

BOE

ANNUAL REPORT 2020

April 2021

京东方科技集团股份有限公司
BOE TECHNOLOGY GROUP CO., LTD.

Part I Important Notes, Table of Contents and Definitions

The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of BOE Technology Group Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

Mr. Chen Yanshun, the Company’s legal representative, Mr. Liu Xiaodong, President, Ms. Sun Yun, Chief Financial Officer, and Ms. Yang Xiaoping, head of the financial department (equivalent to financial manager) hereby guarantee that the Financial Statements carried in this Report are factual, accurate and complete.

All the directors of the Company except for the following attended in person the Board meeting for the review of this Report and its summary.

Name	Office title	Reason for not attending the meeting in person	Proxy entrusted to attend the meeting
Pan Jinfeng	Director	Due to work	Li Yantao
Song Jie	Director	Due to work	Li Yantao
Sun Yun	Director	Due to work	Liu Xiao Dong

Any plans for the future and other forward-looking statements mentioned in this Report shall NOT be considered as absolute promises of the Company to investors. Investors, among others, shall be sufficiently aware of the risk and shall differentiate between plans and forecasts and promises.

The Board has approved a final dividend plan for the Reporting Period. Based on 34,770,212,630 shares (the total share capital minus the shares in the share repurchase account), a cash dividend of RMB1.00 (tax inclusive) per 10 shares is to be distributed to all the shareholders, with no bonus issue from either profit or capital reserves.

This Report has been prepared as per the Chinese Accounting Standards for Business Enterprises and other relevant regulations. KPMG Huazhen LLP has issued an independent auditor’s report with unmodified unqualified opinion for the Company.

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.

Table of Contents

Part I Important Notes, Table of Contents and Definitions	2
Part II Corporate Information and Key Financial Information	6
Part III Business Summary	11
Part IV Operating Performance Discussion and Analysis	15
Part V Significant Events	42
Part VI Share Changes and Shareholder Information	70
Part VII Preferred Shares	83
Part VIII Convertible Corporate Bonds	84
Part IX Directors, Supervisors, Senior Management and Staff	85
Part X Corporate Governance	102
Part XI Corporate Bonds	111
Part XII Financial Statements	117
Part XIII Documents Available for Reference.....	309

Definitions

Term	Definition
“BOE”, the “Company”, the “Group” or “we”	BOE Technology Group Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires
The cninfo website	http://www.cninfo.com.cn/
CSRC	The China Securities Regulatory Commission
SZSE, the Stock Exchange	The Shenzhen Stock Exchange
The Stock Listing Rules	The Stock Listing Rules of the Shenzhen Stock Exchange (Revised in 2020)
The Articles of Association	The Articles of Association of BOE Technology Group Co., Ltd.
The Company Law	The Company Law of the People’s Republic of China
The Securities Law	The Securities Law of the People’s Republic of China
KPMG	KPMG Huazhen LLP
OASIS Hospital	OASIS International Hospital
Microdisplay	Microdisplay technology
LCD	Liquid Crystal Display
AMOLED	Active-matrix Organic Light Emitting Diode
OLED	Organic Light Emitting Diode
Mini-LED	Submillimeter Light Emitting Diode
P0.9	Point 0.9mm
AM	Active matrix
Micro-LED	Micro Light Emitting Diode
VR/AR	Virtual Reality /Augmented Reality
IoT	Internet of Things
TFT-LCD	Thin Film Transistor Liquid Crystal Display
ESL	Electronic Shelf Label
3C	Computer, communication and consumer electronics
CsI	Cesium iodide
ICT	Information and Communication Technology
OEE management system	Overall Equipment Effectiveness management system
MRP	Material Requirement Planning

C-end	Customer-end
B-end	Business-end
SID	The Society for Information Display
OEE management system	Overall Equipment Effectiveness management system
IEC	International Electrotechnical Commission
COG	Chip (Mini LED) On Glass
SMD	Surface Mount Technology
COB	Chip (Mini LED) On Board (PCB)
BD Cell	BOE Dual Cell

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	BOE-A, BOE-B	Stock code	000725, 200725
Changed stock name (if any)	N/A		
Stock exchange for stock listing	Shenzhen Stock Exchange		
Company name in Chinese	京东方科技集团股份有限公司		
Abbr.	京东方		
Company name in English (if any)	BOE TECHNOLOGY GROUP CO., LTD.		
Abbr. (if any)	BOE		
Legal representative	Chen Yanshun		
Registered address	10 Jiuxianqiao Road, Chaoyang District, Beijing, P.R.China		
Zip code	100015		
Office address	12 Xihuan Middle Road, Beijing Economic-Technological Development Area, P.R.China		
Zip code	100176		
Company website	www.boe.com		
Email address	web.master@boe.com.cn		

