payable		
Special payable		
Expected liabilities		
Differed income tax liability		
Other non-current liabilities	45,000.00	45,000.00
Total of Non-current liabilities	45,000.00	45,000.00
Total of liability	290,248,523.96	134,471,181.97
Owners' equity		
Share capital	2,709,000,000.00	903,000,000.00
Capital reserves	2,993,360,997.35	4,799,360,997.35
Less: Shares in stock		

Special reserves		
Surplus reserves	32,204,150.60	32,204,150.60
Commonly risk Reserves		
Undistributed profit	-545,149,136.45	-538,926,803.51
Different of foreign currency translation		
Total of owners' equity	5,189,416,011.50	5,195,638,344.44
Total of liabilities and owners' equity	5,479,664,535.46	5,330,109,526.41

3. Consolidated Profit statement

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Item	Report period	Same period of the previous year
I. Income from the key business	909,974,743.09	255,042,354.08
Incl: Business income	909,974,743.09	255,042,354.08
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	556,604,695.22	166,836,512.21
Incl: Business cost	433,071,741.04	108,592,058.10
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	15,054,887.96	4,007,572.47
Sales expense	4,393,918.77	3,820,269.81
Administrative expense	80,606,612.19	52,662,936.51
Financial expenses	23,389,000.06	-2,146,225.05
Asset impairment loss	88,535.20	-100,099.63
Add: Gains from change of fir value (“-”for loss)		
Investment gain (“-”for loss)		

Incl: investment gains from affiliates		
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	353,370,047.87	88,205,841.87
Add: Non-business income	180,811,244.28	108,090,806.73
Less: Non business expenses	11,600.24	510,606.03
Incl: Loss from disposal of non-current assets		
IV.Total profit(“-”for loss)	534,169,691.91	195,786,042.57
Less: Income tax expenses	95,070,735.56	55,532,146.72
V. Net profit (“-”for net loss)	439,098,956.35	140,253,895.85
Including: Net profit realized by the entity taken over before the takeover		
Net profit attributable to the owners of parent company	407,536,660.90	113,967,626.00
Minority shareholders' equity	31,562,295.45	26,286,269.85
VI. Earnings per share:	--	--
(I) Basic earnings per share	0.15	0.2
(II)Diluted earnings per share	0.15	0.2
VII. Other comprehensive income		
VIII. Total comprehensive income	439,098,956.35	140,253,895.85
Total comprehensive income attributable to the owner of the parent company	407,536,660.90	113,967,626.00
Total comprehensive income attributable minority shareholders	31,562,295.45	26,286,269.85

4. Profit statement of the Parent Company

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Report period	Same period of the previous year
I. Income from the key business	21,304,558.48	46,985,616.08
Incl: Business cost	18,423,075.94	35,568,317.91
Business tax and surcharge	118,271.63	1,760,600.33
Sales expense	102,322.30	264,995.03
Administrative expense	13,243,377.52	12,089,130.43
Financial expenses	464,153.66	-1,514,963.34

Asset impairment loss	-950.00	-100,099.63
Add: Gains from change of fair value (“-”for loss)		
Investment gain (“-”for loss)		
Incl: investment gains from affiliates		
II. Operational profit (“-”for loss)	-11,045,692.57	-1,082,364.65
Add: Non-business income	4,827,879.87	3,010,400.00
Less: Non business expenses	4,520.24	
Incl: Loss from disposal of non-current assets		
III.Total profit(“-”for loss)	-6,222,332.94	1,928,035.35
Less: Income tax expenses		2,436,326.84
IV. Net profit (“-”for net loss)	-6,222,332.94	-508,291.49
V. Earnings per share:	--	--
(I) Basic earnings per share		
(II)Diluted earnings per share		
VI. Other comprehensive income		
VII. Total comprehensive income	-6,222,332.94	-508,291.49

5. Consolidated Cash flow statement

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

In RMB

Items	Report period	Same period of the previous year
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	49,344,056.60	364,183,246.79
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and		

investment		
Net increase of trade financial asset disposal		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	60,396,989.72	43,044,066.73
Other cash received from business operation	201,797,068.93	93,198,634.20
Sub-total of cash inflow	311,538,115.25	500,425,947.72
Cash paid for purchasing of merchandise and services	1,289,412,169.27	1,085,639,220.76
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	85,309,285.08	97,041,830.56
Taxes paid	228,336,359.48	102,756,784.36
Other cash paid for business activities	200,282,386.47	132,037,097.73
Sub-total of cash outflow from business activities	1,803,340,200.30	1,417,474,933.41
Cash flow generated by business operation, net	-1,491,802,085.05	-917,048,985.69
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of		

subsidiaries or other operational units		
Net cash received from disposal of subsidiaries or other operational units	21,508,443.43	
Sub-total of cash inflow due to investment activities	21,508,443.43	
Cash paid for construction of fixed assets, intangible assets and other long-term assets	617,734,996.28	1,312,507,717.64
Cash paid as investment	20,513,728.53	
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	638,248,724.81	1,312,507,717.64
Net cash flow generated by investment	-616,740,281.38	-1,312,507,717.64
III. Cash flow generated by financing		
Cash received as investment		4,970,800,000.00
Incl: Cash received as investment from minor shareholders		
Cash received as loans	1,715,000,000.00	1,615,000,000.00
Cash received from bond placing		
Other financing –related cash received		4,388,661.78
Sub-total of cash inflow from financing activities	1,715,000,000.00	6,590,188,661.78
Cash to repay debts	290,000,000.00	510,000,000.00
Cash paid as dividend, profit, or interests	106,468,388.77	51,856,136.11
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	17,342,000.61	9,781,356.35
Sub-total of cash outflow due to financing activities	413,810,389.38	571,637,492.46
Net cash flow generated by financing	1,301,189,610.62	6,018,551,169.32
IV. Influence of exchange rate alternation on cash and cash equivalents		

V.Net increase of cash and cash equivalents	-807,352,755.81	3,788,994,465.99
Add: balance of cash and cash equivalents at the beginning of term	2,465,010,913.24	110,770,070.84
VI.Balance of cash and cash equivalents at the end of term	1,657,658,157.43	3,899,764,536.83

6. Cash flow statement of the Parent Company

Prepared by: Dongxu Optoelectronic Technology Co., Ltd

In RMB

Items	Report period	Same period of the previous year
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,961,260.02	37,868,873.04
Tax returned	7,206.86	
Other cash received from business operation	705,272,227.65	10,400.00
Sub-total of cash inflow	708,240,694.53	37,879,273.04
Cash paid for purchasing of merchandise and services	605,820.09	8,919,898.18
Cash paid to staffs or paid for staffs	6,405,716.76	8,737,342.15
Taxes paid	2,382,458.67	1,461,357.65
Other cash paid for business activities	401,480,295.47	927,206,384.87
Sub-total of cash outflow from business activities	410,874,290.99	946,324,982.85
Cash flow generated by business operation, net	297,366,403.54	-908,445,709.81
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other cash receivable for investment		

activities		
Sub-total of cash inflow due to investment activities		
Cash paid for construction of fixed assets, intangible assets and other long-term assets		
Cash paid as investment	340,453,728.53	4,016,064,000.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	340,453,728.53	4,016,064,000.00
Net cash flow generated by investment	-340,453,728.53	-4,016,064,000.00
III.Cash flow generated by financing		
Cash received from capital contributions		4,970,800,000.00
Cash received as loans	100,000,000.00	
Cash received from bond placing		
Other financing –related ash received		1,531,406.95
Sub-total of cash inflow from financing activities	100,000,000.00	4,972,331,406.95
Cash to repay debts		
Cash paid as dividend, profit, or interests		
Other cash paid for financing activities		9,741,694.15
Sub-total of cash outflow due to financing activities		9,741,694.15
Net cash flow generated by financing	100,000,000.00	4,962,589,712.80
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	56,912,675.01	38,080,002.99
Add: balance of cash and cash equivalents at the beginning of term	29,805,307.79	1,602,670.30
VI.Balance of cash and cash equivalents at the end of term	86,717,982.80	39,682,673.29

7. Consolidated Statement on Change in Owners' Equity

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

Report period

In RMB

Items	Report period									
	Owner's equity Attributable to the Parent Company								Minor shareholders' equity	Total of owners' equity
	Share Capital	Capital reserves	Less: Shares in stock	Specialized reserve	Surpluses reserves	Common risk provision	Attributable profit	Other		
I. Balance at the end of last year	903,000,000.00	4,936,613,311.80			27,454,788.05		-53,394,384.81		60,527,723.53	5,874,201,438.57
Add: Change of accounting policy										
Correcting of previous errors										
Other										
II. Balance at the beginning of current year	903,000,000.00	4,936,613,311.80			27,454,788.05		-53,394,384.81		60,527,723.53	5,874,201,438.57
III. Changed in the current year	1,806,000,000.00	-1,806,000,000.00					407,536,660.90		31,562,295.45	439,098,956.35
(I) Net profit							407,536,660.90		31,562,295.45	439,098,956.35
(II) Other misc.income										
Total of (I) and (II)							407,536,660.90		31,562,295.45	439,098,956.35
(III) Investment or decreasing of capital by owners										
1. Capital inputted by owners										
2. Amount of shares paid and accounted as owners' equity										
3. Other										
(IV) Profit allotment										
1. Providing of surplus reserves										
2. Providing of common risk provisions										
3. Allotment to the owners (or shareholders)										

4. Other										
(V) Internal transferring of owners' equity	1,806,000.00	-1,806,000.00								
1. Capitalizing of capital reserves (or to capital shares)	1,806,000.00	-1,806,000.00								
2. Capitalizing of surplus reserves (or to capital shares)										
3. Making up losses by surplus reserves.										
4. Other										
(VI) Special reserves										
1. Provided this year										
2. Used this term										
(VII) Other										
IV. Balance at the end of this term	2,709,000.00	3,130,613,311.80			27,454,788.05		354,142,276.09		92,090,018.98	6,313,300,394.92

Amount of the previous term

In RMB

Items	Amount of the previous term									
	Owner's equity Attributable to the Parent Company								Minor shareholders' equity	Total of owners' equity
	Share Capital	Capital reserves	Less: Shares in stock	Specialized reserve	Surplu s reserves	Comm on risk provisi on	Attribu table profit	Other		
I. Balance at the end of last year	383,000,000.00	404,165,683.34			27,454,788.05		-422,691,693.55		111,414,900.27	503,343,678.11
Add: Retrospective adjustment caused by merger of entities under common control										
Add: Change of accounting policy										
Correcting of previous errors										
Other										
II. Balance at the beginning of current year	383,000,000.00	404,165,683.34			27,454,788.05		-422,691,693.55		111,414,900.27	503,343,678.11
III. Changed in the current year	520,000	4,532,44					369,297,		-50,887,1	5,370,857,

	,000.00	7,628.46					308.74		76.74	760.46
(I) Net profit							369,297, 308.74		40,247,03 0.38	409,544,33 9.12
(II) Other misc.income										
Total of (I) and (II)							369,297, 308.74		40,247,03 0.38	409,544,33 9.12
(III) Investment or decreasing of capital by owners	520,000 ,000.00	4,532,44 7,628.46							-91,134,2 07.12	4,961,313, 421.34
1. Capital inputted by owners	520,000 ,000.00	4,441,31 3,421.34								4,961,313, 421.34
2. Amount of shares paid and accounted as owners' equity										
3. Other		91,134,2 07.12							-91,134,2 07.12	
(IV) Profit allotment										
1.Providing of surplus reserves										
2.Providing of common risk provisions										
3. Allotment to the owners (or shareholders)										
4. Other										
(V) Internal transferring of owners' equity										
1. Capitalizing of capital reserves (or to capital shares)										
2. Capitalizing of surplus reserves (or to capital shares)										
3. Making up losses by surplus reserves.										
4. Other										
(VI) Special reserves										
1. Provided this year										
2. Used this term										
(VII) Other										
IV. Balance at the end of this term	903,000 ,000.00	4,936,61 3,311.80			27,454, 788.05		-53,394, 384.81		60,527,72 3.53	5,874,201, 438.57

8. Statement of change in owner's Equity of the Parent Company

Prepared by: Dongxu Optoelectronic Technology Co., Ltd.

Amount of the Current term

In RMB

Items	Amount of the Current term							
	Share Capital	Capital reserves	Less: Shares in stock	Specialized reserve	Surplus reserves	Common risk provision	Attributable profit	Total of owners' equity
I. Balance at the end of last year	903,000,000.00	4,799,360,997.35			32,204,150.60		-538,926,803.51	5,195,638,344.44
Add: Change of accounting policy								
Correcting of previous errors								
Other								
II. Balance at the beginning of current year	903,000,000.00	4,799,360,997.35			32,204,150.60		-538,926,803.51	5,195,638,344.44
III. Changed in the current year	1,806,000,000.00	-1,806,000,000.00					-6,222,332.94	-6,222,332.94
(I) Net profit							-6,222,332.94	-6,222,332.94
(II) Other misc.income								
Total of (I) and (II)							-6,222,332.94	-6,222,332.94
(III) Investment or decreasing of capital by owners								
1. Capital inputted by owners								
2. Amount of shares paid and accounted as owners' equity								
3. Other								
(IV) Profit allotment								
1. Providing of surplus reserves								
2. Providing of common risk provisions								
3. Allotment to the owners (or shareholders)								
4. Other								
(V) Internal transferring of owners' equity	1,806,000,000.00	-1,806,000,000.00						

1. Capitalizing of capital reserves (or to capital shares)	1,806,000,000.00	-1,806,000,000.00						
2. Capitalizing of surplus reserves (or to capital shares)								
3. Making up losses by surplus reserves.								
4. Other								
(VI) Special reserves								
1. Provided this year								
2. Used this term								
(VII) Other								
IV. Balance at the end of this term	2,709,000,000.00	2,993,360,997.35			32,204,150.60		-545,149,136.45	5,189,416,011.50

Amount of the previous term

In RMB

Items	Amount of the previous term							
	Share Capital	Capital reserves	Less: Shares in stock	Specialized reserve	Surplus reserves	Common risk provision	Attributable profit	Total of owners' equity
I. Balance at the end of last year	383,000,000.00	358,047,576.01			32,204,150.60		-565,954,636.04	207,297,090.57
Add: Change of accounting policy								
Correcting of previous errors								
Other								
II. Balance at the beginning of current year	383,000,000.00	358,047,576.01			32,204,150.60		-565,954,636.04	207,297,090.57
III. Changed in the current year	520,000,000.00	4,441,313,421.34					27,027,832.53	4,988,341,253.87
(I) Net profit							27,027,832.53	27,027,832.53
(II) Other misc. income								
Total of (I) and (II)							27,027,832.53	27,027,832.53
(III) Investment or decreasing of capital by owners	520,000,000.00	4,441,313,421.34						4,961,313,421.34
1. Capital inputted by owners	520,000,000.00	4,441,313,421.34						4,961,313,421.34

2. Amount of shares paid and accounted as owners' equity								
3. Other								
(IV) Profit allotment								
1. Providing of surplus reserves								
2. Providing of common risk provisions								
3. Allotment to the owners (or shareholders)								
4. Other								
(V) Internal transferring of owners' equity								
1. Capitalizing of capital reserves (or to capital shares)								
2. Capitalizing of surplus reserves (or to capital shares)								
3. Making up losses by surplus reserves.								
4. Other								
(VI) Special reserves								
1. Provided this year								
2. Used this term								
(VII) Other								
IV. Balance at the end of this term	903,000,000.00	4,799,360,997.35			32,204,150.60		-538,926,803.51	5,195,638,344.44

III. Brief introduction of the Company:

Approved by Hebei Economic System Reform Commission with the Approval of Establishment of Dongxu Optoelectronic Technology Co., Ltd. (Hereinafter referred to as "The Company" or "Dongxu Optoelectronic") (Ji Ti Gfai Wei Gu Zi(1992) No.5 Document) in 1992, Shijiazhuang Baoshi Electronic Glass Co., Ltd. is a joint stock limited company jointly established by Shijiazhuang Kinescope General Factory (transformed into Shijiazhuang Baoshi Electronics Group Co., Ltd. later), China Electronic Import and export Corporation and Zonghua Hebei Import and Export Company. At the Time of establishment, the Company had 25.68 million shares (the par value of each share is RMB 10) and total share capital of RMB 256.80 million.

On July 17, 1993, the Company held a provisional shareholders' general meeting and decided to split the stock equity with par value of RMB 10 per share into stock equity with par value of RMB 1 per share. As a result, the total number of the Company's shares became 256.80 million and its total share capital became RMB 256.80 million.

On July 17, 1993, the Company held a provisional shareholders' general meeting and decided to split the stock equity with par value of RMB 10 per share into stock equity with par value of RMB 1 per share. As a result, the total number of the Company's shares became

256.80 million and its total share capital became RMB 256.80 million.