II Contact Information

Item	Board Secretary	Securities Representative
Name	Liu Hongfeng	Su Xuefei
Office Address	12 Xihuan Middle Road, Beijing Economic-Technological Development Area, P.R.China	12 Xihuan Middle Road, Beijing Economic-Technological Development Area, P.R.China
Tel.	010—64318888 ext.	010—64318888 ext.
Fax	010—64366264	010—64366264
E-mail address	liuhongfeng@boe.com.cn	suxuefei@boe.com.cn

III Media for Information Disclosure and Place where this Report Is Lodged

Newspapers designated by the Company for information disclosure	China Securities Journal, Shanghai Securities News, Securities Times, Ta Kung Pao (HK)
Website designated by CSRC for publication of this Report	http://www.cninfo.com.cn/
Place where this Report is lodged	Board Secretary's Office

IV Changes to Company Registered Information

Unified social credit code	No change
Change to principal activity of the Company since going public (if any)	No change
Every change of controlling shareholder since incorporation (if any)	No change

V Other Information

The independent audit firm hired by the Company:

Name	KPMG Huazhen LLP
Office address	8/F, KPMG Tower, Oriental Plaza, 1 East Chang An Avenue, Beijing, P.R.China
Accountants writing signatures	Zhang Huan and Chai Jing

The independent sponsor hired by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

The independent financial advisor hired by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

VI Key Financial Information

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes No

Item	2020	2019	2020-over-2019 change (%)	2018
Operating revenue (RMB)	135,552,569,729.00	116,059,590,164.00	16.80%	97,108,864,935.00
Net profit attributable to the listed company's shareholders (RMB)	5,035,627,952.00	1,918,643,871.00	162.46%	3,435,127,975.00
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	2,670,454,834.00	-1,166,793,317.00	-	1,517,702,353.00
Net cash generated from/used in operating activities (RMB)	39,251,773,458.00	26,083,079,194.00	50.49%	25,684,047,196.00
Basic earnings per share (RMB/share)	0.13	0.05	160.00%	0.10
Diluted earnings per share (RMB/share)	0.13	0.05	160.00%	0.10
Weighted average return on equity (%)	5.15%	2.16%	2.99%	4.00%
Item	31 December 2020	31 December 2019	Change of 31 December 2020 over 31 December 2019 (%)	31 December 2018

Total assets (RMB)	424,256,806,331.00	340,412,203,308.00	24.63%	304,028,491,385.00
Equity attributable to the listed company's shareholders (RMB)	103,276,766,835.00	95,058,129,055.00	8.65%	85,856,748,703.00

Indicate by tick mark whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative for the last three accounting years, and the latest independent auditor's report indicated that there was uncertainty about the Company's ability to continue as a going concern.

Yes No

Indicate by tick mark whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative.

Yes No

VII Accounting Data Differences under China's Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and Foreign Accounting Standards

1. Net Profit and Equity under CAS and IFRS

Applicable Not applicable

No difference for the Reporting Period.

2. Net Profit and Equity under CAS and Foreign Accounting Standards

Applicable Not applicable

No difference for the Reporting Period.

VIII Key Financial Information by Quarter

Unit: RMB

Item	Q1	Q2	Q3	Q4
Operating revenue	23,887,380,060.00	32,863,949,005.00	38,149,823,526.00	40,651,417,138.00
Net profit attributable to the listed company's shareholders	566,676,460.00	568,773,865.00	1,340,387,777.00	2,559,789,850.00
Net profit attributable to the listed company's shareholders before exceptional gains and losses	-502,352,271.00	326,023,686.00	1,064,128,213.00	1,782,655,206.00
Net cash generated from/used in operating activities	5,223,671,919.00	4,493,003,615.00	13,751,838,874.00	15,783,259,050.00

Indicate by tick mark whether any of the quarterly financial data in the table above or their summations differs materially from what

have been disclosed in the Company's quarterly or interim reports.

Yes No

The quarterly operating revenue is re-presented according to the approved data, which has no impact on other financial indicators.

IX Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB

Item	2020	2019	2018	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	373,432,171.00	20,340,136.00	-25,632,761.00	N/A
Tax rebates, reductions and exemptions given with ultra vires approval or in lack of official approval documents	0.00	0.00	0.00	N/A
Government subsidies charged to current profit or loss (exclusive of government subsidies given in the Company's ordinary course of business at fixed quotas or amounts as per the government's uniform standards)	2,332,107,692.00	2,640,634,861.00	2,073,709,661.00	N/A
Capital occupation charges on non-financial enterprises that are charged to current profit or loss	0.00	0.00	0.00	N/A
Gain equal to the amount by which investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than the Company's enjoyable fair value of identifiable net assets of investees when making investments	0.00	0.00	0.00	N/A
Gain or loss on non-monetary asset swaps	0.00	0.00	0.00	N/A
Gain or loss on assets entrusted to other entities for investment or management	0.00	0.00	0.00	N/A
Allowance for asset impairments due to acts of God such as natural disasters	0.00	0.00	0.00	N/A
Gain or loss on debt restructuring	0.00	0.00	0.00	N/A
Restructuring costs in staff arrangement, integration, etc.	0.00	0.00	0.00	N/A
Gain or loss on the over-fair value amount as a result of transactions with distinctly unfair prices	0.00	0.00	0.00	N/A
Current profit or loss on subsidiaries obtained in business combinations involving enterprises under common control from the period-beginning to combination dates, net	0.00	0.00	0.00	N/A
Gain or loss on contingencies that do not arise in the Company's ordinary course of business	0.00	0.00	0.00	N/A
Gain or loss on fair-value changes in held-for-trading and derivative financial assets and liabilities & income from	82,698,484.00	112,668,244.00	315,279,377.00	N/A

disposal of held-for-trading and derivative financial assets and liabilities and other investments in debt obligations (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)				
Reversed portions of impairment allowances for accounts receivable and contract assets which are tested individually for impairment	15,447,820.00	1,498,805.00	1,779,710.00	N/A
Gain or loss on loan entrustments	0.00	0.00	0.00	N/A
Gain or loss on fair-value changes in investment property of which subsequent measurement is carried out using the fair value method	0.00	0.00	0.00	N/A
Effects of all adjustments required by taxation, accounting and other applicable laws and regulations on current profit or loss	0.00	0.00	0.00	N/A
Income from charges on entrusted management	0.00	0.00	0.00	N/A
Non-operating income and expense other than the above	65,391,368.00	96,799,305.00	63,734,628.00	N/A
Other gains and losses that meet the definition of exceptional gain/loss	0.00	795,126,980.00	0.00	N/A
Less: Income tax effects	185,966,533.00	285,904,312.00	328,634,385.00	N/A
Non-controlling interests effects (net of tax)	317,937,884.00	295,726,831.00	182,810,608.00	N/A
Total	2,365,173,118.00	3,085,437,188.00	1,917,425,622.00	--

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item defined or listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss

Items:

Applicable Not applicable

No such cases for the Reporting Period.

Part III Business Summary

I Principal Activity of the Company in the Reporting Period

BOE is an IoT company that provides smart ports and professional services for information interaction and human health. After years of innovation-driven development, the Group recorded revenue of over RMB100 billion for the first time in 2019, establishing its status as a global leader in the semiconductor display sector. In 2020, the Group established a strategic goal of becoming an innovative IoT enterprise with absolute advantages in a number of segments. It furthered management changes based on analysis and business model study of the development trends of the semiconductor display and IoT markets. By building platforms at multiple levels and on all fronts, it integrated ecological chain, expedited integrated development, and built a multi-layer strategic business structure on the basis of core capacities and extension of industrial value chain. Under its strategic thinking, the Group has established a "1+4+N" BG structure extended to the semiconductor display chain and the value chain of many IoT scenarios based on its core capacities in display and sensor.

"1" means the Semiconductor Display business, which is the key driver of the Group's business growth and has taken up the leading position on the industrial chain thanks to core technical capability reserves. The business has the intellectual capital and resource reserves to propel the fast growth of other businesses.

"4" means Sensor and Solution business, Mini-LED business, Intelligence System and Innovation business, and Smart Medical Engineering business, which the Group is concentrating resources to develop for their enormous potential, on the back of the core capacities in the Semiconductor Display business and the predictions of future technology and market development. These businesses have gathered momentum for building of core capacities and are poised to be the principal businesses as the Group goes forward.

"N" means specific businesses integrated into IoT scenarios, including Intelligent Car Networking, Smart Retail, Smart Finance, Smart Medicine and Engineering, Industrial IoT, and Smart City Public Service, and Digital Art. It is an extended business layer on the basis of the core capacities in value chains of "1" and "4". Under the principle of "core capacities empowerment and outward development", this business layer will penetrate deep into the IoT scenarios and market segments to boost business growth and core capacities upgrading.

To promote the development of the "1+4" BG structure, the Group strengthens investment business dominated by industrial funds, with the primary objective of ensuring the security of the supply chain and building industrial clusters and ecological alliances to facilitate the better and faster development of "1+4+N" businesses. In the meanwhile, the Group builds customer touchpoints focusing on product and market innovation cooperation with strategic partners, suppliers, customers, investors and even all enterprises and individuals with innovative mindset and ability, who are not only a crucial driving force for rapid market expansion and supply chain security but also a key window for gaining insights into market changes, understanding product and customer needs, and swiftly responding to characteristics and specific market segments.

As an open platform, the Smart System Innovation Center is open to all layers of the "1+4" BG structure, especially to strategic technology and market partners, upstream and downstream industrial partners, investors, and internal and external entities and individuals with innovative ideas, channels and market methods. This platform facilitates cooperation to expand market and customer base and jointly create products and value for win-win outcomes.