Approved by Securities Commission under State Council with the Approval of Issue of 100 Million Domestically Listed Foreign Investment Shares by Shijiazhuang Baoshi Electronic Glass Co., Ltd. (Zheng Wei Fa (1996) No. 15 Document) on June 11, 1996, the Company issued 100 million domestically listed foreign investment shares (B shares) (the par value of each share is RMB 1). Approved by China Securities Regulatory Commission with the Approval of the Application of Shijiazhuang Baoshi Electronic Glass Co., Ltd. to Publicly Issue Shares (Zheng Jian Fa Zi (1996) No. 174 Document) on August 30 of the same year, the Company publicly issued 26.20 million shares (the par value of each share is RMB 1). As of September 17, 1996, the total share capital of the Company increased to RMB 383 million.

According to the Approval of Private Issue of Shares by Shijiazhuang Baoshi Electronic Glass Co., Ltd. (Zhen Jian Xu Ke (2012) No. 1661 Document) issued by China Securities Regulatory Commission ("CSRC"), the Company privately issued 520 million RMB ordinary shares (A shares) to specific investors at the price of RMB 9.69 per share on April 3, 2013. All investors subscribed for shares in cash. After this private issue, the registered capital of the Company was changed to RMB 903.00 million. The controlling shareholder of the company by the Shijiazhuang Baoshi Electronic Group Co., Ltd. changed to Dongxu Group, a direct stake of 14.40%, Shijiazhuang Baoshi Electronic Glass Co., Ltd. held the indirectly 12.27% of the share.

The 6th Provisional shareholder meeting in 2013 approved the name change of Shijiazhuang Baoshi Electronic Glass Co., Ltd. to Dongxu Optoelectronic Technology Co., Ltd..

2013 Annual General Meeting of Shareholders examined and adopted, On May 27, 2014, the company intended to implement the following distribution of profits and capital reserve plan: The company implemented annual capital reserve plan of the year 2013,

On the base of December 31, 2013, 903 million shares of the total shares of the total share capital, the company would distribute 20 shares to all the shareholders for every 10 shares, for a total distribution of 180.6 million shares. The total share capital of the Company will be increased to 2709 million shares after capitalization.

At the end of the report period, Registered capital :RMB 2709 million, Legal representative: Li Zhaoting,

Registration No. of Legal Entity Business License : 130000000001040, Registered Address: No.9, Huanghe Road,

Shijiazhuang High-tech Industrial Development Area, Shijiazhuang, Hebei Province.

Business scope: electronic vacuum glass devices and supporting electronic components, automotive parts production and sales and after-sales services; management of the enterprise's own products export business and the business of mechanical equipment, spare parts, raw materials imports business (except the goods and technology that the country limit or prohibit to import and export), flat panel display glass substrate industry, investment, construction and operation and related technology development, technology consulting, technology services, technology transfer; hydrogen (52.23 tons / year) of production (valid until June 30, 2015 (can not operate the laws, regulations and the State Council decided to ban or restrict, ; can operate after get approval from other departments).

At the end of the report period, the Company had three wholly-owned subsidiaries: Hebei Xubao Construction Installation Engineering Co., Ltd., Wuhu Dongxu Optoelectronic Technology Co., Ltd. and Sichuan Ruiyi Construction Engineering Co., Ltd., three Controlled Subsidiaries: Shijiazhuang Baoshi Color Bulb Co., Ltd., Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd. and Wuhan Dongxu Optoelectronic Technology Co., Ltd., three controlled sub-subsidiary: Shijiazhuang Dongxu Optoelectronic Equipment Technology Co., Ltd., Beijing Dongxu Investment Development Co., Ltd. and Wuhu Ruiyi Labor Co., Ltd.

IV. Principal accounting policies, accounting estimates and early errors

1. Basis for the preparation of financial statements

(1) The financial statements is prepared as per the "Accounting Standards for Enterprises - Basic Standards", the specific accounting standards in Item 38 and its application guideline and explanation and other related regulations (collectively referred to as "Enterprise

Accounting Standards”) issued by the Ministry of Finance on February, 2006.

(2) The financial statements reports on the basis of the continuous operation.

2. Statement on complying with corporate accounting standards

The Company state: the financial statements prepared are in line with the requirements in enterprise accounting standards in line with of system, and have truly and completely reflected of the financial status in June 30, 2014 , operational results, cash flow, and other r elevant information for half year of 2014.

3.Accounting year: from January 1 to December 31 as one accounting year.

4.Standard currency for bookkeeping: The Company takes RMB as the standard currency for bookkeeping.

5. Accounting treatment methods of the merger of enterprises under the control of the same company and different companies

(1) Merger of enterprises under the control of the same company

The Company’s assets and liabilities obtained from the enterprise merger are measured according to the book value of the merged party on the date of merger. The balance between the book value of net assets and the merger consideration price paid (or an aggregate of par value amount of issued shares) is used to adjust the capital reserve. Where the capital reserve is insufficient to deduct, adjust the retained earnings. Costs directly related to the merger of the merger party are recorded to the current profit and loss. For the merger of majority interests, assets and liabilities of the merger party are measured in the consolidated balance sheet according to their book values.

(2) Merger of enterprises under the control of different companies

The merger cost is the fair value of the paid assets, occurred or incurred liabilities, and issued equity securities which are used to obtain the control right over the merged party on the date of purchase. For enterprise merger achieved through multiple exchanges and transactions, the merger cost is the sum of all costs of each individual transaction. Costs directly related to the merger of the merger party are recorded to to the current profit and loss.

① For mergers, the balance of the merger cost over the obtained recognizable net assets and fair value quota of the merged party during the merger is recognized as goodwill. The balance of the merger cost smaller than the obtained recognizable net assets and fair value quota of the merged party during the merger is recorded to the current profit and loss.

② For the merger of majority interests, the recognizable assets and liabilities of the merged party are listed in the consolidated balance sheet according to the fair value determined in the merger. The balance of the merger cost over the obtained recognizable net assets and fair value quota of the merged party during the merger is recognized as goodwill in the consolidated balance sheet on the date of purchase. The balance of the merger cost smaller than the obtained recognizable net assets and fair value quota of liabilities of the merged party during the merger is recorded to the current profit and loss.

6. Compiling method of consolidated accounting statements

(1) Compiling method of consolidated accounting statements

The Company compiles consolidated accounting statements according to the provisions of Accounting Standards of Business Enterprises No. 33 – Consolidated Financial Statement stipulated by the Ministry of Finance.

The Company begins to merge the revenues, costs, and profits of the corresponding period from the date when the Company obtains the actual control right over the subsidiary, and stops to merge the revenues, costs, and profits of the corresponding period from the

date when the Company loses the actual control right over the subsidiary. All major balances, transactions and unrealized profits in the Group have been offset during the compiling of consolidated accounting statements.

The owner's interests of subsidiaries that are incorporated in the merger and that do not belong to the Group are listed in the minority interests under the subject of owner's interests of the consolidated balance sheet. The net profit and loss of the current period that belong to minority interests are listed in the minority profit and loss under the net profit subject of the consolidated income statement.

7. Recognition Standard of Cash & Cash Equivalents

The cash stated in cash flow statement refers to cash in hand and bank deposits usable for payment at any time. Cash equivalent refers to the investments with holding period of less than three months that are readily convertible to known amount of cash and subject to insignificant risk of changes in value.

8. Foreign currency translation

(1) Foreign currency Transactions

Transactions denominated in foreign currencies are translated into RMB at the applicable basic rates of exchange quoted by the People's Bank of China prevailing at the dates of the transaction.

(2) Foreign currency statement Convert

On the balance sheet day, foreign currency monetary item shall be converted at the benchmark exchange rate on the balance sheet day. The exchange difference resulting from difference between spot exchange rate and that recognized initially or the benchmark exchange rate on the prior balance sheet day shall be calculated into the profit and loss of current period; foreign currency non-monetary item measured by historical cost shall still be converted at the spot exchange rate on the transaction day and the recording currency sum shall not changed. The exchange difference resulting from foreign currency loan related to qualified assets under acquisition, construction and production shall be handled by the principle of borrowing costs capitalization.

9. Financial instruments

A financial instrument refers to a contract that forms the financial assets of an enterprise and forms the financial liabilities or equity instruments of other enterprises. When a company becomes a party of a financial instrument contract, a financial asset or liability is recognized.

(1) Classification of financial instruments:

Financial assets are classified into four categories during the initial recognition: (1) financial assets that are measured by their fair values and whose changes are recorded in the current profit and loss, including tradable financial assets and financial assets that are specified to be measured by their fair values and whose changes are recorded in the current profit and loss; (2) held-to-maturity investments; (3) loans and accounts receivable; (4) financial assets available for sale. Financial liabilities are classified into two categories during the initial recognition: (1) financial liabilities that are measured by their fair values and whose changes are recorded in the current profit and loss, including tradable financial liabilities and financial liabilities that are specified to be measured by their fair values and whose changes are recorded in the current profit and loss; (2) other financial liabilities.

(2) For the held-to-maturity investments of the Company, the sum of fair values of financial assets at the time of obtainment and the related transaction fees are recognized as the initial recognition amount. Where the paid bond interests are included in the payment, the paid bond interests are separately recognized as accounts receivable. During the holding period, the interest income is calculated and recognized according to the actual interest rate and amortized cost, and recorded into the investment revenue. During the disposal of financial assets, the balance between the price at the time of obtainment and the book value is recognized as the investment revenue.

(3) For accounts receivable generated by selling goods or providing services, the initial amount is recognized by the price stipulated

in the contract or agreement. During the holding period, the subsequent measurement is conducted based on the amortized cost and actual interest rate method. During the collection and disposal of accounts receivable, the balance between the price at the time of obtainment and the book value is recorded into the current profit and loss.

(4) For financial assets available for sale, the sum of fair values of financial assets at the time of obtainment and the related transaction fees are recognized as the initial recognition amount. Where the paid bond interests or cash dividends are included in the payment, the paid bond interests or cash dividends are separately recognized as accounts receivable. Interests or cash dividends obtained during the holding period are recognized as investment revenues. The gain or loss that is measured by the fair value on the date of balance sheet and is formed by the changes of the fair value is directly recorded into the capital reserve. During the disposal of financial assets, the balance between the price at the time of obtainment and the book value is recognized as the investment revenue. At the same time, the changes of the fair value that is originally recorded into the capital reserve are carried forward to the investment revenue.

Financial assets that are measured by their fair values and whose changes are recorded in the current profit and loss are recognized by their fair values at the time of obtainment and the related transaction fees are directly recorded into the profit or loss of the current period. During the holding period, the subsequent measurement is conducted based on the fair value. For other financial liabilities, the initial amount is recognized by the sum of their fair values at the time of obtainment and related transaction fees. During the holding period, the measurement is conducted based on the amortized cost and actual interest rate method.

(3) Recognition basis and measurement for transferred financial assets

1) Recognition of the transfer of financial assets:

In the following situations, the Company recognizes the transfer of financial assets and terminates the recognition of financial assets when the Company transfers almost all the risks and rewards of the ownership of financial assets to the transferee.

- ① The Company sells financial assets by means of non-recourse.
- ② The Company sells financial assets and enters into an agreement with the buyer at the same time, which stipulates that the Company will repurchase the financial assets at their fair values on the date when the prescribed term ends.
- ③ The Company sells financial assets and enters into an agreement of put option with the buyer at the same time. The put option is a material out-of-the-money option from the contract terms.

2) Measurement of the transfer of financial assets

When financial assets are transferred overall, the balance of the book value of the transferred financial assets over the received consideration price and accumulated fair value changes that are originally and directly recorded to the owner's equity is recognized and recorded into the current profit and loss.

When financial assets are transferred partly, the overall book value of the transferred financial assets, between the derecognized part of and the non-derecognized part, is apportioned according to their relative fair values respectively, and according to the book value of the derecognized part and the received consideration of the derecognized part and the corresponding derecognition sum in the accumulated fair value alteration amount that is directly included into the owner's rights and interests originally, it should be recognized after apportionment to this accumulated amount according to the relative fair value of the derecognized part in the financial assets.

(4) The conditions to stopping the financial liabilities

Only if the existing obligations of financial liabilities have been removed wholly or partly, the financial liabilities can be terminated to recognize wholly or partly.

(5) The determination method for fair value of financial assets and financial liabilities

If there's an active market for financial assets or liabilities, the fair value is recognized by the quotation in the active market. If there's no an active market for financial assets or liabilities, the fair value is recognized by the evaluation. For initially obtained or originative financial assets or undertaken financial liabilities, the fair value is recognized based on the market transaction price. Where the fair value of financial instruments is recognized by the future cash flow discount method, the discount rate is the market yield rate of other financial instruments that are substantially same in contract terms and features. Where the short-term accounts

receivable whose interest rate is not indicated and the balance between the present value of accounts payable and the actual transaction price is small, the measurement is conducted based on the actual transaction price.

(6) Providing of impairment provision on financial assets (exclude receivable accounts)

On the date of the balance sheet, the Company checks the book value of financial assets other than the financial assets that are measured by their fair values and whose changes are recorded in the current profit and loss. Where there is an objective evidence to indicate that the financial assets are impaired, the impairment provision is accrued. Financial assets whose single amount is great are conducted with an impairment test separately. Financial assets whose single amount is not great can be conducted with an impairment test either separately or jointly in financial asset portfolios with the feature of credit risks.

For loans, accounts receivable, and held-to-maturity investments, the impairment provision is accrued based on the balance between the present value and the book value of the estimated future cash flow. If there is an objective evidence to indicate that the value has been restored after the accrual, the previously-recognized impairment loss can be recovered and recorded into the current profit and loss.

All kinds of various recognized standards for impairment of financial assets available for sale

If an impairment occurs to financial assets available for sale, even if this financial asset is not derecognized, the accumulated losses that are caused by the reduced fair value and that are originally and directly recorded in the owner's interests should be transferred out and recorded into the current profit and loss, Among which, for the debt instrument available for sale, if the fair value increases subsequently, the original impairment provision can be recovered and recorded into the current profit and loss. For the equity instrument available for sale, the impairment provision shall not be recovered through the profit or loss.

All Recognition Standards of Depreciation of Financial Assets Available for Sale

(7) If investment held to mature is recategorized to sellable financial assets, please state the intention or evidence of change incapability .

10. Recognition standard and providing basis of bad debt provision on receivable accounts

(1) Accounts receivable with material specific amount and specific provisioned bad debt preparation.

The judgment basis for significant single-item amount or standard for significant amount	The accounts receivable with single-item amount of RMB 5 million and above
The method of separate provision for bad debts for the accounts receivable with significant single-item amount	Impairment test shall be separately conducted. If the test proves the occurrence of impairment, impairment loss shall be determined and provision for bad debts shall be made according to the difference between the present value of its future cash flow and its book value. For the accounts receivable whose impairment is not proved by separate test, such accounts receivable, together with those with insignificant single-item amount, are divided into some groups based on similar characteristics of credit risks. For these groups of accounts receivable, provision for bad debts shall be made according to the regulation mentioned in "(2) provision for bad debts shall be made for accounts receivable on group basis".

(2) Provision for bad debts shall be made for accounts receivable on group basis:

Name	Method of making provision for bad debts on group basis	Basis for determining groups
Account age group	Account age Analysis method	Division into groups with the age of accounts receivable as characteristic of credit risk
Other groups	Other method	Division into groups with the transaction object of accounts receivable

		and the nature of money as the characteristic of credit risk. Such as export rebates receivable, employees' borrowings for official duties, reserve fund, deposit, money for related transactions.
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In Group, Provision for bad debts with the method of account age analysis

Applicable Not applicable

Age	Proportion of provision of receivable account (%)	Proportion of provision of other receivable account (%)
Within credit period	0.00%	0.00%
Within 1 year after credit period	5.00%	5.00%
1—2 years	10.00%	10.00%
2—3 years	30.00%	30.00%
3—4 years	50.00%	50.00%
4—5 years	70.00%	70.00%
Over 5 years	100.00%	100.00%

Accounts on percentage basis in group

applicable not applicable

Accounts on other basis in group:

applicable not applicable

Name	Notes
Other Group	Impairment test shall be separately conducted. If objective evidences prove the occurrence of impairment, impairment loss shall be recognized and provision for bad debts shall be made according to the difference between the present value of expected future cash flow and its book value. If no impairment is found after test, no provision for bad debts shall be made.

(3) The accounts receivable with insignificant single-item amount for which provision for bad debts is separately made:

Reason for separate provision for bad debts	The accounts receivable with single-item amount of less than RMB 5 million whose risk characteristics can't be reflected by provision for bad debts on basis of group.
Method of provision for bad debts	Provision for bad debts is made according to the difference between the present value of its future cash flow and its book value.

11. Inventories

(1) Inventory classification

Inventories including raw materials, products in production, Low-value consumable goods, goods in stock, spare parts, are listed depending on which is lower between cost and net value realizable.