The specifics are as follows:

1. Display business

Display business offers TFT-LCD, AMOLED, Microdisplay and other intelligent interface devices designed and manufactured in an integrated way, to create an integrated platform of panels, modules, whole products and services. Display business provides customers with high-quality display devices such as smartphones, tablet PCs, laptops, monitors, TVs, vehicle-mounted, electronic

shelf label (ESL), tiled display screens, industrial control, wearable devices, VR/AR devices, electronic tags, white goods, healthcare, mobile payment, and interactive whiteboards, as well as the most competitive intelligent services in 3C display, smart IoT, system platform, and other fields.

2. Sensor and Solution business

Sensor and Solution business offers B2B customers integrated design and manufacturing services of sensor devices for use in medical detection, household detection, communication & transportation, smart homes, etc., as well as sensor system solutions regarding medical imaging, biological detection, smart screens, microwave communication, fingerprint identification and the like, with products including flat panel X-ray detectors (FPXD), digital microfluidic chips, PDLC glass, fingerprint identification systems, etc.

3. Mini-LED business

Mini-LED business renders Mini-LED backlight products with high reliability and high dynamic range of dimming for mobile phones, tablet PCs, laptops, monitors, TVs, etc., as well as Mini/Micro-LED display products with high brightness, high reliability and high dynamic range for outdoor, commercial and other purposes. All these products are designed and manufactured in an integrated manner.

4. Intelligence System and Innovation business

Intelligence System and Innovation business offers overall system solutions under integrated design and backed by AI and big data, such as smart government affairs, city beautification, smart transportation, smart finance, smart education, smart park, smart energy and other IoT solutions, for products and services combining hardware and software.

5. Smart Medical Engineering business

Smart Medical Engineering business adopts the professional healthcare service model to combine technologies with medicine and integrate medicine and engineering with innovation, so as to provide families, communities and hospitals with the four core services of health management, health technology, digital hospital, and technology services. The health IoT platform connects testing equipment, medical workers and customers to build a smart health management ecosystem where customers enjoy health services including prevention, treatment, therapy and nursing.

II Significant Changes in Major Assets

1. Significant Changes in Major Assets

Major assets	Main reason for significant changes
Equity assets	N/A
Fixed assets	Fixed assets increased primarily driven by the reclassification of new constructions into fixed assets and the changes to the consolidation scope in the Reporting Period.
Intangible assets	N/A
Construction in progress	Construction in progress decreased primarily driven by the reclassification of new constructions into fixed assets in the Reporting Period.

2. Major Assets Overseas

Applicable Not applicable

III Core Competitiveness Analysis

With the vision of becoming the "Best on Earth, The World Leader", BOE "never says tired, never says difficult, never says give up, and never says satisfied" in driving its development through unceasing independent innovation. Leveraging its core technologies in display and sensor products, it has constructed a BG structure extended to the industry chain of semiconductor display and the value chain of various IoT scenarios.

After nearly 28 years of development, BOE has become a global leader in the semiconductor display sector, with total display screen shipments ranking first and the largest market share in the five mainstream applications and innovative applications in the world. In 2020, BOE took an active part in the integration and reorganization of the display sector, successfully completing mergers and acquisitions of production lines to further expand its advantages in terms of market share, technology and regional layout. As a result, it has further consolidated its leading position in the industry. In the meanwhile, BOE launched a brand-new development platform called Smart System Innovation Center as a key engine for the transformation and development of IoT.

Market position was steadily improved:

In 2020, BOE continued its innovation-driven development in the context of the global spread of COVID-19 that badly hit the work economy. Display business recorded growth of display device sales despite all the difficulties. The sales volume of annual display devices climbed by 18% year on year. The market share of sales of smartphone LCD, tablet PC display screen, laptop display screen, display monitor and TV display continued its first ranking status. Sales of innovative application products registered year-on-year growth of more than 60%, with an increase in shipping area of over 70%; the market share of wearables, ESL, electronic tags, tiled display screens and IoT finance applications ranked top globally. Breakthroughs were made in the shipments of flexible OLED products, with year-on-year expansion of more than 100%. Sales of whole 3C products of above 65 inches rose by more than 15% year on year, and that of whole TV in China increased by over 145%. BOE completed the acquisition of Gen-8.5 LCD production line of Nanjing CEC Panda and Gen-8.6 LCD production line of Chengdu CEC Panda, further enhancing its product varieties and capacity advantages.

Sensor and Solution business: The full-size X-ray flat panel X-ray detectors (FPXD) of 12-46 inches for medical purpose have been applied in global high-end medical device companies in Europe, the United States, Japan, South Korea and other countries. In particular, CsI products sales growth 300% year on year. With innovative displays and sensors and light transmittance adjustable by touch or keystroke, smart screens have been applied in many areas including transportation and construction. The product was delivered for Beijing-Xiong'an Tourist Area, Beijing-Zhangjiakou Tourist Area, maglev, and other projects.