(2) Pricing method of stock delivered

Stock delivered is measured according to weighted average method.

Inventories are accounted for at their historical cost or planned cost at the time of acquisition, accounts by month-end weighted average method. For the consuming of Consumable Goods of Low Value, uses once conversion method to account the cost. For the

consuming of packaging materials, accounts it to the cost at one time. For the cost of finished products and products in production including the raw materials, direct labor, all indirect production costs under normal production capacity, and the conversion of the cost of inventory sold, accounts by month-end weighted average method.

(3) Confirmation basis of stock net realizable value and withdrawal method of inventory falling price reserves.

For inventory at period end, accounts the inventory price falling reserve according to the difference between the cost of individual inventory project and the net value realizable. For the inventories that have similar purposes and relate to the products in the same region, and in fact, are difficult to distinguish the serial products from other items, collectively account the price falling reserve; For inventories that have large quantity but low in price, account the price falling reserve according to stock categories. For the net value realizable in accordance with the normal production process, determine the amount by the estimated stock price minus the estimated cost, cost of sales and related taxes.

(4) Inventory system

Inventory system: Perpetual inventory

(5) Amortization method of consumption goods with low value and wrap page

Consumption goods with low value

Consumption goods with low value adopt one time amortization method when used.

Packing

Amortization method: Wrap page adopts one time amortization when used

12. Long-term equity investment

(1) Investment cost confirmation

(1) For the corporate merger under the same control, the merging parties paying by cash, transfer of non-cash assets, or the means of debt bearing as the merger price. The merger should be made in accordance with the combined book value of the owner's equity share of the equity investment as a long-term investment in the initial cost, long-term equity investment initial investment costs the cash payment, transfer of the non-cash assets and the assumption of debt by book value to the difference between the adjusted capital surplus; for surplus less than the offset capital, adjusts the retained earnings; for the merging parties with the issuance of securities as interest on the price of the merger, the merger should be made in accordance with the merging parties the rights of owners book value of equity shares as a long-term investment in the initial cost of the investment. In accordance with the issued shares and total value of equity, long-term equity investments and the cost of initial investment by issuing shares of a face value of the difference between the amount should be adjusted capital surplus; for Less capital surplus, adjusts the retained earnings. Combination of businesses not under common control shall have as the investment cost the fair value of the assets expended, the liabilities incurred or assumed and the equity securities issued to acquire the control over the business on the purchase day. If the fair value of the purchase cost is higher than that of the purchased part of the identifiable net assets in business combination, the difference shall be seen as good will while if it is lower, the difference shall be recorded in the profit and loss of the period. (2) Besides the long-term equity investment obtained by the other way of the merger, determine the initial investment cost in accordance with the following provisions: For such combination by cash, the purchase price actually expended shall be taken as the investment cost; if by issuing equity securities, it shall be the fair value of such securities; for the long-term equity investments by investors, the value set by the investment contract or agreement shall be the investment cost unless the set value is not fair; for the long-term, essentially commercial and fair value reliably measurable equity investments acquired by means of non-monetary assets exchange, the fair value and the expended taxes shall be the investment cost and the difference between the book value of the expended assets and the fair value shall be recorded in the profit and loss of the period; and for the long-term equity investments arising of debts restructuring, the fair value shall be the investment cost and the difference between the fair value and the book value of the restructured debts shall be recorded in the profit and loss of the period.

(2) Follow-up measurement:

(i) For the long-term equity investments that do not have joint control or significant influence on subsidiaries, have no market quotations, and the fair value can not be reliably measured, accounts by the cost method. For the cash dividend or profit declared by the units invested, recognizes it as current investment income. Confirmation of investment income is restricted to cumulative net profit of sub-quotas after units invested receiving the investments. For the part that surpass the above amount, recovers it as the initial investment cost. (ii) For the long-term equity investments that have joint control or significant influence on the units invested, accounts it by the method of equity. Upon the acquiring of the long-term equity investment, based on the fair assets value recognized by the units invested, confirm the investment losses or gains and adjust the account value of long-term equity investment after adjusting the net losses and gains achieved by the units invested. The owning part of the profit and cash dividends declared by the units invested, correspondingly reduce the book value of the long-term equity investment. For the other changes in the rights of the owners apart from the net gains and losses of the units invested, adjusts the book value of the long-term equity investments and recognizes it as capital surplus. Adjust the book value of long-term equity investment and include it in owner's equity.

(3) Basis for confirming joint control and significant impact towards the invested unit

Joint control refers to the common control towards certain economic activity in accordance with agreement of contract. When the outward investment of company conforms to the following situations, confirm the joint control towards the invested unit: ① any joint operational party shall not separately control the production and operation activities of the joint enterprise; ② any strategic decision related to the basic operation activity of the joint enterprise shall be agreed by all joint operational parties; ③ all joint operational parties may appoint any of joint operational parties to manage the daily activities of the joint enterprise by contract or agreement; nevertheless, the operational party shall exercise the right of management within the scope of financial and operational policies that have been jointly approved by all joint operational parties. When the company's outward investment conforms to the following situations, confirm the significant impact towards the invested unit: ① having representatives in such authority institution as the Board of Directors in the invested unit; ② participating in the strategy formulation process of the invested unit, including formulation of dividend distribution policy; ③ occurring significant trade with the invested unit; ④ dispatching management staff to the invested unit; ⑤ providing key technology materials to the invested unit. When the company directly holds more than 20% but less than 50% shares with right to vote or by subsidiary, it is generally recognized to have significant impact on the invested unit.

(4) Depreciation testing method and depreciation reserve withdrawal method.

On the date of balance sheet, accounts it according to which is lower between the book value of long-term equity investments and the amount recoverable, if the amount recoverable is lower than the book value, accounts the assets devaluation preparations and confirms the devaluation losses. The Company adopts the method of accounting long-term equity investment term by term, once the devaluation preparation is confirmed, it shall not be converted back in the accounting period in the future. For the long-term investments that have market price, judge and account the devaluation preparations according to the following situations: The market price lower than the book value in continuous two years; The investment is suspended for one year or more; The units invested have serious losses in that year; The units invested have losses in continuous two years; The units invested have rectification, liquidation and other signs of unsustainable business. For the long-term investments without market price, judge and account the devaluation preparations in accordance with the following signs: The changes in political or legal environment like the issuance or rectification of tax laws and trading laws that affect the operation of the units invested, may result in the huge losses in the units invested. The changes in market demands due to the goods or labor provided by the units invested are obsolete or due to consumers' preferences change, resulted in serious influences in the financial situation in the units invested; The production technologies in the industries of the units invested have significant changes, the units invested have lost their competitive capacity, thus leading to serious financial situations, for example: rectification, liquidation etc; The other situations that there is evidence to show the investment will not actually bring economic interests for the Group. Standards for fixed assets: the assets held for the purpose of goods production, labor providing, rent or management; the service life more than one year; the tangible assets with high unit value.

13. Real estate investment

Investment real estate refers to the properties held for the purpose of generating rent and/or capital appreciation. The company's investment real estate includes the land use right rented and the constructions leased.

(1) Recognition of the investment real estate

The investment real estate shall be recognized unless it meets the following requirements simultaneously: ① The economic benefits pertinent to the investment property are likely to flow into the enterprise; and ② The cost of the investment real estate can be reliably measured.

(2) Initial measurement of the investment real estate

- ① The cost of an investment real estate by acquisition consists of the acquisition price, relevant taxes, and other expenses directly relegated to the asset.
- ② The cost of a self-built investment real estate composes of the necessary expenses for building the asset to the hoped condition for use.
- ③ The cost of an investment real estate obtained by other means shall be recognized in accordance with the relevant accounting standards.
- ④ The follow-up expenses pertinent to an investment real estate, if they meet the recognition conditions of the investment property, they shall be included in the cost of the investment real estate; otherwise, if they fail to meet the recognition conditions of the investment property, they shall be included in the current profits and losses when they are incurred.

(3) Follow-up measurement of the investment real estate

The company makes a follow-up measurement to the investment real estate through the cost pattern on the date of the balance sheet. According to the relevant provisions of the "Accounting Standards for Enterprises No.4 - Fixed Assets" and the "Accounting Standards for Enterprises No.6 - Intangible Assets", the actual amortization or depreciation is made for the investment real estate by the straight-line method in the estimated useful life.

(4) Conversion of the investment real estate

The company has well-established evidence to indicate that the purpose of the real estate has changed, it shall convert the investment real estate to other assets, or vice versa. And the book value of the real estate prior to the conversion shall be entry value after conversion.

14. Fixed Assets

(1) Confirmation conditions of fixed assets

Fixed assets can be recognized only when the following conditions are satisfied:

- (1) Economic benefits related to the fixed assets may flow to the enterprise; (2) The cost of the fixed assets can be reliably measured.
- Initial measurement of fixed assets: account the value of the fixed assets in accordance with the actual cost of construction & purchase of them. The follow-up expenditures related to fixed assets, for the ones that meet the conditions of fixed assets confirmation, should be included in the cost of fixed assets; For the ones that do not meet the conditions of fixed assets recognition, should be included in the current gains and losses. For the follow-up expenditures on fixed assets, should be included in the cost of fixed assets, and should terminate the book value of fixed assets that was replaced.

(2) Fixed assets depreciation method

The enterprise should account depreciation for all fixed Assets. But except the fixed assets that had accounted adequate depreciation but continued to use and the land separately accounted.

Depreciation Method: for depreciation of fixed assets, uses the straight-line method, accounting by the recorded value minus the estimated residual net value in the expected life period.

Type	Estimated useful Life	Estimated residual value rate	Depreciation rate(%)
House and Building	Over the period of title (the period specified on the real estate title certificate or land use right certificate) or 30 years in case of no period of title	5.00%	3.17%
Transportation equipment	5	5.00%	19%
Machinery and equipment-Kiln	5	5.00%	19%
Machinery and equipment-Platinum passage	3	95.50%	1.5%
Machinery and equipment-- Glass flat-panel and other equipment	15	5.00%	6.33%
Machinery and equipment-Other production equipment	10	5.00%	9.5%
Text, inspection , office equipment , instruments and other	5	5.00%	19%

(3) Depreciation measuring method and depreciation reserves withdrawn method of fixed assets

Platinum channel mainly consisted of precious metals platinum, rhodium, almost no loss, the net residual rate is relatively high

At the end of each year, the Group checks the fixed assets item by item. If recoverable amount is below the book value because the steady fall of the market price, or technological obsolescence, damage or long-term idleness or other factors, they make the difference between the recoverable amount and the book value as the reserve for fixed assets devaluation, which was accounted as the individual assets.

If the fixed assets of the company actually have had losses, then account the devaluation reserve. When one of the following circumstances exists, completely account the reserve for fixed assets devaluation in accordance with the full book value of fixed assets:

The fixed assets that being put aside in long term, or no longer be used in the foreseeable future, and have no value of transfer;

Due to technological advances and other factors, the fixed assets can not be used;

Although the fixed assets can be used, but if use, large quantity of unqualified products may produce;

The fixed assets that had been damaged, and there is no usage value or value of transfer;

Other fixed assets that cannot bring economic benefits for the Group.

Upon the recognition of the fixed assets devaluation losses, depreciation or amortization expenses of the devalued assets should have correspondent adjustment in the future periods, so that in the remaining service life of the assets, systematically adjust the book value of the assets (excluding the predicted net residuals).

Upon the recognition of the fixed assets devaluation losses, in the subsequent accounting period they shall not be converted back.

15. Projects under construction

(1) Categories of projects under construction

Construction in progress represents capital assets under construction or installation and is accounted for as engineering cost at actual

cost. The construction cost includes the cost of construction and installation, machine and equipment, other direct expenses and borrowing costs from the special loans borrowed for the acquisition or construction of fixed assets before projects get ready for intended use.

(2) Standard and timing for transferring of projects under construction to fixed assets

Construction in progress is transferred into fixed assets when a project gets ready for intended use and provision for depreciation is made from the following month.

(3) Impairment text and providing of impairment provisions on projects under construction

The company makes a overall assessment of the project under construction at the end of each year. If there is any evidence that the construction in progress has been impaired, the company provides for such impairment losses. In case of existing of one or several of the following cases, the impairment losses should be provided for the construction in progress:

The project under construction has been suspended for long period and is not expected to restart in 3 years.

The projects that was lagged behind in both performance and in technique, and that may bring great uncertainty for the economic benefits of the Group.

Other situations that can prove that depreciation has already occurred to the construction projects.

Once any loss of the construction-in-process impairment is recognized, it shall not be switched back in the future accounting periods.

16. Loan expenses.

(1) Principle of the recognition of capitalized borrowing costs

For the loan expenses, if can be directly attributed to the capital, account them into the capital costs; For the other loan expenses, account them into the losses and gains in the current period according to the occurrence amount.

If the loan expenses meet the all following conditions in the same time, they shall be capitalized and included into the cost of that assets : ① Assets expenditure has occurred; ② The loan costs have occurred; ③ The necessary construction or production activities for the assets to achieve the predicted state.

The loans include the specialized loan and the general loan.

For the additional expenses from specialized loan, before the achieving of the expected use or sale state and meet the capitalized condition, according to the occurrence amount to have capitalization, and account it into the capital cost that meet the capitalization condition; after the achieving of the expected use or sale state and meet the capitalized conditions, according to the occurrence amount to recognize as cost, and account it into the current losses and gains.

For the additional expenses from general loans, recognize the occurrence amount as the expenses, and account it into the current losses and gains.

(2) Calculating of borrowing expense capitalizing

For the special loan for the construction and production of capitalized assets, the actual interest expense from special loan minus the interest income from loan deposited in the bank or the amount of investment gains from temporary investment.

For the general loan for the construction and production of capitalized assets, according to the capital expense weighted average amount of the cumulative capital expenditure multiply the capitalization rate of the general loan occupied, account interest amount of the general loan capitalization. The capitalization rate is accounted according to the general loan weighted average interest rate.

17. Intangible assets

(1) Pricing of intangible assets

Intangible assets refer to identifiable monetary assets with no physical substance that the company owns or controls. For intangible assets, including patents, generic technology, trademark, copyright, land-use right, permit right, etc, are listed by the net

value that cost minus accumulated amortization and accumulated devaluation.

The amount of amortization of intangible assets should be systematically amortized within the service life. Amortization method should reflect the economic profit and the expected achievement methods related to the intangible assets. If unable to determine the expected achievement methods, adopt the method of straight line to amortize. For the intangible assets that can not confirm the service life, do not amortize.

For the right of land use, the actual payment of the purchase price is the actual cost, accounting the intangible assets before the construction of the project, and using method of straight line to amortize according to the land use period. Use the straight-line method and amortize it in 50 year.

For the expenditures on internal research & development projects, the company pays the expenses according to the research phase and development phase. The expenditures in the research phase are included in current profit and loss; For the expenditures that meet the conditions in the development phase, shall be capitalized and recognized as intangible assets.

(2) Provision for impairment of investment assets

At the end of each year, the Group checks the capability of all intangible assets that is expected to bring economic benefits for the Group in the future. For the expected recoverable amount below its book value, account the reserves for devaluation. For the intangible assets, account the reserves for devaluation according to the individual item.

When there is one or more of the following cases, the book value of intangible assets shall be completely converted to the current profit and loss:

The intangible asset that have been replaced by some other new technology, and it had no use value and transfer value;

The intangible assets the has exceeded the legal time limit, and it can not bring economic benefits for the Group;

Other cases that can prove the intangible asset had lost its use value and transfer value.

When there is one or more of the following circumstances, account the devaluation reserves for the intangible assets:

The intangible assets that have been replaced by other new technologies, and that makes it produce great adverse affect to economic interests of the Group.

The market value of certain intangible assets had a sharp decline in the current period, and will no resume in the remaining amortization period;

The intangible assets the has exceeded the legal time limit, but they still have some value;

Other cases that can prove the intangible assets have had devaluations.

Once the devaluation losses of the intangible assets have been recognized, they can not be converted back in the subsequent accounting period.

18. Long-term amortization expenses

If the long-term amortization expenses are precious metals, amortize according to the actual damage degree of the precious metals, and listed by the net amount of actual expenditure minus the accumulated amortization.

19. Predicted liabilities

(1) Recognition of Predicted liabilities

Estimated liabilities are recognized if both the Company and the related obligation of contingencies meet the following conditions at the same time: (1) The obligation is a present obligation undertaken by the enterprise; (2) The fulfillment of the obligation may likely cause an outflow of economic interests; (3) The amount of the obligation can be reliably measured.

(2) Accounting of Predicted liabilities

The Company conducts the initial measurement in accordance with the best estimated amount of expenditure required to fulfill related present obligations, reviews the estimated liabilities on the date of the balance sheet, and adjusts the book value based on the

current best estimated amount.

20. Revenues

(1) Recognition time for sales of goods

The risks and rewards on goods ownership are transferred to the buyers. The company will no longer implement the right of management and the right of actual control. The amount of income can be reliably accounted. The economic interest related to transactions flows into the Group and the cost related to the sale of the goods, the realization of business income confirmed.

(2) Incomes from transferring asset use right

The related economic interests are likely to flow into the enterprise, and the amount of the revenue can be reliably measured, confirm it as income. For the income from use fee, account it according to the charge time and method agreed in the contract or the agreement.

(3) Confirm the evidence to provide labor income

The operating income from the labor services started and finished within the same fiscal year is recognized when the labor services are finished. The Company recognizes the related labor income by the percentage of completion of services on the date of the balance sheet. If the result of providing labor services cannot be estimated reliably, the Company recognizes the income on the balance sheet date according to the labor costs that have already occurred and are estimated to be compensated, and costs are carried forward based on the same amount. If the labor costs that have already occurred in current period cannot be compensated, the income is not recognized and the costs that have already occurred are recognized as the current expenses.

(4) Deciding of completion percentage when percentage basis is adopted to recognize income from service providing or construction contracts

The Company determines the completion schedule of the provision of services by the following methods: (1) the measurement of works that have been complete; (2) the proportion of the labor services that have provided in the total labor services that should be provided; (3) the proportion of costs that have occurred in the estimated total costs.

21. Governmental subsidies

(1) Categories

The Company recognizes government subsidies when the Company is able to meet the conditions of government subsidies and can receive government subsidies Monetary assets is measured by the amount that is received or should be received. Non-monetary government subsidies are measured by fair values. Where the fair value cannot be obtained, the non-monetary government subsidies are measured by the nominal amount of RMB1.

(2) Accounting policy

Government subsidies related to assets are recognized as deferred incomes, which are averagely distributed within the usage life of related assets and recorded in current loss and profit. Government subsidies measured in nominal amount are directly recorded in the current profit and loss. Government subsidies that are related to incomes and used to compensate the related fees and losses of the future period are recognized as deferred incomes, and are recorded in the current profit and loss in the period of recognition of related fees. Government subsidies that are used to compensate the related fees and losses occurred are recorded in the current profit and loss.

22. Deferred income tax assets/Deferred income tax liability

(1) Confirmation of deferred income tax assets

(1) If there is a deductible temporary difference between the book value of assets and liabilities and the tax base, recognize the

deferred tax assets generated by the deductible temporary difference based on the limitation of taxable income that is used to deduct the deductible temporary difference. However, the deferred income tax assets generated by the initial recognition of assets or liabilities in the following transactions are not recognized:① The transaction is not an enterprise merger;② When the transaction occurs, neither the accounting profit nor taxable income are affected (or deductible loss). (2) When the deductible temporary difference related to the investment of subsidiaries, affiliated enterprises and joint venture enterprises meets the following conditions, the corresponding deferred income tax assets are recognized:① The temporary difference may likely recovered in the foreseeable future;② In the future, it is likely to obtain the taxable income that is used to deduct the deductible temporary difference; (3) For the deductible loss and tax credits offset that can be carried forward in the future years, within the extent of the amount of future taxable income of deductible loss and tax credits offset by the possible income, will be recognized as the corresponding deferred income tax assets. (4) On the balance sheet date, review the book value of deferred income tax assets. If in the future it is unlikely to gain sufficient taxable income to offset the benefits of deferred tax assets, the book value of deferred tax assets will be write-down. When it is likely to be sufficient in taxable income, the reduction in amount will be reversed back.

(2) The confirmation of deferred income tax liability

If taxable temporary differences exist between the book value of assets, liabilities and its tax base, in accordance with the applicable tax rates in the expected period for drawing back the asset or settling the liabilities, it will be recognized as deferred income tax liabilities by calculation.

23.Change of main accounting policies and estimations

Is there any material change of accounting policies occurred in the year

Yes No

N/A

(1) Change of accounting policies

Is there any change in accounting policies in the report period

Yes No

(2) Change of accounting estimations

Is there any change in accounting estimations in the report period

Yes No

24.Correction of accounting errors in previous period

Is there any accounting error with previous period found in the report period

Yes No

N/A

(1) Change of accounting policies

Is there any change in accounting policies in the report period

Yes No

(2) Change of accounting estimations

Is there any change in accounting estimations in the report period

Yes No.

V. Taxation

1. Main categories and rates of taxes

Taxes	Tax references	Applicable tax rates
VAT	Sales revenue of energy and power	17%
VAT	Sales revenue of energy and power	3~5%
Business tax	Income from labor service and lease	7%
Enterprises income tax	Taxable income	15%-25%
VAT	Sales revenue of energy and power	13%
VAT	Revenue of Technology services	6%
Surcharge for education	Turnover tax to be paid allowances	5%

Income tax rate apply able to branches and factories

VI. Enterprise consolidation and combined financial statements

1. Subsidiary

(1) Subsidiary obtained through establishment or investment

In RMB

Full name of subsidiary	Subsidiary type	Registration place	Business	Registered capital	Business scope	Actual capital amounts of the end	Other projects essentially from net investment to subsidiary	Holding proportion (%)	Proportion of voting rights (%)	Whether consolidation of report form	Interest of minority shareholder	Amount used to write down lost included in minority shareholder interest	After wrote down current period loss of minority shareholders over equity beginning share of minority shareholders in the subsidiary from
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													the parent company's share, Balance of Owner's equity
Hebei Xubao Construction Installation Engineering Co., Ltd.	Limited Liability Company	No.9, Huanghe Road, Shijiazhuang	Construction Installation	100,000,000.00	Building architectural engineering design, construction, engineering consultancy, city and roads lighting projects, interior and exterior decoration projects	100,000,000.00		100.00%	100.00%	Yes			
Shijiazhuang Baoshi Color bulb Co., Ltd.	Limited Liability Company	No.9, Huanghe Road, Shijiazhuang	Manufacturing	540,681,956.80	Production and sales of glass bulbs for colour kinescope and electronic glass	439,341,956.80		81.26%	81.26%	Yes		18,444,388.21	

					products								
Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd.	Other Limited Liability Company	Room 302, A floor, Management Committee of Jiangbei Industry Zone, Anhui Province	Manufacturing	98,000,000.00	R&D of optoelectronic mechanical equipment and electronic products, production of all kinds of non-standard equipment and parts and relevant process formulation.	93,100,000.00	95.00%	95.00%	Yes		72,393,955.34		
Wuhu Dongxu Optoelectronic Technology Co., Ltd.	Personal limited liability company	No. 36, Daowei 2 Road, Wanchun Street, Economy Technology Development Zone, Wuhu	Manufacturing	2,000,000,000.00	Investment, construction and operation related to the industry of glass substrate for optoelectronic display and relevant technological develop	4,711,064,000.00	100.00%	100.00%	Yes				

					ment.								
Wuhan Dongxu Optoelectronic Technology Co., Ltd.	Limited Liability Company	1/F, No.2 Business tower, Huazhong Shuguang Software park, No.1Guanshan Road, Donghu Development Zone, Wuhan	Manufacturing	5,000,000	Optoelectronic display glass substrate industry investment, construction and operation, Machinery and equipment, design and sale of electronic products, Provide relevant technology development, technical advice, technical services, transfer of technology etc.	3,125,000.00		62.50%	62.50%	Yes		1,356,432.03	
Sichuan Ruiyi Construction	Limited Liability Company	Building 15, No. 21, Ring Road	Construction Installation	1000000	Building Engineering,	100,453,728.53		100.00%	100.00%	Yes			

Engineering Co., Ltd.	y	181 West Third Section, Jinniu District, Chengdu	ion		Hydropower Engineering, Municipal public Engineering, Highway Engineering, Construction of sports facilities, Earth and rock, City and road lighting engineering, Electric Power Engineering, anti-corrosion insulation, Highway and traffic Engineering, Highway surface project, Highway subgrade								
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					Engineer ring, etc								
--	--	--	--	--	-----------------------	--	--	--	--	--	--	--	--

Other statements on Subsidiaries obtained through incorporation or investment:

2. Changes of combination scope.

Description of change of consolidation scope:

Applicable Not applicable

Compared to last year, this year (period) combined a new unit, due to the:

The 10th meeting of the seventh Board of Director and the first provisional shareholder's meeting of 2014 examined and adopted "the proposal of acquiring controlling shareholder Dongxu Group subsidiaries's equity " agreed the company to trade net asset value of 20.5137 million as audit assessments trading price of the acquisition wholly owned subsidiary of the controlling shareholder Dongxu Group Ltd. 100% stake in Sichuan Ruiyi Construction Engineering Co., Ltd., the company will complete the acquisition of the entire equity related work before June 2014.

The merged units are reduced in this year (period) compared with the previous year.

3. Entities newly included in consolidate scope during the reporting period and entities ceasing to be included in consolidate scope during the reporting period.

Subsidiaries, special purposes entities, operation entity where controlling right is formed under entrusted operation or leasing newly included in consolidation scope during the period.

In RMB

Name	Net assets as at period-end	Net profit for the period
Sichuan Ruiyi Construction Engineering Co., Ltd.	100,454,308.91	

Subsidiaries, special purposes entities, operation entity where controlling right is formed under entrusted operation or leasing newly included in consolidation scope during the period

In RMB

Name	Net assets as at the disposal date	Net profit from the year-begin to the disposal date

Other explanation on entities newly included in consolidation scope and entities ceasing to be included in consolidation scope:

The company acquired the wholly owned subsidiary of the controlling shareholder Dongxu Group Ltd. 100% stake in Sichuan Ruiyi Construction Engineering Co., Ltd. within the report period, and will be included in the consolidated statements. Completion of the acquisition in January, Gu unconsolidated profit. as completion of the acquisition by June, the profit will not be unconsolidated

VII. Notes to the major items of consolidated financial statement

1. Monetary Capital

In RMB

Items	Year-end balance			Year-beginning balance		
	Foreign currency	Exchange rate	RMB	Foreign currency	Exchange rate	RMB
Cash	--	--	224,205.79	--	--	187,646.23
RMB	--	--	224,205.79	--	--	187,646.23
Bank deposit	--	--	1,231,229,652.60	--	--	2,303,544,544.74
RMB	--	--	1,231,229,652.60	--	--	2,303,544,544.74
Other	--	--	501,204,299.04	--	--	282,928,760.07
RMB	--	--	501,204,299.04	--	--	282,928,760.07
Total	--	--	1,732,658,157.43	--	--	2,586,660,951.04

Notes of Monetary fund has not these conditions such as usage limitation for mortgage, pledge or frozen fund, stored overseas, with potential recovery risk.

Yangzi bank acceptance bill of RMB 75,000,000 for the restricted monetary capital.

2. Bill receivable

(1) Classification bill receivable

In RMB

Classification	Year-end balance	Year-beginning balance
Bank acceptance	14,500,000.00	
Trade acceptance	383,300,000.00	
Total	397,800,000.00	

3. Account receivable

(1) Classification account receivables.

In RMB

Classification	Amount in year-end				Amount in year- begin			
	Book Balance		Bad debt provision		Book Balance		Bad debt provision	
	Amount	Proportion(%)	Amount	Proportion(%)	Amount	Proportion(%)	Amount	Proportion(%)
Receivables with major individual amount and bad debt provision provided individually receivables with major individual amount and bad debt provision provided	185,972,301.36	11.65%	14,009,355.59	7.53%	14,009,355.59	1.46%	14,009,355.59	100.00%

individually								
Receivables provided bad debt provision in groups								
Age group	21,197,752.78	1.33%	3,099,775.68	14.62%	6,438,483.14	0.67%	3,010,290.48	46.75%
Other group	1,389,154,300.25	87.02%		0.00%	939,857,269.45	97.87%		0.00%
Subtotal group	1,410,352,053.03	88.35%	3,099,775.68	0.22%	946,295,752.59	98.54%	3,010,290.48	0.32%
Total	1,596,324,354.39	--	17,109,131.27	--	960,305,108.18	--	17,019,646.07	--

Notes

Receivable accounts with large amount individually and bad debt provisions were provided.

√Applicable □Not applicable

In RMB

Description of the receivable accounts	Book balance	Bad debt provision	Rate	Reason to provide
Hefei BOE Optoelectronics Technology Co., Ltd.	95,380,824.24		0.00%	
CPT Co., Ltd.	15,082,121.53		0.00%	
Jiangsu Yijing Optoelectronics Energy Co., Ltd.	61,500,000.00		0.00%	
Baoshi TV Factory	14,009,355.59	14,009,355.59	100.00%	Non-recoverable
Total	185,972,301.36	14,009,355.59	--	--

Receivable account in Group on which bad debt provisions were provided on age basis:

√Applicable □Not applicable

In RMB

Age	Amount in year-end			Amount in year- begin		
	Book Balance		Bad debt provision Amount	Book Balance		Bad debt provision
	Amount	Proportion(%)		Amount	Proportion(%)	
Within 1 year						
Thereinto:	--	--	--	--	--	--
Within credit period	12,969,304.02	61.18%			0.00%	
Within 1 year after credit period	5,397,738.38	25.46%	269,886.92	3,608,034.38	56.04%	180,401.72
Subtotal of Within 1 year	18,367,304.02	86.64%	269,886.92	3,608,034.38	56.04%	180,401.72

1-2 years	0.00	0.00%	0.00		0.00%	
2-3 years	800.00	0.00%	240.00	800.00	0.01%	240.00
3-4 years	0.00	0.00%			0.00%	
4-5 years	0.00	0.00%			0.00%	
Over 5 years	2,829,648.76	13.35%	2,829,648.76	2,829,648.76	43.95%	2,829,648.76
Total	21,197,752.78	--	3,099,775.68	6,438,483.14	--	3,010,290.48

Receivable account in Group on which bad debt provisions were provided on percentage basis:

Applicable Not applicable

Receivable accounts on which bad debt provisions are provided by other ways in the portfolio:

Applicable Not applicable

In RMB

Name	Book balance	Amount of bad debt
Other group	1,389,154,300.25	
Total	1,389,154,300.25	

In the end report period, separate amount is not large, the account receivable with big combination risk after combined via risk character

Applicable Not applicable

(2) Particulars about the receivable accounts due from shareholders with 5% or over of the Company's shares in the report period.

In RMB

Name	Year-end balance		Year-beginning balance	
	Book Balance	Amount	Book Balance	Amount
Dongxu Group	918,618.00		1,000,000.00	
Total	918,618.00		1,000,000.00	

(3) The front 5 units' information of account receivable

In RMB

Name	Relation with the Company	Amount	Ages	Portion in total receivables (%)
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	Related parties	859,293,266.99	Within 1 year	53.83%
Dongxu(Yingkou) Optoelectronic Display Co., Ltd.	Related parties	329,692,778.31	Within 2 years	20.65%
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	Related parties	186,758,661.70	Within 1 years	11.70%
Hefei BOE Optoelectronics Technology Co., Ltd.	Non-related parties	95,380,824.24	Within 1 year	5.98%
Jiangsu Yijing Optoelectronics Energy	Non-related parties	61,500,000.00	Within 1 year	3.85%

Co., Ltd.				
Total	--	1,532,625,531.24	--	96.01%

(4) Account receivable from Related parties

In RMB

Name	Relation with the company	Amount	Portion in total receivables account(%)
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	Related parties	859,293,266.99	53.83%
Dongxu(Yingkou) Optoelectronic Display Co., Ltd.	Related parties	329,692,778.31	20.65%
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	Related parties	186,758,661.70	11.70%
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	Related parties	3,355,073.09	0.21%
Dongxu Group	Controlling shareholders	918,618.00	0.06%
Dongxu Optoelectronic Investment Co., Ltd.	Related parties	750,000.00	0.05%
Hebei Baoshi Energy saving Lighting Technology Co., Ltd.	Related parties	20,000.00	0.00%
Total	--	1,380,788,398.09	86.50%

4. Other receivable**(1)Type analyses:**

In RMB

Type	Amount in year-end				Amount in year-begin			
	Book Balance		Bad debt provision		Book Balance		Bad debt provision	
	Amount	Proportion(%)	Amount	Proportion(%)	Amount	Proportion(%)	Amount	Proportion(%)
Other Receivables provided bad debt provision in groups								
Age group	10,581,010.36	16.28%	2,885,592.58	27.27%	2,919,929.78	9.07%	2,889,329.78	98.95%
Other group	54,418,130.88	83.72%		0.00%	29,270,040.49	90.93%		0.00%
Subtotal group	64,999,141.24	100.00%	2,885,592.58	4.44%	32,189,970.27	100.00%	2,889,329.78	8.98%
Total	64,999,141.24	--	2,885,592.58	--	32,189,970.27	--	2,889,329.78	--

Notes

Other receivable accounts with large amount and were provided had debt provisions individually at end of period.