Intelligence System and Innovation business: BOE provided smart financial solutions for around 1,500 banking outlets across China, including ICBC, CCB, ABC, CITIC Bank, and CMB; smart retail solutions for more than 20,000 stores in over 61 countries around the world; and display products for over 80% of high-speed rail lines and 22 urban subway lines in China. As for smart park solutions, BOE leveraged technologies such as IoT, cloud computing and AI to build all park subsystems and enable integrated management of people, vehicles and the environment. The Company's smart park solutions have been applied to projects in six major cities, including Taoxichuan in Jingdezhen City, Guangnian Town in Tianjin Municipality, and Universal Studios in Beijing Municipality. As for urban beautification, BOE has completed a series of projects including Twin Towers in Chengdu and Wanda Square in Wuhan, which are new engines and new landmarks for boosting the economic development of the cities.

Smart Medical Engineering business: BOE rendered smart health management services through a digital hospital platform integrating digital treatment and therapy, digital services, digital management and digital promotion. Furthermore, BOE rolled out IoT solutions such as integrated management of chronic diseases, Smart Emergency, Smart Health Care Community, and Smart Public Health and Physical Examination, and joined hands with Beijing Emergency Center to enable synchronous flow of information of alarms, emergency centers, hospitals, ambulances, doctors/volunteers, thus effectively shortening the time of responding to patients needing first aid. The Company partnered with Peking University Third Hospital to promote the use of a new model for early screening, early diagnosis and early treatment of chronic obstructive pulmonary disease. Outpatients and discharges of Hefei Hospital grew by 120% and 200% year on year, respectively, and operations increased by over 185%. BOE also integrated digital human APP into mobile

health APP. The Company carried out in-depth cooperation with BioChain in cancer early diagnosis detection and tumor concomitant diagnosis to build a whole industry chain to protect people's health.

Technical strengths were further enhanced:

BOE continued to apply for and obtain more patents, with more than 9,000 new patent applications in the year. In particular, the Company filed over 4,500 new patent applications in respect of flexible OLED, sensor, AI, big data and other innovative fields. New patent authorizations amounted to 5,500, including over 2,300 overseas authorizations. Besides, the Company led the formulation and amendment of 36 external technical standards, and group standards led by BOE such as IEC international standards for LCD multi-screen display terminals and 8K TV display interface specifications were officially released. The flexible AMOLED R&D and industrialization project won the special prize of Beijing Annual Science and Technology Progress Award. Five AI technologies of BOE including character recognition and behavior recognition took the first place in international industry competitions.

As for innovation in product and technology applications, TV BD Cell won the SID Global Display Industry Award 2020, as its application was extended to vehicles, hospitals and broadcast. InP-based red quantum dot light-emitting diode and green devices saw considerable efficiency improvement, continuing to lead the industry. The face recognition algorithm for masked people had a pass rate of above 95%, among the highest in the industry. In biochip development, BOE completed R&D of a nucleic acid detection system prototype that was fully automatic microfluidic.

Operating efficiency was continuously increased:

BOE continuously optimized its operation mechanism, strengthened effective and rapid collaboration marketing, supply and manufacturing, and further enhanced production line operations through OEE management system, thus further increasing efficiency. The tiled display screens from Beijing Gen-8.5 LCD production line and e-sports display products reached a new high by shipment rate. The oxide TFT products from Chongqing Gen-8.5 production line achieved breakthroughs, with a further rise in proportion of miniaturized products. The yield of Hefei Gen-10.5 production line hit a new high, and that of Wuhan Gen-10.5 production line continued to improve. Comprehensive product yield reached a record high. BOE continued to rank first in terms of quality performance of customers, 27 of the 28 core LCD customers making it to top two and 20 to number one. Five of the 12 strategic customers ranked first in terms of quality.

Innovative transformation was continuously deepened:

To establish a group-level capabilities system appropriate to the IoT transformation strategy, BOE launched Phase II innovative transformation of SOPIC in 2020. It has built a "three vertical and three horizontal" operation management mechanism with high efficiency and collaboration, an organizational system for agile response, capabilities reuse and efficient operation, and a vertical management system with strategy, process and performance as the core and integration the front, middle and back offices. As a result, organizational efficiency has notably improved.

Besides, with confidence in its future development prospects and high recognition of its value, the Group issued its first medium- and long-term equity incentive plan in 2020, which was implemented by buying back some social public shares with proprietary funds. Beneficiaries of the plan are the core technical team and key management members. The implementation of the first equity incentive plan has further improved the corporate governance structure to the interest of shareholders, the Company and core personnel and will facilitate the realization of the Company's long-term business objectives and the creation of value for all stakeholders.