 Applicable Not applicable

Other receivable accounts in Group on which bad debt provisions were provided on age analyze basis:

✓Applicable □Not applicable

In RMB

Age	Amount in year-end			Amount in year-begin		
	Book balance		Bad debt reserve Amount	Book balance		Bad debt reserve
	Amount	Proportion(%)		Amount	Proportion(%)	
Within 1 year						
Including:						
Within credit period	7,664,817.78	72.44%		0.00	0.00%	
Within 1 year after credit period	0.00	0.00%		0.00	0.00%	
Subtotal of Within 1 year	7,664,817.78	72.44%	0.00	0.00	0.00%	0.00
1-2 years	34,000.00	0.32%	3,400.00	34,000.00	1.16%	3,400.00
Over 5 years	2,882,192.58	27.24%	2,882,192.58	2,885,929.78	98.84%	2,885,929.78
Total	10,581,010.36	--	2,885,592.58	2,919,929.78	--	2,889,329.78

Other receivable account in Group on which bad debt provisions were provided on percentage basis:

□Applicable ✓Not applicable

Other Receivable accounts on which bad debt provisions are provided by other ways in the portfolio:

✓Applicable □Not applicable

In RMB

Name	Book balance	Amount of bad debts
Other group	54,418,130.88	
Total	54,418,130.88	

Separate amount is big at end of the period or not big but other account receivable and doubtful reserves shall be withdrawn.

□Applicable ✓Not applicable

(2) Other receivable accounts actually written off in the report period

In RMB

Name of the Company	Nature of other receivable	Date of written off	Amount of written off	Reason of written off	Occurred under related relationship
Yang Jizhan			787.20	Non-Recoverable	No
Li Zhi			2,000.00	Non-Recoverable	No
Total	--	--	2,787.20	--	--

(3) Particulars about the other receivable accounts due from shareholders with 5% or over of the Company's shares in the report period.

In RMB

Name	Balance at the period end		Balance in year-begin	
	Book amount	Amount of bad debt provision	Book amount	Amount of bad debt provision
Shijiazhuang Baoshi Group	2,218,861.15	0.00	899,535.29	0.00
Total	2,218,861.15		899,535.29	

(4) The front 5 units' information of other account receivable

In RMB

Name	Relation with the company	Amount	Ages	Portion in total other receivables(%)
Finance Bureau of Wuhu Economy Technology Development Zone	Non-Related parties	17,988,000.00	With in 1year	27.71%
Jiangbei Industry Zone Management Committee of Anhui Province	Non-Related parties	17,448,625.89	With in 1year	26.88%
China Electronic Import& export Corporation	Non-Related parties	3,902,067.00	With in 1year	6.01%
Shijiazhuang Baoshi Electronic Group Co., Ltd.	Related parties	2,218,861.15	With in 1year	3.42%
Shijiazhuang Baoshi Electronic vacuum Glass Co., Ltd.	Related parties	2,138,467.07	With in 1year	3.29%
Total	--	43,696,021.11	--	67.31%

(5) Other Account receivable from Related parties

In RMB

Name	Relation with the Company	Amount	Proportion in total other receivables (%)
Shijiazhuang Baoshi Electronic Group Co., Ltd.	Related parties	2,218,861.15	3.42%
Shijiazhuang Baoshi Electronic vacuum Glass Co., Ltd.	Related parties	2,138,467.07	3.29%
Shijiazhuang Baoshi Zhonghe Steel Plastic Shape Co., Ltd.	Related parties	1,222,881.50	1.88%
Shijiazhuang Baoshi Xuming Tube Co., Ltd.	Related parties	771,500.55	1.19%
Shijiazhuang Baoshi Large-diameter plastic tube Co., ltd.	Related parties	673,962.50	1.04%
Hebei Baoshi Energy Saving Lighting Technology Co., Ltd.	Related parties	646,561.00	1.00%
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	Related parties	4,147.59	0.01%
Total	--	7,676,381.36	11.83%

5. Payment in advance

(1) payment in advance:age :

In RMB

Age	End of term		Beginning of term	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	3,778,041,487.67	99.05%	2,736,913,977.82	98.13%
1-2 years	36,175,541.10	0.95%	51,156,109.27	1.83%
2-3 years			884,616.10	0.03%
Over 3 years	0.00	0.00%	7,434.75	0.00%
Total	3,814,217,028.77	--	2,788,962,137.94	--

Notes to age of payment in advance: :

(2) The front 5 units' information of Prepayments

In RMB

Unit name	Relation with the company	Amount	Time	Reason of not clearing
Wuxi Aiditong Metal Material Technology	Not- Related parties	762,334,378.88	Within 1 year	
Beijing Manniqi Technology Development Co., Ltd.	Not- Related parties	550,380,000.00	Within 1 year	
Chengdu Guangming Paite Noble metal Co., Ltd.	Not- Related parties	509,658,288.50	Within 1 year	
Beijing Stone Industrial Control Co., Ltd.	Not- Related parties	285,739,063.91	Within 1 year	
Zibo Industrial Ceramics Refractories Co. Ltd.	Not- Related parties	183,436,687.60	Within 1 year	
Total	--	2,291,548,418.89	--	--

Notes

(3) Prepayment received by shareholding parties holding 5% or above of the Company's shares in the report period.

In RMB

Name	Balance at the period end		Balance in year-begin	
	Book amount	Amount of bad debt provision	Book amount	Amount of bad debt provision
Baoshi Group	14,536,043.55		14,536,043.55	
Total	14,536,043.55		14,536,043.55	

6. Inventory

(1) Inventory types

In RMB

Items	Year-end balance			Year-beginning balance		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Raw materials	178,396,766.46	0.00	178,396,766.46	279,248,721.95	0.00	279,248,721.95
Processing products	514,648.23	0.00	514,648.23	1,768,002.26	0.00	1,768,002.26
Stock goods	5,219,116.76	251,564.26	4,967,552.50	13,756,104.07	251,564.26	13,504,539.81
Revolving materials	0.00	0.00	0.00	4,074,310.78	0.00	4,074,310.78
Material procurement	4,592,738.14	0.00	4,592,738.14	23,590.28	0.00	23,590.28
Materials in transport	0.00	0.00	0.00			0.00
Material cost difference	0.00	0.00	0.00			0.00
Net price of goods	0.00	0.00	0.00			0.00
Other	14,178,836.32	0.00	14,178,836.32			0.00
Total	202,902,105.91	251,564.26	202,650,541.65	298,870,729.34	251,564.26	298,619,165.08

(2) Inventory Impairment provision

In RMB

Type	Book balance at year beginning	Amount accounted in current period	Amount Decreased in current period		Book balance at period end
			Transferred back	Reselling	
Raw materials	0.00				0.00
Processing products	0.00				0.00
Stock goods	251,564.26				251,564.26
Revolving materials	0.00				0.00
Total	251,564.26				251,564.26

7. Other current assets

In RMB

Items	End of term	Beginning of term
Remaining tax VAT (taxes payable Reclassification)	36,813,548.62	17,632,804.57

Prepaid corporate income tax returned overpayment(taxes payable Reclassification)		
Other	58,000,000.00	58,000,000.00
Total	94,813,548.62	75,632,804.57

Notes

In 1993, the subsidiary of Baoshi Company the Color Bulb company needs to use foreign exchange to import equipments for establishing . Color Bulb production lines. To ensure that the equipments imported for the Color Bulb project be in place as soon as possible, on November 13, 1993, Baoshi Group has signed the RMB and US dollar Exchange Agreement with Hebei Provincial Department of Finance, both of whom have agreed that: on November 16, 1993, Baoshi Group exchanged 58 million yuan for 10 million US dollars with Hebei Provincial Department of Finance, and mutually pay annual interest of 5.5% for dollar and 7.38% for RMB, with the interest settlements of every six months; On November 16, 1998, the company (on December 31, 1995, the Exchange Agreement contracting party has changed from Baoshi Group to the subsidiary Color Bulb company) exchanged back 58 million yuan and the related interest with 10 million US dollars and the related interest as well.

During the agreement, both parties did not pay interest; Agreement expires, due to exchange rate changes, the two parties carried out negotiation for several times on the displacement amount, however, at present, no agreement has been reached. By the date of issuing this report, both parties did not take judicial proceedings or resort to arbitrations, but still in friendly negotiation.

8. Investment real estate

(1) Measured by the cost of investment in real estate

In RMB

Items	Book amount at year beginning	Increase at this period	Decrease at this period	Book balance in year -end
1. Total original price	77,990,458.53	0.00	77,990,458.53	0.00
1. House, Building	77,990,458.53	0.00	77,990,458.53	0.00
2. Land use right	0.00			0.00
II. Total accumulated depreciation accumulated amortization	65,773,844.27	0.00	65,773,844.27	0.00
1. House, Building	65,773,844.27	0.00	65,773,844.27	0.00
2. Land use right	0.00			0.00
III. Total book value of investment real estate	12,216,614.26		12,216,614.26	0.00
1. House, Building	12,216,614.26		12,216,614.26	0.00
2. Land use right	0.00			0.00
IV. Total accumulative provision for investment real estate provision	0.00	0.00	0.00	0.00
1. House, Building		0.00	0.00	0.00
2. Land use right				0.00

V. Total book value of investment real estate	12,216,614.26		12,216,614.26	0.00
1.House, Building	12,216,614.26		12,216,614.26	0.00
2.Land use right	0.00			0.00

In RMB

	This period
Current amount of depreciation and amortization	0.00
Investment real estate in this period the amount of impairment	0.00

9. Fixed assets

(1) Fixed assets

In RMB

Items	Book amount at year beginning	Increase at this period		Decrease at this period	Book balance in year -end
1.Total of Original price of fixed assets	334,475,198.00	1,315,774,424.61			1,650,249,622.61
Including : House and building	111,580,740.49	292,022,599.94			403,603,340.43
Machine equipment	139,880,949.73	941,472,076.06			1,081,353,025.79
Transpiration Equipment	12,832,178.75	2,058,351.82			14,890,530.57
Other equipment	70,181,329.03	80,221,396.79			150,402,725.82
--	Book balance at year beginning	Current term new extra	Current term provision	Decrease at this period	Book balance in year -end
II. Total of Accumulated depreciation	193,330,198.80	65,773,844.27	13,944,642.53		273,048,685.60
Including : House and building	76,192,320.77	65,773,844.27	4,911,080.32		146,877,245.36
Machine equipment	109,696,382.97		6,332,633.95		116,029,016.92
Transpiration Equipment	2,713,330.06		761,815.82		3,475,145.88
Other equipment	4,728,165.00		1,939,112.44		6,667,277.44
--	Book balance in year-begin	--			Balance in year-end
III. Total book value of Fixed assets	141,144,999.20	--			1,377,200,937.01

Including : House and building	35,388,419.72	--	256,726,095.07
Machine equipment	30,184,566.76	--	965,324,008.87
Transpiration Equipment	10,118,848.69	--	11,415,384.69
Other equipment	65,453,164.03	--	143,735,448.38
IV. Total of Devalued Provision	36,444.84	--	36,444.84
Machine equipment	36,444.84	--	36,444.84
Other equipment		--	
V. Total book value of Fixed assets	141,108,554.36	--	1,377,164,492.17
Including : House and building	35,388,419.72	--	256,726,095.07
Machine equipment	30,148,121.92	--	965,287,564.03
Transpiration Equipment	10,118,848.69	--	11,415,384.69
Other equipment	65,453,164.03	--	143,735,448.38

Current depreciation is RMB79,718,486.80 . The issue of fixed assets transferred from construction in progress original price is RMB1,299,442,199.70 .

10. Project under construction

(1) Project under construction

In RMB

Items	Year-end balance			Year-beginning balance		
	Book balance	Provision for devaluation	Book Net value	Book balance	Provision for devaluation	Book Net value
Transformation of Glass II tube	0.00		0.00	23,712,084.39		23,712,084.39
LCD glass substrate production line	1,428,225,203.20		1,428,225,203.20	1,875,763,731.37		1,875,763,731.37
Factory building project	21,006,525.89		21,006,525.89	14,642,297.22		14,642,297.22
Total	1,449,231,729.09		1,449,231,729.09	1,914,118,112.98		1,914,118,112.98

(2) The variation in constructing the engineering project

In RMB

Name	Budget	Amount at year	Increase at this	Transferred to	Other decrease	Proportion (%)	Progress of work	Capitalization of	Including:	Capitalization of	Source of funds	Balance in
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		beginning	period	fixed assets				interest accumulated balance	Current amount of capitalization of interest	interest ratio (%)		year-end
Transformation of Glass II tube		23,712,084.39		23,712,084.39								0.00
LCD glass substrate production line	7,576,520,000.00	1,875,763,731.37	828,191,587.14	1,275,730,115.31			35.49%	249,905,261.86	119,946,025.58			1,428,225,203.20
Factory building project	25,000,000.00	14,642,297.22	6,364,228.67				84.03%					21,006,525.89
Total	7,601,520,000.00	1,914,118,112.98	834,555,815.81	1,299,442,199.70		--	--	249,905,261.86	119,946,025.58	--	--	1,449,231,729.09

Notes

(3) Explanation on construction in process

In current period, subsidiary Wuhu Dongxu Optoelectronic Technology Co., Ltd added parts of glass substrate production line projects which were in the stage of preparation, So construction in progress at the end of period changed greatly over beginning of period.

11. Engineering Material

In RMB

Items	Balance in year-begin	Increase at this period	Decrease at this period	Balance in year-end
Special material	17,699,810.22	906,318.00	18,600,696.07	5,432.15
Special Equipment	14,017.09		14,017.09	
Special tools	94,973,832.73	38,044,590.32	125,216,007.80	7,802,415.25
Total	112,687,660.04	38,950,908.32	143,830,720.96	7,807,847.40

Notes.

12. Intangible assets**(1) Intangible assets**

In RMB

Items	Book Balance in year-begin	Increase at this period	Decrease at this period	Book Balance in year-end
I. Total original price	120,009,226.25	56,181,521.18		176,190,747.43
Patent right				
Proprietary technology				
Right of trade mark				
Acquisition of software	1,125,005.25	188,993.18		1,313,998.43
Land use right	118,884,221.00	55,992,528.00		174,876,749.00
II. Total amount of accumulated	7,221,560.48	1,521,150.69		8,742,711.17
Patent right				
Proprietary technology				
Right of trade mark				
Acquisition of software	53,839.07	137,269.05		191,108.12
Land use right	7,167,721.41	1,383,881.64		8,551,603.05
III. Book value of intangible assets	112,787,665.77	54,660,370.49		167,448,036.26
Patent right				
Proprietary technology				
Right of trade mark				
Acquisition of software	1,071,166.18	51,724.13		1,122,890.31
Land use right	111,716,499.59	54,608,646.36		166,325,145.95
Patent right				
Proprietary technology				
Right of trade mark				
Acquisition of software				
Land use right				
Total of Book value of intangible assets	112,787,665.77	54,660,370.49		167,448,036.26
Patent right				
Proprietary technology				
Right of trade mark				
Acquisition of software	1,071,166.18	51,724.13		1,122,890.31
Land use right	111,716,499.59	54,608,646.40		166,325,145.95

The amortization amount is RMB1,521,150.69.

13. Deferred income tax assets and deferred income tax liability**(1) Confirmed the deferred income tax assets and deferred income tax liability**

Recognized deferred income tax assets and deferred income tax liabilities

In RMB

Items	Year-end balance	Year-beginning balance
Deferred income tax assets:		
Assets devaluation provision	3,209,764.59	3,184,388.51
Deductible loss	4,884,209.82	4,883,275.53
Not realized the internal profit	59,834,372.71	9,530,968.46
Subtotal	67,928,347.12	17,598,632.50
Deferred income tax liability:		

Details of the un-recognized deferred income tax assets

In RMB

Items	At end of term	At beginning of term
Deductible temporary differences	1,865,554.53	1,864,857.73
Deductible loss	4,481,209.94	7,239,313.18
Devaluation provision		
Total	6,346,764.47	9,104,170.91

Deductible losses of the un-recognized deferred income tax asset will expire in the following years

In RMB

Year	At end of term	At beginning of term	Notes
2017		1,376,220.32	
2018		27,581,032.38	
Total		28,957,252.70	--

Details of taxable differences and deductible differences

In RMB

Items	Amount of temporary differences	
	At end of term	At beginning of term
Differences in taxable items		
Deductible difference project		
Assetsy devaluation provision	12,839,058.34	12,737,554.02
Start-up costs		
Deductible loss	19,536,839.28	19,533,102.12

Not realized the internal profit	246,285,464.07	38,123,873.84
Subtotal	278,661,361.69	70,394,529.98

(2) Deferred income tax assets and liabilities are presented as net amount after neutralization

Statement on deferred income tax assets and liabilities:

In RMB

Items	Deferred Income Tax Assets or Liabilities at the End of Report Period	Temporarily Deductible or Taxable Difference at the End of Report Period	Deferred Income Tax Assets or Liabilities at the Beginning of Report Period	Temporarily Deductible or Taxable Difference at the Beginning of Report Period
Deferred income tax assets				

Details of taxable differences and deductible differences

In RMB

Items	Offsetting Amounts of This Period

Notes

14. Provision for depreciation of assets

In RMB

Items	Book balance at the beginning of term	Increase in this period	Decreased in this period		Balance in year-end
			Switch back	Switch cancellation	
I. Provision for bad debts	19,908,975.85	218,700.00	130,164.80	2,787.20	19,994,723.85
2 Inventory impairment provision	251,564.26				251,564.26
6. Investment Real estate impairment provision	0.00	0.00			0.00
7 Fixed asset impairment provision	36,444.84				36,444.84
Total	20,196,984.95	218,700.00	130,164.80	2,787.20	20,282,732.95

Notes

15. Short-term loan**(1) Categories of short-term loans**

In RMB

	Balance in year-end	Balance in year-Beginning

Items		
Guarantee loan	540,000,000.00	580,000,000.00
Total	540,000,000.00	580,000,000.00

Notes

16. Bills payable

In RMB

Type	At end of term	At beginning of term
Bank acceptance	705,000,000.00	150,000,000.00
Total	705,000,000.00	150,000,000.00

Amount due in next fiscal period is RMB . 705,000,000.00

Statement on Bills payable:

17 Account payable**(1) Account payable**

In RMB

Items	Balance in year-end	Balance in year-begin
Account payable	351,494,831.35	134,665,580.06
Total	351,494,831.35	134,665,580.06

18 Advance account**(1) Advance account**

In RMB

Items	Balance in year-end	Balance in year-begin
Advance account	13,611,157.83	3,451,630.20
Total	13,611,157.83	3,451,630.20

19. Payable Employee wage

In RMB

Items	Balance in year-begin	Increase in this period	Decrease in this period	Balance in year-end
I. Wages, bonuses, allowances and subsidies	12,743,358.52	106,141,979.99	104,613,457.48	14,271,881.03
II. Employee welfare		21,020,626.57	21,020,626.57	
III. Social insurance	388,756.21	12,150,954.55	11,620,956.56	918,754.20

premiums				
(1)Medical insurance	24,775.53	3,392,518.71	3,197,148.85	220,145.39
(2)Basic old-age insurance premiums	203,677.83	6,931,882.40	6,582,538.89	553,021.34
(3) Unemployment insurance	7,189.76	428,593.78	392,062.37	43,721.17
(4) Work injury insurance	153,113.09	189,723.43	240,970.22	101,866.30
(5) Maternity insurance		1,208,236.23	1,208,236.23	
IV. Public reserves for housing	628,181.02	2,057,960.63	2,199,231.01	486,910.64
VI.Other	4,124,713.78	1,244,072.11	1,729,591.30	3,639,194.59
(1) Union funds and staff education fee	3,055,258.20	831,776.71	1,667,884.90	2,219,150.01
(2) Other	1,069,455.58	412,295.40	61,706.40	1,420,044.58
Total	17,885,009.53	142,615,593.85	141,183,862.92	19,316,740.46

The amounts of arrears of staff salary and welfare payable are RMB 0.00.

The amounts of trade union funds and staff education expenses are RMB2,219,150.01, the amounts of non-monetary benefits are RMB 0.00, and the compensations for the lifting of labor relations is 0

Arrangements of expected time and amount to pay the salary of the employees.

20. Tax Payable

In RMB

Items	At end of term	At beginning of term
VAT	-261,216,879.15	-236,920,160.08
Business Tax	661,901.04	4,482,627.42
Enterprise Income tax	90,848,333.67	59,242,665.33
Individual Income tax	1,349,386.09	1,141,382.69
City Construction tax	2,340,182.25	950,293.72
Surcharge for education	1,678,269.69	635,150.33
House property Tax	1,176,457.72	1,471,469.03
Stamp tax	1,621,141.44	146,249.30
Other	15,544.38	
Total	-161,525,662.87	-168,850,322.26

Statement on tax payable: Please provide the calculating processes then taxable income is balanced between branch companies or factories as approved by the tax bureau.

21. Interest Payable

In RMB

Items	At end of term	At beginning of term
Long-term loans interest of installment and interest charge	4,931,437.33	
Short term loan interest payable	612,486.28	
Total	5,543,923.61	

Notes

22. Other payable

(1) Other payable

In RMB

Items	At end of term	At beginning of term
Other payable	87,201,521.76	46,922,065.04
Total	87,201,521.76	46,922,065.04

(2) There were other receivable from the main shareholders of the Company holding more than 5% (including 5%) of the total shares of the Company.

In RMB

Items	At end of term	At beginning of term
Dongxu Group	35,001,133.65	9,218,289.20
Total	35,001,133.65	9,218,289.20

(3) Statement on large amount other payable accounts due for over one year

23. Other current liabilities

In RMB

Items	Year-end balance	Year-Beginning balance
Government subsidies-- Environmental protection subsidies for Phase-II Glass Tube Project	20,000.00	20,000.00
USD exchange	61,528,000.00	60,969,000.00
Total	61,548,000.00	60,989,000.00

Notes

In 1993, the Group signed the agreement on exchange of US dollars which agreed returning 10,000,000 US dollars to the Exchange Unit and repossess the RMB 58,000,000 exchanged in November 1998. As of June 30, 2014, the Group still consults with the Exchange Unit on the returning of the exchange.

24. Long-term loans

(1) Long-term loans classifications

In RMB

Items	Year-end balance	Year-Beginning balance
Mortgage loans	3,000,000,000.00	2,300,000,000.00
Total	3,000,000,000.00	2,300,000,000.00

Notes

Note 1: The long-term loans not only mortgage the loans, but also guarantee the loans. Of which,

(1) The mortgage and the guarantor for the loans of RMB 800 million are: a. Wuhu Dongxu Optoelectronic Technology Co., Ltd makes the mortgage of 202 acres of state-owned land use rights and the plants after the construction of the project, and makes the mortgage guarantee with two channels of precious metals of platinum; b. the guarantor of loans is Wuhu Construction Investment Co., Ltd.

(2) The mortgage and the guarantor for the loans of RMB2.2 billion are: a. Wuhu Dongxu Optoelectronic Technology Co., Ltd provides the mortgage guarantee with its own assets of eight channels of precious metals of platinum; b. Dongxu Optoelectronic Technology Co., Ltd offers the fully related liability.

Notes 2: The Company had no due long-term loans to be repaid.

(2) The top five of long-term loans

In RMB

Loan unit	Loans starting date	Loans ending date	Currency	Interest rate (%)	Year-end balance		Year-beginning balance	
					Amount of foreign currency	Amount of RMB	Amount of foreign currency	Amount of RMB
National Development Bank	November 12, 2013	November 12, 2021	RMB	6.55%		1,300,000,000.00		1,300,000,000.00
National Development Bank	July 31, 2012	July 31, 2020	RMB	7.21%		400,000,000.00		400,000,000.00
National Development Bank	September 20, 2012	July 31, 2020	RMB	7.21%		200,000,000.00		200,000,000.00
National Development Bank	October 29, 2012	July 31, 2020	RMB	7.21%		200,000,000.00		200,000,000.00
National Development Bank	February 19, 2014	November 12, 2021	RMB	7.21%		200,000,000.00		
National	October 29,	July 31, 2020	RMB	7.21%				100,000,000.

Development Bank	2012							00
Total	--	--	--	--	--	2,300,000.00	0.00	2,200,000.00 0.00

Statement on long-term loans. For long-term loans over due but extended for another period, please provide the conditions, principal, interest rate, and repayment arrangement.

25. Other Non-current liabilities

In RMB

Items	Year-end balance	Year-Beginning balance
Government subsidies :Environmental protection subsidies for Phase-II Glass Tube Project	45,000.00	45,000.00
Government subsidies—Government subsidies to Wuhu Technology	19,820,000.00	33,669,000.00
Total	19,865,000.00	33,714,000.00

Notes

Government subsidies for details:

In RMB

Items	Year-Beginning balance	Subsidies increase during this period	Amount reckoned into non-operation revenue in the period	Other changes	Year-end balance	Assets-related/income-related

26. Stock capital

In RMB

	Balance Year-beginning	Increase/decrease this time (+, -)					Balance year-end
		Issuing of new share	Bonus shares	Transferred from reserves	Other	Subtotal	
Total of capital shares	903,000,000.00			1,806,000,000.00		1,806,000,000.00	2,709,000,000.00

Statement of change in capital shares. Name of CPA and number of verification report shall be provided if capital increasing or decreasing occurred in the report period; as for shareholding limited companies incorporated for less than three years, only net assets is required for the years prior to incorporation; for shareholding limited companies reformed from limited companies shall provide the capital verification at incorporation.

27. Capital reserves

In RMB

Items	Year-beginning balance	Increase in the current	Decrease in the current period	Year-end balance
Share premium	4,797,171,273.21		1,806,000,000.00	2,991,171,273.21
Other	139,442,038.59			139,442,038.59
Total	4,936,613,311.80		1,806,000,000.00	3,130,613,311.80

Notes

The reduction of Capital premium this term is mainly due to 903 million shares of the total share capital, the company would distribute 20 shares to all the shareholders for every 10 shares, for a total distribution of 1806 million shares

28. Surplus reserve

In RMB

Items	Year-beginning balance	Increase in the current	Decrease in the current period	Year-end balance
Statutory surplus reserve	27,454,788.05			27,454,788.05
Total	27,454,788.05			27,454,788.05

Statement on surplus reserves. Please state the related resolutions of the Board on capitalizing of reserves, making up losses, and dividends:

29. Retained profits

In RMB

Items	Amount	Extraction or distribution of the proportion
Before adjustments: Retained profits at the period end	-53,394,384.81	--
After adjustments: Retained profits at the period beginning	-53,394,384.81	--
Add: Net profit belonging to the owner of the parent company	407,536,660.90	--
Retained profits at the period end	354,142,276.09	--

As regards the details of adjusted the beginning undistributed profits

(1) As the retroactive adjustment on Enterprise Accounting Standards and its related new regulations, the affected beginning undistributed profits are RMB 0.00.

(2) As the change of the accounting policy, the affected beginning undistributed profits are RMB 0.00.

(3) As the correction of significant accounting error, the affected beginning undistributed profits are RMB 0.00

(4) As the change of consolidation scope caused by the same control, the affected beginning undistributed profits are RMB 0.00

(5) Other adjustment of the total affected beginning undistributed profits are RMB 0.00 .

Statement on retained profit: for companies issued their securities for the first time, if the accumulated profit before the issuing is shared by the new and existing shareholders as approved by the shareholders' meeting, shall be described particularly; if the accumulated profit before the issuing is shared only by existing shareholders as approved by the shareholders' meeting, the Company shall provide the details of dividend payable to the existing shareholders as audited by CPA.

30. Business income, Business cost**(1) Operating income and operating cost**

In RMB

Items	Amount of current period	Amount of previous period
Income from Business income	908,569,346.34	213,803,359.48
Other business income	1,405,396.75	41,238,994.60
Business cost	433,071,741.04	108,592,058.10

(2) Main business (Industry)

In RMB

Name	Amount of current period		Amount of previous period	
	Business income	Business cost	Business income	Business cost
Whole set of equipment and Technology serves	740,306,181.29	332,310,596.18	203,822,376.95	70,050,360.75
Glass substrate	102,615,358.65	43,868,127.41		
Electric vacuum glass devices and supporting electronic devices	13,083,703.77	10,251,661.82	7,556,862.49	4,939,034.39
Construction Installation	52,564,102.63	44,743,589.77	2,424,120.04	2,215,330.75
Total	908,569,346.34	431,173,975.18	213,803,359.48	77,204,725.89

(3) Main business (Production)

In RMB

Name	Amount of current period		Amount of previous period	
	Business income	Business cost	Business income	Business cost
Whole set of equipment and Technology serves	740,306,181.29	332,310,596.18	203,822,376.95	70,050,360.75
Glass substrate	102,615,358.65	43,868,127.41		
Electric vacuum glass devices and supporting electronic devices	13,083,703.77	10,251,661.82	7,556,862.49	4,939,034.39
Construction Installation	52,564,102.63	44,743,589.77	2,424,120.04	2,215,330.75
Total	908,569,346.34	431,173,975.18	213,803,359.48	77,204,725.89

(4) Main Business (Area)

In RMB

Name	Amount of current period		Amount of previous period	
	Business income	Business cost	Business income	Business cost
China Mailand	889,679,376.38	421,371,941.77	212,979,027.38	76,600,102.07
Hongkong, Macao and Taiwan	14,998,824.19	6,604,601.17		

Overseas	3,891,145.77	3,197,432.24	824,332.10	604,623.82
Total	908,569,346.34	431,173,975.18	213,803,359.48	77,204,725.89

(5) Total income and the ratio of operating income from top five clients

In RMB

Name	Business Income	Proportion(%)
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	714,577,914.53	78.53%
Hefei BOE Optoelectronics Technology Co., Ltd.	86,074,996.00	9.46%
Jiangsu Optoelectronics Yijing Energy Co., Ltd.	52,564,102.63	5.78%
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	21,894,010.26	2.41%
CPT Co., Ltd.	14,998,824.19	1.65%
Total	890,109,847.61	97.83%

Notes

31. Business tax and subjoin

In RMB

Items	Amount of current period	Amount of previous period	Standard
Consumption tax	0.00		
Business tax	163,571.63	1,046,128.51	3-5%
Urban construction tax	8,686,601.19	1,722,775.59	7%
Education surcharge	6,204,715.14	1,238,668.37	3%+2%
Total	15,054,887.96	4,007,572.47	--

Notes

32. Sales expenses

In RMB

Items	Amount of current period	Amount of previous period
Wage and additional cost	2,653,082.17	2,092,334.28
Express fee	791,241.95	229,132.41
Travel expenses	399,043.30	323,879.00
Business expenses	192,995.70	177,563.30
Office expenses	34,240.36	56,645.34
Advertising expenses	150,000.00	695,752.40
Labor protection	118,527.0	107,000.00

Other	54,788.29	137,963.08
Total	4,393,918.77	3,820,269.81

33. Administrative expenses

In RMB

Items	Amount of current period	Amount of previous period
Wage and additional cost	33,107,325.84	13,471,259.15
Express fee	163,565.76	28,340.53
Travel fees	3,479,040.99	1,408,300.53
Business expenses	2,277,892.29	1,727,820.99
Office fees	10,539,652.59	10,147,106.58
The Taxes	5,372,282.74	3,590,732.23
Publicize Fees	1,212,189.38	1,893,946.00
Consultation fees	2,954,750.42	3,214,079.46
R&D Expenses	193,298.03	189,448.47
Labor protection expenses	1,492,458.13	1,400,016.27
Rent property cost	10,781,830.43	6,085,860.32
Depreciation and amortization	4,755,611.89	4,801,992.76
Other	4,276,713.70	4,704,033.22
Total	80,606,612.19	52,662,936.51

34. Financial Expenses

In RMB

Items	Amount of current period	Amount of previous period
Interest expenses	12,218,643.77	313,890.94
Interest income	5,829,084.67	4,616,382.56
Bank charges	468,027.19	153,422.44
Financing expenses		
Discount expenses	17,342,000.61	
Exchange loss	-818,166.61	2,000,011.13
Cash discount		
Other	7,579.77	2,833.00
Total	23,389,000.06	-2,146,225.05

35. Loss of assets impairment

In RMB

Items	Amount of current period	Amount of previous period
1. Loss for bad debts	88,535.20	-100,099.63
Total	88,535.20	-100,099.63

36. Non-operating income**(1) Non-operating income**

In RMB

Items	Amount of current period	Amount of previous period	The amount of non-operating gains & losses
Government Subsidies	175,895,903.21	105,042,368.45	175,895,903.21
Hosting fee income of entrusted operation			
Other	4,915,341.07	3,048,438.28	4,915,341.07
Total	180,811,244.28	108,090,806.73	180,811,244.28

Notes

(2) Government subsidies rec koned into current gains/losses

In RMB

Items	Amount of this period	Amount of last period	Assets-related/income-related	Non-recurring gains/losses(Y/N)
Government Subsidies	60,000,000.00	60,000,000.00	Related to income	Yes
Government Subsidies		2,000,000.00	Related to income	Yes
Financial Subsidies	17,884,100.00		Related to income	Yes
Revenue return	98,011,803.21	43,042,368.45	Related to income	Yes
Total	175,895,903.21	105,042,368.45	--	--

37. Non-Operation expense

In RMB

Items	Amount of current period	Amount of previous period	The amount of non-operating gains & losses
Other	11,600.24	510,606.03	11,600.24
Total	11,600.24	510,606.03	11,600.24

Notes

38. Income tax expenses

In RMB

Items	Amount of current period	Amount of previous period
Income tax at current period according to taxation and related regulation	146,816,075.75	56,016,767.76
Adjustment of Deferred income tax	-51,745,340.19	-484,621.04
Total	95,070,735.56	55,532,146.72