Part IV Operating Performance Discussion and Analysis

I Overview

In 2020, the world experienced profound changes unseen in a century. The sudden outbreak of COVID-19 hit hard the global economy, triggering a global economic recession, which, coupled with further intensifying trade frictions between China and the United States, brought great challenges to the development and operation of companies. On the other hand, China was speeding up efforts to foster a new development paradigm with domestic circulation as the mainstay and domestic and international circulations reinforcing each other. Online education, online entertainment, telecommuting, telemedicine and other application scenarios spurred the pandemic saw exponential growth. 5G, AI and other new technologies were integrated with traditional industries at a faster pace. Digital transformation presented strategic opportunities to the market. In the meanwhile, the semiconductor display sector rebounded in the midst of accelerating industry integration. In a complex development environment in China and globally, BOE identified opportunities from the crisis in the face of the changing situation. By actively responding to challenges and grasping development opportunities, it saw its operating revenue continued to grow to approximately RMB135.553 billion for the whole year, up about 16.80% year on year, and achieved a net profit attributable to the listed company's shareholders of RMB5.036 billion, up about 162.46% year on year.

1. Fast development of the five businesses

Display business: BOE further consolidated its leading position in the semiconductor display sector, which generated operating revenue of about RMB131.971 billion in this business during the Reporting Period, up about 16.03% year on year. The Company's market position in display devices steadily improved, and product sales volume rose by 18% year on year. The market share of five mainstream products, such as smartphone LCD screens, tablet PC displays, laptop displays, display screens and TV displays, continued to rank first globally. The market share of innovative application products expanded rapidly, and that of wearables, ESL, electronic tags, tiled display screens and IoT financial applications ranked first in the world. Flexible OLED products grew faster, with year-on-year sales growth of above 100%. BOE completed the acquisition of Gen-8.5 LCD production line of Nanjing CEC Panda and Gen-8.6 LCD production line of Chengdu CEC Panda, thus improving its technology and product mixes and competitive edges.

Sensor and Solution business: For medical imaging and smart screens, breakthroughs were made in market development, customer base expansion, R&D of new products and new technologies, and they witnessed moderate growth, generating operating revenue of about RMB120 million in this business during the Reporting Period, up about 90.95% year on year. The shipments of medical imaging products went up by more than 70% year on year, propelled by more breakthroughs in overseas market expansion; in particular, shipments to South Korea rose by over 30%. BOE established a partnership with leading medical equipment companies in Europe and the US and the largest detector company in the world. Smart screens were delivered for Beijing-Xiong'an Tourist Area, Beijing-Zhangjiakou Tourist Area, maglev, and other projects, and passenger vehicle skylight, Metro display screens and other projects were launched. BOE led the formulation of national standards for electronic dyed glass to pave the way for more breakthroughs.

Mini-LED business: BOE integrated its competitive resources to make early layout for the next-generation display technology. Thus, it has established Mini-LED business as an integral part of its BG structure. The Company made breakthroughs in products, technologies and markets. It has produced 75-inch glass double backlight lighting product and promoted it to some influential customers. The world's first largest needle-type die bonding machine, co-developed by BOE, was installed and commissioned, leading to substantial increase in die bonding speed. Glass straight side lines, die bonding and assembly and other key technologies were developed. The development and marketing of P0.9 AM glass product are progressing steadily.

Intelligence System and Innovation business: BOE made breakthroughs in business landscape and headway in market expansion. Operating revenue of this business posted about RMB1.328 billion during the Reporting Period, up about 61.72% year on year. Great breakthroughs were made in building an innovation center network. With Beijing as the core, the Company built innovation centers nationwide in Chongqing and Chengdu with the focus on six major economic circles, according to the general plan of "one horizontal and one vertical". As for urban beautification, BOE has completed a series of projects including Twin Towers in Chengdu and Wanda Square in Wuhan, which are new engines and new landmarks for boosting the economic development of the cities. Smart finance solutions have been provided for more than 1,500 banking outlets. BOE joined hands with Jindezhen Ceramic Culture Group to create a new-generation model street and with Universal Studios to create an international top theme park, and these projects have further enhanced the international recognition of BOE brand. The Company launched C-series and E-series smart whole products. Smart transportation solutions were offered to build a number of benchmark projects, including Taiyuan Metro Line 2.

Smart Medical Engineering business: BOE continued to offer closed-loop full-lifecycle health services with health management as the core, smart terminals as tools and digital hospitals as support. Health management, health technology, digital hospitals and other businesses saw rapid development. This business generated operating revenue of approximately RMB1.522 billion during the Reporting Period, a year-on-year increase of around 12.15%. Regarding health management, BOE also integrated digital human APP into mobile health APP. Neonatal stem cell storage increased by 180%. Revenue from health technology grew by over 90% year on year. Health IoT solutions integrating software and hardware such as smart health care and smart emergency were launched in Zhejiang, Guangxi, Shandong and Beijing on a trial basis. The market of methylation testing products was expanded in an orderly manner, and more than 10 dealers have been acquired. The performance of Hefei Hospital, a digital hospital, experienced significant improvement, with outpatients and discharges up 120% and 200% respectively and operations by more than 185% over last year.