39. Calculation of Basic earnings per share and Diluted earnings per share

Calculation of earnings per share	Calculation	January-June 2014
Net profit attributable to shareholders of parent company	p	407,536,660.90
Weighted average number of common shares issued externally	s	2,709,000,000.00
Earnings per share-basis	p/s	0.15
There is no dilutive potential common shares		
Net profit attributable to shareholders of parent company	c	407,536,660.90
Weighted average number of common shares issued externally	d	2,709,000,000.00
Earnings per share-diluted	c/d	0.15

40. Notes Cash flow statement**(1) Other cash received from business operation**

In RMB

Items	Amount
Daily interest account income	6,161,339.08
Corporate staff loan repayment	1,331,808.15
Deposits income	1,671,694.16
Current accounts incme	88,276,416.62
Government subsidies income	64,049,300.00
Other	40,306,510.92
Total	201,797,068.93

Notes

(2) Other cash paid related to oprating activities

In RMB

Items	Amount
Staff of official borrowing	13,989,337.90
Guarantee expenses	33,870,000.00
Current account expenses	121,864,774.18
Delivery express	146,050.04
Travel expenses	4,029,376.89
Business expenses	2,476,746.05
Office expenses	5,742,399.01
Advertise fee	1,388,604.47
Consulting services	2,951,840.10
R&D	193,298.03
Labor insurance expenses	1,495,829.60
Water and electricity expense	10,784,730.44
Other	1,349,399.76
Total	200,282,386.47

Notes

(3) Other Cash received related to investment activities

In RMB

Items	Amount
Current period acquire the beginning amount of monetary funds of Sichuan Ruiyi	21,508,443.43
Total	21,508,443.43

Notes

(4) Other cash paid related to investment activities

In RMB

Items	Amount
Bill discount	17,342,000.61
Total	17,342,000.61

Notes

41. Supplement Information for cash flow statement**(1) Supplement Information for cash flow statement**

In RMB

Supplement Information	Amount of current period	Amount of previous period
I. Adjusting net profit to cash flow from operating activities	--	--
Net profit	439,098,956.35	140,253,895.85
Add: Impairment loss provision of assets	88,535.20	-100,099.63
Depreciation of fixed assets, oil and gas assets and consumable biological assets	14,630,809.29	6,556,876.10
Amortization of intangible assets	1,521,150.69	646,181.64
Financial expenses	12,218,643.77	-4,146,236.18
Decrease of deferred income tax assets	-50,329,714.62	-484,621.03
Decrease of inventories	95,435,690.63	-54,627,544.35
Decrease of operating receivables	-2,066,626,958.21	-898,243,109.12
Increased of operating Payable	62,160,801.85	-106,904,328.97
Other	-1,491,802,085.05	-917,048,985.69
Net cash flows arising from operating activities	--	--
2. Significant investment and financing activities that without cash flows:	--	--
3. Changes Balance of cash and cash equivalents		
Ending balance of cash	1,657,658,157.43	3,899,764,536.83
Less: Beginning balance of cash	2,465,010,913.24	110,770,070.84
Net increase of cash and cash equivalents	-807,352,755.81	3,788,994,465.99

(2) Composition of cash and cash equivalents

In RMB

Items	Balance in year-end	Balance in year-Beginning
I. Cash	1,657,658,157.43	2,465,010,913.24
Of which: Cash in stock	224,205.79	187,646.23
Bank savings could be used at any time	1,156,229,652.60	2,303,544,544.74
Other monetary capital could be used at any time	501,204,299.04	161,278,722.27
III. Balance of cash and cash equivalents at the period end	1,657,658,157.43	2,465,010,913.24

Notes

42. Item notes about changes in owner's equity

. Description of the adjustment of the balance of the "Other" item name and the amount at the end of last year, retroactive adjustment generated by the business combination under common control and other matters

VIII. Related party and related party transactions**1. Parent company information of the enterprise**

Name	Related parties	Type	Registered address	Legal representative	Nature	Registered capital	The parent company of the Company's shareholding ratio	The parent company of the Company's vote ratio	The ultimate controlling party of the Company	Organization Code
Dongxu Group	Holding Shareholder	Limited Liability Company	No.369, Zhujiang Road, High-tech zone, Shijiazhuang	Li Zhaoting	Production	500000000	14.40%	14.40%	Li Zhaoting	768130363

Notes

2.Particulars of the subsidiaries

Name	Related parties	Type	Registered address	Legal representative	Nature	Registered capital	The subsidiaries of the Company's shareholding ratio	The subsidiaries of the Company's vote ratio	Organization Code
Hebei Xubao Construction Installation Engineering Co., Ltd.	Controlling subsidiary	Limited Liability Company	9 Huanghe Road, Shijiazhuang High-tech Industrial Development Area, Shijiazhuang, Hebei Province	Li Zhaoting	Construction Installation	100,000,000.00	100.00%	100.00%	564858483

Shijiazhuang Colour Bulb Co., Ltd.	Controlling subsidiary	Limited Liability Company	9 Huanghe Road, Shijiazhuang High-tech Industrial Development Area, Shijiazhuang, Hebei Province	Shang Jinbin	Production	540,681,956.80	81.26%	81.26%	236042258
Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd.	Controlling subsidiary	Other Limited Liability Company	Room 302, A floor, Management Committee of Jiangbei Industry Zone, Anhui Province	Li Zhaoting	Manufacturing	98,000,000.00	95.00%	95.00%	58723108-5
Wuhu Dongxu Optoelectronic Technology Co., Ltd.	Controlling subsidiary	Personal limited liability company	No.36, Daowei 2 Road, Wanchun Street, Wuhu Economy Technology Development Zone	Li Zhaoting	Manufacturing	2,000,000.00	100.00%	100.00%	58723116-5
Wuhan Dongxu Optoelectronic Technology Co., Ltd.	Controlling subsidiary	Limited Liability Company	1/F, No.2 Business tower, Huazhong Shuguang Software park, No.1Guanshan Road, Donghu Development Zone,	Li Zhaoting	Manufacturing	5,000,000.00	62.50%	62.50%	591083046

			Wuhan						
Sichuan Ruiyi Construction Engineering Co., Ltd.	Controlling subsidiary	Limited Liability Company	Building 15, No. 21, Ring Road 181 West Third Section, Jinniu District, Chengdu	Guo Xuan	Construction Installation	100,000,000.00	100.00%	100.00%	55347089-7

3. Other Related parties information of the enterprise

Other Related parties name	Relation of other Related parties with the company	Organization code
Shijiazhuang Baoshi Large-diameter plastic tube Co., Ltd.	Controlled by the same parent company	700820907
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	Controlled by the same parent company	694655991
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	Controlled by the same actual controller	68974956-3
Dongxu (Yingkou) Optoelectronic Display Co., Ltd.	Controlled by the same actual controller	57429899-3
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	Controlled by the same actual controller	55348403-3
Chengdu Dongxu saving energy technology Co., Ltd.	Controlled by the same parent company	58001686-8
Shijiazhuang Xuling Electric Technology Co., Ltd.	Controlled by the same actual controller	58244091-0
Shijiazhuang Bofa Machine Equipment Co., Ltd.	Controlled by the same actual controller	66529153-5

Notes

4. Related transactions.

(1) Related transactions on purchasing goods and receiving services

In RMB

Related parties	Content of related transaction	Pricing principle of related transactions	Amount in current period		Amount in last period	
			Amount	Proportion (%)	Amount	Proportion (%)
Zhengzhou Xufei	Checking	Reference price setting	7,264,957.28	0.63%		

Optoelectronic Technology Co., Ltd.	machine					
Zhijiazhuang Xuling Electric Technology Co., Ltd.	Supervisory system	Reference price setting	820,512.82	100.00%		
Chengdu Dongxu Energy Saving Technology Co., Ltd.	ESL	Reference price setting	819,393.15	1.77%	2,480,216.16	100.00%
Shijiazhuang Baoshi Electronics Group Co., Ltd.	Energy	Reference price setting	1,937,148.94	100.00%		
Shijiazhuang Baoshi Large-diameter plastic tube Co., Ltd.	Carat Tube	Reference price setting			1,781,750.43	100.00%

Related transactions on sale goods and receiving services

In RMB

Related parties	Content of related transaction	Pricing principle of related transactions	Amount in current period		Amount in last period	
			Amount	Proportion (%)	Amount	Proportion (%)
Dongxu (Yingkou) Optoelectronic Display Co., Ltd.	High-Display production line Equipment Construction	Reference price setting	5,560,752.23	0.75%	95,314,892.69	46.76%
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	High-Display production line Equipment Construction	Reference price setting	20,167,514.53	2.72%	20,109,097.42	9.87%
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	High-Display production line Equipment Construction	Reference price setting	714,577,914.53	96.52%	88,152,406.84	43.25%
Zhengzhou Xufei Optoelectronic Technology Co., Ltd	A-frame	Reference price setting	1,726,495.73	13.20%	3,290,598.30	51.48%
Zhengzhou Xufei Optoelectronic Technology Co., Ltd	Material	Reference price setting	548,632.48	39.04%		
Shijiazhuang Bofa Mechanical Equipment Co., Ltd.	A-frame	Reference price setting	3,826,923.07	29.25%		

Shijiazhuang Baoshi Electronics Group Co., Ltd.	Processing	Reference price setting			23,470.08	0.37%
Dongxu Group	Lead Tube	Reference price setting	3,010,770.00	23.01%		
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	A-frame	Reference price setting			631,623.93	9.88%
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	Construction installation	Reference price setting			1,884,120.04	77.72%
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	Construction installation	Reference price setting			540,000.00	22.28%

(2) Related trusteeship or contracting

Related trusteeship or contracting in which the Company is the undertaker

In RMB

Name of the employer	Name of the undertaker	Asset situation of the undertaker	Start date	Terminating date	Pricing basis	Gains from the deal in report period
Dongxu Group Co., Yingko Yanhai Development Construction Co., Ltd., Minerals (Yingko) Industry Park Development Co., Ltd.	Dongxu Optoelectronic Technology Co., Ltd.	Entrust the management equity , Entrust the management rights	January 1, 2012		Trusteeship costs include basic management fees and incentive management fees(0.5 million/years), including basic management fee of 1 million per year, incentive management fees per year managed company with net operating profit after tax of 5% calculation (Base incentive management fees deduct prior years' losses)	750,000.00
Dongxu Optoelectronic Investment Co., Ltd., Henan State-owned Assets Management Co., Ltd., Zhengzhou Investment Holdings Co., Ltd.	Dongxu Optoelectronic Technology Co., Ltd.	Entrust the management equity , Entrust the management rights	March 1, 2012		Trusteeship costs include basic management fees and incentive management fees(0.5 million/years), including basic management fee of 1 million per year, incentive management fees per year managed company with net operating profit after tax of 5% calculation (Base incentive management fees deduct prior years' losses)	750,000.00

Dongxu Group Co., Mianyang Investment Development (Group) Co., Ltd., Mianyang Investment City Development Investment (Group) Co., Ltd., Sichuan Changhong Electrical Co., Ltd.	Dongxu Optoelectronic Technology Co., Ltd.	Entrust the management equity , Entrust the management rights	March 1, 2012		Trusteeship costs include basic management fees and incentive management fees(0.5 million/years), including basic management fee of 1 million per year, incentive management fees per year managed company with net operating profit after tax of 5% calculation (Base incentive management fees deduct prior years' losses)	750,000.00
Shijiazhuang Baoshi Electronic Group Co., Ltd., Shijiazhuang High Lanhu Investment Co., Ltd., Shijiazhuang State Holding Investment Co., Ltd.	Dongxu Optoelectronic Technology Co., Ltd.	Entrust the management equity , Entrust the management rights	March 1, 2012		Trusteeship costs include basic management fees and incentive management fees(0.5 million/years), including basic management fee of 1 million per year, incentive management fees per year managed company with net operating profit after tax of 5% calculation (Base incentive management fees deduct prior years' losses)	750,000.00

Related trusteeship or outsourcing in which the Company is the employer

In RMB

Name of the employer	Name of the undertaker	Asset situation of the undertaker	Start date	Terminating date	Pricing basis	Gains from the deal in report period
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Notes

In the report period, the company was entrusted to manage the equity and management rights of Dongxu(Yingkou) Optoelectronic display Co., Ltd., Zhengzhou Xufei Optoelectronic Technology Co., Ltd. , Sichuan Xuhong Optoelectronic Technology Co., Ltd., Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd..

(3) Related guarantee condition

In RMB

Name of the guarantor	Name of the securedparty	Amount guaranteed	Starting date	Expired on	If completed or not
Dongxu Optoelectronic Technology Co., Ltd.	Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	198,219,450.00	January 3, 2014	January 1, 2018	No
Dongxu Optoelectronic	Sichuan Xuhong Optoelectronic	163,533,914.00	January 3, 2014	January 1, 2018	No

Technology Co., Ltd.	Technology Co., Ltd.				
Dongxu Group	Dongxu Optoelectronic Technology Co., Ltd.	100,000,000.00	May 27, 2014	May 26, 2015	No

Information about Related guarantees

By June 30, 2014 Dongxu Group Co., Ltd., provides the loan guarantee with the max guarantee amount of 100,000,000 yuan for the company's loan of 10,000,000 yuan from Cangzhou China Industrial Bank; and provide load guarantee for Zhengzhou Xufei Optoelectronics Technology Co., Ltd's loan from Hebei branch of China Huarong Asset Management Co., Ltd..of the amount of 198,219,450 yuan; and provide load guarantee for Sichuan Xuhong Optoelectronics Technology Co., Ltd's loan from Hebei branch of China Huarong Asset Management Co., Ltd..of the amount of 163,533,914 yuan;

5. Payables and receivables of the related party

Listed company related party fund

In RMB

Name	Related party	Amount at year end		Amount at year beginning	
		Balance of Book	Bad debt Provision	Balance of Book	Bad debt Provision
Other receivable	Dongxu (Yingkou) Optoelectronic Display Co., Ltd.	329,692,778.31		323,298,380.95	
Other receivable	Zhengzhou Xufei Optoelectronic Technology Co., Ltd	186,758,661.70		496,453,936.75	
Other receivable	Sichuan Xuhong Optoelectronic Technology Co., Ltd.	3,350,073.09		85,332,403.52	
Other receivable	Dongxu Group	918,618.00		1,000,000.00	
Other receivable	Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	859,293,266.99		22,684,306.99	
Other receivable	Dongxu Optoelectronic Investment Co., Ltd.	750,000.00		500,000.00	
Other receivable	Hebei Baoshi Energy saving lighting technology Co., Ltd.	20,000.00		20,000.00	
Other receivable	Shijiazhuang Baoshi Group	2,218,861.15		899,535.29	
Other receivable	Shijiazhuang Baoshi Large-diameter plastic tube Co., Ltd	673,962.50		673,962.50	
Other receivable	Shijiazhuang Baodong Electric Co., Ltd.			351,203.36	
Other receivable	Shijiazhuang Baoshi Zhonghe	1,222,881.50		1,222,881.50	

	Steel Plastic Shape Co., Ltd.				
Other receivable	Hebei Baoshi Energy saving lighting technology Co., Ltd.	646,561.00		646,561.00	
Other receivable	Shijiazhuang Baoshi Electronic vacuum Glass Co., Ltd.	2,138,467.07		2,244,567.50	
Other receivable	Shijiazhuang XumingTube Co., Ltd.	771,500.55		771,500.55	
Other receivable	Sichuan Xuhong Optoelectronic Technology Co., Ltd.	4,147.59		11,674.72	
Other receivable	Chengdu Xushuang Solar energy Technology Co., Ltd.			5,837.36	
Prepayable account	Shijiazhuang Baoshi Zhonghe Steel Plastic Shape Co., Ltd.			840,000.00	
Prepayable account	Hebei Baoshi Energy saving lighting technology Co., Ltd.	4,099,624.00		4,084,924.00	
Prepayable account	Shijiazhuang Baoshi Group	14,536,043.55		14,536,043.55	
Prepayable account	Shijiazhuang Xuling Electric Technology Co., Ltd.	3,090,000.00		2,130,000.00	

The listed company Payables of the related party

In RMB

Name	Related party	Amount at year end	Amount at year beginning
Account payable	Shijiazhuang Baoshi Electronic vacuum Glass Co., Ltd.	5,515,048.79	5,462,784.95
Account payable	Shijiazhuang Baoshi Large-diameter plastic tube Co., Ltd	533,942.80	533,942.80
Account payable	Chengdu Dongxu Energy Technology Co., Ltd.	556,660.38	757,818.38
Account payable	Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	5,929,200.00	20,459,114.53
Account payable	Shijiazhuang XumingTube Co., Ltd.	14,948.00	14,948.00
Account payable	Shijiazhuang Dongxu Mechine Equipment Co., Ltd.		1,917,869.00
Other payable	Jinzhou Xulong Solar energy Technology Co., Ltd.	1,500,000.00	1,500,000.00
Other payable	Dongxu Group	35,001,133.65	9,218,289.20

IX. Commitment events.

1. Material commitments

Please refer to No.2014-044 Announcement: the Announcement on the Normative Commitment of the Company and the Actual

Controller , Shareholders and the Affiliated Parties' Commitments to Perform, disclosed on June 28, 2014.