2. Further improved technological innovation capacities

BOE continued to apply for and obtain more patents, with more than 9,000 new patent applications in the year. In particular, the Company filed over 4,500 new patent applications in respect of flexible OLED, sensor, AI, big data and other innovative fields. New patent authorizations amounted to 5,500, including over 2,300 overseas authorizations. Besides, the Company led the formulation and amendment of 36 external technical standards, and group standards led by BOE such as IEC international standards for LCD multi-screen display terminals and 8K TV display interface specifications were officially released. The flexible AMOLED R&D and industrialization project won the special prize of Beijing Annual Science and Technology Progress Award. Five AI technologies of BOE including character recognition and behavior recognition took the first place in international industry competitions. As for innovation in product and technology applications, TV BD Cell won the SID Global Display Industry Award 2020, as its application was extended to vehicles, hospitals and broadcasting level display. InP-based red quantum dot light-emitting diode and green devices saw considerable efficiency improvement, continuing to lead the industry. The face recognition algorithm for masked people had a pass rate of above 95%, among the highest in the industry. In biochip development, BOE completed R&D of a nucleic acid detection system prototype that was fully automatic microfluidic.

II Core Business Analysis

1. Overview

See "I Overview" above.

2. Revenue and Cost Analysis

(1) Breakdown of Operating Revenue

Unit: RMB

Item	2020		2019		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
Total	135,552,569,729.00	100%	116,059,590,164.00	100%	16.80%
By operating division					
Display business	131,970,602,256.00	97.36%	113,741,071,151.00	98.00%	16.03%
Smart System Innovation business	1,328,060,494.00	0.98%	821,226,259.00	0.71%	61.72%
Smart Medicine and Engineering business	1,522,460,282.00	1.12%	1,357,484,752.00	1.17%	12.15%
Sensor and Solution business	119,817,921.00	0.09%	62,748,635.00	0.05%	90.95%
Others	7,372,351,461.00	5.44%	7,320,141,513.00	6.31%	0.71%
Offset	-6,760,722,685.00	-4.99%	-7,243,082,146.00	-6.24%	-6.66%
By product category					
Display business	131,970,602,256.00	97.36%	113,741,071,151.00	98.00%	16.03%
Smart System Innovation business	1,328,060,494.00	0.98%	821,226,259.00	0.71%	61.72%
Smart Medicine and Engineering business	1,522,460,282.00	1.12%	1,357,484,752.00	1.17%	12.15%
Sensor and Solution business	119,817,921.00	0.09%	62,748,635.00	0.05%	90.95%
Others	7,372,351,461.00	5.44%	7,320,141,513.00	6.31%	0.71%
Offset	-6,760,722,685.00	-4.99%	-7,243,082,146.00	-6.24%	-6.66%
By operating segment					
Mainland China	65,241,679,286.00	48.13%	59,444,025,767.00	51.22%	9.75%
Other regions in Asia	54,895,384,319.00	40.50%	45,030,859,656.00	38.80%	21.91%
Europe	4,804,966,123.00	3.54%	4,511,337,220.00	3.89%	6.51%
America	10,316,934,261.00	7.61%	6,911,922,720.00	5.96%	49.26%
Other regions	293,605,740.00	0.22%	161,444,801.00	0.14%	81.86%

(2) Operating Division, Product Category or Operating Segment Contributing over 10% of Operating Revenue or Operating Profit

√ Applicable □ Not applicable

Unit: RMB

Item	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating	YoY change in cost of	YoY change in gross profit
------	-------------------	---------------	---------------------	-------------------------	-----------------------	----------------------------

				revenue (%)	sales (%)	margin (%)
By operating division						
Display business	131,970,602,256.00	107,769,219,236.00	18.34%	16.03%	9.60%	4.79%
By product category						
Display business	131,970,602,256.00	107,769,219,236.00	18.34%	16.03%	9.60%	4.79%
By operating segment						
Mainland China	65,241,679,286.00	51,556,683,702.00	20.98%	9.75%	2.21%	5.84%
Other regions in Asia	54,895,384,319.00	44,201,707,545.00	19.48%	21.91%	17.29%	3.17%

Core business data of the prior year restated according to the changed statistical caliber for the Reporting Period:

Applicable Not applicable

(3) Whether Revenue from Physical Sales Is Higher than Service Revenue

Yes No

Operating division	Item	Unit	2020	2019	Change (%)
TFT-LCD	Unit sales	K m ²	55,653	50,316	10.61%
	Output	K m ²	55,628	50,118	10.99%
	Inventory	K m ²	2,555	2,427	5.27%
AMOLED	Unit sales	K m ²	501	269	86.25%
	Output	K m ²	537	277	93.86%
	Inventory	K m ²	40	9	344.44%

Reason for any over 30% YoY movements in the data above

Applicable Not applicable

The reasons for the increase in AMOLED sales and production in 2020: The flexible AMOLED production line in Chengdu operated efficiently, prompting shipment growth, and the flexible AMOLED production line in Mianyang managed to carry out mass production and mass shipments.