2. Commitments made previously

Please refer to No.2014-044 Announcement: the Announcement on the Normative Commitment of the Company and the Actual Controller , Shareholders and the Affiliated Parties' Commitments to Perform, disclosed on June 28, 2014.

X.Other Important events

1..Enterprises Consolidation

The 10th meeting of the seventh Board of Director and the first provisional shareholder's meeting of 2014 examined and adopted "the proposal of acquiring controlling shareholder Dongxu Group subsidiaries's equity " agreed the company to trade net asset value of 20.5137 million as audit assessments trading price of the acquisition wholly owned subsidiary of the controlling shareholder Dongxu Group Ltd. 100% stake in Sichuan Ruiyi Construction Engineering Co., Ltd., the company will complete the acquisition of the entire equity related work before June 2014.

XI.Notes s of main items in financial reports of parent company

1.Account receivable

(1) Account receivable

In RMB

Type	Year-end balance				Year-beginning balance			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	Proportion(%)	Amount	Proportion (%)	Amount	Proportion(%)	Amount	Proportion (%)
Receivables with major individual amount and bad debt provision provided individually receivables with major individual amount and bad debt provision provided individually	6,661,700.00	19.39%	6,661,700.00	100.00%	6,661,700.00	25.53%	6,661,700.00	100.00%
Receivables provided bad debt provision in groups								
Account age group	4,745,472.08	13.81%	2,881,075.68	60.71%	3,854,187.14	14.77%	2,881,075.68	74.75%
Other Group	22,955,626.40	66.80%			15,574,379.96	59.69%		

		%						
Subtotal of group	27,701,098.48	80.61%	2,881,075.68	10.40%	19,428,567.10	74.47%	2,881,075.68	14.83%
Total	34,362,798.48	--	9,542,775.68	--	26,090,267.10	--	9,542,775.68	--

Notes

Receivable accounts with large amount individually and bad debt provisions were provided.

√Applicable Not applicable

In RMB

Description of the receivable accounts	Book balance	Bad debt provision	Rate	Reason
Bsoshi TV factory	6,661,700.00	6,661,700.00	100.00%	Over 5 years
合计	6,661,700.00	6,661,700.00	--	--

Receivable account in Group on which bad debt provisions were provided on age basis:

√ Applicable Not applicable

Account age	Amount in year-end			Amount in year-begin		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Proportion(%)		Amount	Proportion(%)	
Within 1 year						
Including:	--	--	--	--	--	--
Within credit period	891,284.94	18.78%				
Within 1 year after credit period	1,023,738.38	21.57%	51,186.92	1,023,738.38	26.56%	51,186.92
Subtotal of Within 1 year	1,915,023.32	40.35%				
2-3 years	800.00	0.02%	240.00	800.00	0.02%	240.00
Over 5 years	2,829,648.76	59.63%	2,829,648.76	2,829,648.76	73.42%	2,829,648.76
Total	4,745,472.08	--	2,881,075.68	3,854,187.14	--	2,881,075.68

Receivable account in Group on which bad debt provisions were provided on percentage basis:

Applicable Not applicable

Receivable account in Group on which bad debt provisions were provided on other basis:

√ Applicable Not applicable

In RMB

Name	Book balance	Provision of bad debt
Other group	22,955,626.40	
Total	22,955,626.40	

In the current report period, Separate amount is not large, the account receivable with big combination risk after combined via risk character:

Applicable Not applicable

(2) Particulars about the receivable accounts due from shareholders with 5% or over of the Company's shares in the report period.

In RMB

Name	Year-end balance		Year-beginning balance	
	Book Balance	Amount	Book Balance	Amount
Dongxu Group	918,618.00		1,000,000.00	
Total	918,618.00		1,000,000.00	

(3) The front 5 units' information of account receivable

In RMB

Name	Relation with the Company	Amount	Ages	Portion in total receivables (%)
Zhengzhou Xufei Optoelectronic Technology Co.,Ltd.	Related parties	7,939,846.71	Within 1 years	31.99%
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	Related parties	3,350,073.09	Within 1 years	13.50%
Shijiazhuang Dongxu Optoelectronic Equipment Technology Co., Ltd.	Controlling sub-subsidiary	2,951,000.00	Within 1 years	11.89%
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	Related parties	1,814,226.98	Within 1 years	7.31%
Dongxu (Yingkou) Optoelectronic Display Co., Ltd.	Related parties	1,500,000.00	Within 1 years	6.04%
Total		17,555,146.78		70.73%

(4) Account receivable from Related parties

In RMB

Name	Relation with the company	Amount	Portion in total receivables account(%)
Zhengzhou Xufei Optoelectronic Technology Co.,Ltd.	Related parties	7,939,846.71	31.99%
Sichuan Xuhong Optoelectronic Technology Co., Ltd.	Related parties	3,350,073.09	13.50%
Shijiazhuang Xuxin Optoelectronic Technology Co., Ltd.	Related parties	1,814,226.98	7.31%
Dongxu (Yingkou) Optoelectronic Display Co., Ltd.	Related parties	1,500,000.00	6.04%
Dongxu Group	Related parties	918,618.00	3.70%

Dongxu Optoelectronic Investment Co., Ltd.	Related parties	750,000.00	3.02%
Total	--	16,272,764.78	65.56%

2. Other receivable

(1). Other receivable

In RMB

Type	Amount in year-end				Amount in year-begin			
	Book Balance		Bad debt provision		Book Balance		Bad debt provision	
	Amount	Proportion(%)	Amount	Proportion(%)	Amount	Proportion(%)	Amount	Proportion(%)
Other Receivables provided bad debt provision in groups								
Account age group	3,534,272.33	1.94%	2,806,862.08	100.00%	2,810,599.28	0.65%	2,810,599.28	100.00%
Other Group	179,031,330.84	98.06%			432,062,236.88	99.35%		
Subtotal Group	182,565,603.17	100.00%	2,806,862.08	1.54%	434,872,836.16	100.00%	2,810,599.28	0.65%
Total	182,565,603.17	--	2,806,862.08	--	434,872,836.16	--	2,810,599.28	--

Notes

Other receivable accounts with large amount and were provided had debt provisions individually at end of period.

Applicable Not applicable

Other receivable account in Group on which bad debt provisions were provided on Age basis:

Applicable Not applicable

Account age	Amount in year-end				Amount in year-begin			
	Book balance		Bad debt provision	Book balance		Bad debt provision		
	Amount	Proportion(%)		Amount	Proportion(%)			
Within 1 year								
Including:	--	--	--	--	--	--	--	--
Within credit period	727,410.25	20.58%						
Over 5 years	2,806,862.08	79.42%	2,806,862.08		2,810,599.28	100.00%	2,810,599.28	
Total	3,534,272.33	--	2,806,862.08		2,810,599.28	--	2,810,599.28	

Other receivable account in Group on which bad debt provisions were provided on percentage basis:

Applicable Not applicable

Receivable accounts on which bad debt provisions are provided by other ways in the portfolio:

Applicable Not applicable

Name	Book balance	Amount of bad debt
Other group	179,031,330.84	
Total	179,031,330.84	

Separate amount is big at end of the period or not big but other account receivable and doubtful reserves shall be withdrawn.

Applicable Not applicable

(2) Other receivable accounts actually written off in the report period

In RMB

Name of the Company	Nature of other receivable	Date of written off	Amount of written off	Reason of written off	Occurred under related relationship
Yang Jizhan			787.20	Non-Recoverable	No
Li Zhi			2,000.00	Non-Recoverable	No
Total	--	--	2,787.20	--	--

(3) Other receivables due from the shareholders holding 5% or above voting shares of the Company during the reporting period

In RMB

Name	Balance at the period end		Balance in year-begin	
	Book balance	Amount of bad debts	Book balance	Amount of bad debts
Shijiazhuang Baoshi Electronics Group Co., Ltd.	3,863,266.23		2,543,940.37	
Total	3,863,266.23		2,543,940.37	

(4) The from 5 units' information of other account receivable

In RMB

Unit name	Relation with the company	Amount	Terms	Percentage in total Other account receivable(%)
Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd.	Subsidiary	100,000,000.00	Within 1 year	55.63%
Shijiazhuang Dongxu Optoelectronic Equipment	Grandson Company	70,630,448.10	Within 1 year	39.29%

Technology Co., Ltd.				
Shijiazhuang Baoshi Zhonghe Steel Plastic Shape Co., Ltd.	Related parties	1,222,881.50	Within 1 year	0.68%
Shijiazhuang Baoshi Xuming Tube Co., Ltd.	Related parties	868,531.55	Within 1 year	0.48%
Shijiazhuang Baoshi Electronics Group Co., Ltd.	Related parties	3,863,266.23	Within 1 year	2.15%
Total		176,585,127.38		98.23%

(5) Other receivables due from related parties

In RMB

Name	Relation with the Company	Amount	Proportion in total other receivables(%)
Shijiazhuang Baoshi Zhonghe Steel Plastic Shape Co., Ltd.	Related parties	1,222,881.50	0.68%
Shijiazhuang Baoshi Xuming Tube Co., Ltd.	Related parties	868,531.55	0.48%
Shijiazhuang Baoshi Electronics Group Co., Ltd.	Related parties	3,863,266.23	2.15%
Shijiazhuang Baoshi Large-diameter plastic tube Co., ltd.	Related parties	673,962.50	0.37%
Hebei Baoshi Energy saving lighting technology Co., Ltd.	Related parties	646,561.00	0.36%
Total	--	7,275,202.78	4.04%

3.Long-term equity investments

In RMB

Name	Accounting method	Initial investment cost	Original balance	change	Ending Balance	Shareholding proportion in the investee	Voting right proportion in the investee	Explanation of diffidence between shareholding proportion and voting right proportion	Devalue	Current devalue	Cash bonus

								n in investee			
Shijiazhuang Baoshi Color Bulb Co., Ltd.	Cost method	439,341,956.80	439,341,956.80		439,341,956.80		81.26%	81.26%		378,172,649.84	
Hebei Xubao Construction Engineering Installation Co., Ltd.	Cost method	100,000,000.00	100,000,000.00		100,000,000.00		100.00%	100.00%			
Shijiazhuang Dongxu Optoelectronic Equipment Technology Co., Ltd.	Cost method	93,100,000.00	93,100,000.00		93,100,000.00		95.00%	95.00%			
Wuhu Dongxu Optoelectronic Technology Co., Ltd.	Cost method	4,711,064,000.00	4,471,064,000.00	240,000,000.00	4,711,064,000.00		100.00%	100.00%			
Wuhan Dongxu Optoelectronic Technology Co., Ltd.	Cost method	3,125,000.00	3,125,000.00		3,125,000.00		62.50%	62.50%			
Sichuan	Cost	100,453,7		100,453,7	100,453,7		100.00%	100.00%			

Ruiyi Construct ion Engineeri ng Co., Ltd.	method	28.53		28.53	28.53						
Total		5,447,084 ,685.33	5,106,630 ,956.80	340,453,7 28.53	5,447,084 ,685.33	--	--	--	378,172,6 49.84		

4. Business income and Business cost

(1) Business income

In RMB

Items	Amount of current period	Amount of previous period
Income from Business income	21,248,661.04	9,733,380.95
Other Business income	55,897.44	37,252,235.13
Total	21,304,558.48	46,985,616.08
Business cost	18,423,075.94	35,568,317.91

(2) Main business (Industry)

In RMB

Name	Amount of current period		Amount of previous period	
	Business income	Business cost	Business income	Business cost
Electric vacuu glass part and electronic components	21,248,661.04	16,536,799.08	9,733,380.95	7,139,154.19
Total	21,248,661.04	16,536,799.08	9,733,380.95	7,139,154.19

(3) Main business (Production)

In RMB

Name	Amount of current period		Amount of previous period	
	Business income	Business cost	Business income	Business cost
Electric vacuu glass part and electronic components	21,248,661.04	16,536,799.08	9,733,380.95	7,139,154.19
Total	21,248,661.04	16,536,799.08	9,733,380.95	7,139,154.19

(4) Main business (Area)

In RMB

Name	Amount of current period		Amount of previous period	
	Business income	Business cost	Business income	Business cost
Domestic	17,357,515.27	13,339,366.84	8,909,048.85	6,534,530.37
Overseas	3,891,145.77	3,197,432.24	824,332.10	604,623.82
Total	21,248,661.04	16,536,799.08	9,733,380.95	7,139,154.19

(5) Total income and the ratio of operating income from top five clients

In RMB

Name	Business Income	Proportion(%)
Wuhu Dongxu Optoelectronic Technology Co., Ltd.	4,585,470.07	21.52%
Damar laut	3,818,478.15	17.92%
Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd.	3,579,487.20	16.80%
Zhengzhou Xufei Optoelectronic Technology Co., Ltd.	1,726,495.73	8.10%
Shijiazhuang Bofa Machinery & Equipment Co., Ltd.	3,826,923.07	17.96%
Total	17,536,854.22	82.30%

Notes

5. Supplement information of Consolidated Flow Statement

In RMB

Supplement information	Amount of current period	Amount of previous period
1. Adjusting net profit to net cash flow in operating activities:	--	--
Net profit	-6,222,332.94	-508,291.49
Add: Provision for impairment of assets	-950.00	-100,099.63
Depreciation of fixed assets, oil and gas assets and consumable biological assets	996,946.66	4,181,203.87
Amortization of intangible assets	162,781.86	162,781.86
Financial expenses	541,666.67	-1,514,963.34
Decrease of deferred income tax assets		2,436,326.84
Decrease of inventories	2,640,422.64	25,893,067.20
Decrease of operating receivable	244,505,220.24	-575,000,275.16
Increase of operating receivables	54,742,648.41	-363,995,459.96
Net cash flows arising from operating activities	297,366,403.54	-908,445,709.81

II. Significant investment and financing activities that without cash flows	--	--
III. Net increase of cash and cash equivalents	--	--
Ending balance of cash	86,717,982.80	39,682,673.29
Less: Beginning balance of cash equivalents	29,805,307.79	1,602,670.30
Net increase of cash and cash equivalents	56,912,675.01	38,080,002.99

XII. Supplementary Information

1. Current non-recurring gains/losses

In RMB

Items	Amount	Notes
Government subsidies recognized in current gain and loss (excluding those closely related to the Company's business and granted under the state's policies)	175,895,903.21	
Gain/loss on loans obtained by entrusting others	3,000,000.00	
Other non-operating income and expenditure beside for the above items	1,903,740.83	
Less: Influenced amount of income tax	34,191,212.29	
Amount of influence of minority interests (After tax)	4,406,644.39	
Total	142,201,787.36	--

Explain recognition reasons item-by-item if the government subsidies reckoned into current gains /losses was the recurring gains/losses.

Applicable Not Applicable

Items	Amount (RMB)	Reason
Government subsidies	60,000,000.00	"Sixth-generation TFT-LCD glass substrate technology" project grants
Finance subsidies	17,884,100.00	Government subsidies
Tax returns	98,011,803.21	Business Tax refund from Tax Bureau

2. The differences between domestic and international accounting standards

(1) Simultaneously pursuant to both Chinese accounting standards and international accounting standards disclosed in the financial reports of differences in net income and net assets.

In RMB

	Net profit attributable to the shareholders of the	Net Assets attributable to the shareholders of
--	--	--

	listed company		the listed company	
	Amount in the reporting period	Amount in the previous period	End of the reporting period	Beginning of the reporting period
According to CAS	407,536,660.90	113,967,626.00	6,221,210,375.94	5,813,673,715.04
Items and amount adjusted according to IAS				

3. Return on net assets and earnings per share

In RMB

Profit of the report period	Return on net assets . Weighted (%)	Earnings per share	
		Basic earnings per share	Diluted gains per share
Net profit attributable to the Common stock shareholders of Company.	6.77%	0.15	0.15
Net profit attributable to the Common stock shareholders of Company after deducting of non-recurring gain/loss.	4.42%	0.10	0.10

IX. Documents available for inspection

- 1.The original semi-annual report bearing the signature of the Chairman of the Board of Directors of the Company;
- 2.The text of the financial report bearing the seal and signature of the person in charge of the Company, financial controller and the person in charge of accounting organ;
3. Originals of all documents and manuscripts of public Notices of the Company Disclosed in public in the newspapers as designated by China Securities Regulatory Commission.

[Notes] This Report has been prepared in both Chinese and English. In case of any discrepancy, the Chinese version shall prevail.

Dongxu Optoelectronic Technology Co., Ltd.

Chairman of the Board: Li Zhaoting

Issue day approved by the Board of Directors: August 28,2014