The reasons for the increase of AMOLED inventory in 2020: The production capacities of the flexible AMOLED flexible production lines in Chengdu and Mianyang climbed with an increase in needed inventory turnover and reserve.

(4) Execution Progress of Major Signed Sales Contracts in the Reporting Period

Applicable Not applicable

(5) Breakdown of Cost of Sales

By operating division and product category

Unit: RMB

By operating	Item	2020	2019	Change
--------------	------	------	------	--------

division		Cost of sales	As % of total cost of sales (%)	Cost of sales	As % of total cost of sales (%)	(%)
Display business	Materials, labor costs, depreciation, etc.	107,769,219,236.00	99.03%	98,329,154,262.00	99.88%	9.60%
Smart System Innovation business	Materials, labor costs, depreciation, etc.	981,563,055.00	0.90%	498,624,217.00	0.51%	96.85%
Smart Medicine and Engineering business	Materials, labor costs, depreciation, etc.	724,268,025.00	0.67%	668,875,829.00	0.68%	8.28%
Sensor and Solution business	Materials, labor costs, depreciation, etc.	75,405,672.00	0.07%	30,963,371.00	0.03%	143.53%
Others	Materials, labor costs, depreciation, etc.	2,213,785,494.00	2.03%	1,681,836,505.00	1.71%	31.63%
Offset	Materials, labor costs, depreciation, etc.	-2,941,118,726.00	-2.70%	-2,763,184,888.00	-2.81%	6.44%

Unit: RMB

By product category	Item	2020		2019		Change (%)
		Cost of sales	As % of total cost of sales (%)	Cost of sales	As % of total cost of sales (%)	
Display business	Materials, labor costs, depreciation, etc.	107,769,219,236.00	99.03%	98,329,154,262.00	99.88%	9.60%
Smart System Innovation business	Materials, labor costs, depreciation, etc.	981,563,055.00	0.90%	498,624,217.00	0.51%	96.85%
Smart Medicine and Engineering business	Materials, labor costs, depreciation, etc.	724,268,025.00	0.67%	668,875,829.00	0.68%	8.28%
Sensor and Solution business	Materials, labor costs, depreciation, etc.	75,405,672.00	0.07%	30,963,371.00	0.03%	143.53%
Others	Materials, labor costs, depreciation, etc.	2,213,785,494.00	2.03%	1,681,836,505.00	1.71%	31.63%
Offset	Materials, labor costs, depreciation, etc.	-2,941,118,726.00	-2.70%	-2,763,184,888.00	-2.81%	6.44%

Note: N/A

(6) Changes in the Scope of Consolidated Financial Statements for the Reporting Period

√ Yes □ No

The changes in the scope of consolidated financial statements for the Reporting Period had no significant impact on segment data.

(7) Major Changes to the Business Scope or Product or Service Range in the Reporting Period

Applicable Not applicable

(8) Major Customers and Suppliers

Major customers:

Total sales to top five customers (RMB)	61,960,413,826.00
Total sales to top five customers as % of total sales of the Reporting Period (%)	45.71%
Total sales to related parties among top five customers as % of total sales of the Reporting Period (%)	0.00%

Information about top five customers:

No.	Customer	Sales revenue contributed for the Reporting Period (RMB)	As % of total sales revenue (%)
1	Customer A	20,861,019,239.00	15.39%
2	Customer B	14,559,514,510.00	10.74%
3	Customer C	11,434,056,234.00	8.44%
4	Customer D	8,141,898,845.00	6.01%
5	Customer E	6,963,924,998.00	5.14%
Total	--	61,960,413,826.00	45.71%

Other information about major customers:

Applicable Not applicable

Major suppliers:

Total purchases from top five suppliers (RMB)	20,135,159,623.00
Total purchases from top five suppliers as % of total purchases of the Reporting Period (%)	18.50%
Total purchases from related parties among top five suppliers as % of total purchases of the Reporting Period (%)	0.00%

Information about top five suppliers:

No.	Supplier	Purchase in the Reporting Period (RMB)	As % of total purchases (%)
1	Supplier A	7,061,923,225.00	6.49%
2	Supplier B	4,333,966,398.00	3.98%
3	Supplier C	3,421,545,273.00	3.14%
4	Supplier D	2,921,777,045.00	2.68%
5	Supplier E	2,395,947,682.00	2.20%
Total	--	20,135,159,623.00	18.50%

Other information about major suppliers:

Applicable Not applicable

3. Expense

Unit: RMB

Item	2020	2019	Change (%)	Reason for any significant change
Selling expense	3,137,719,001.00	2,917,865,380.00	7.53%	N/A
Administrative expense	6,203,600,521.00	5,214,948,027.00	18.96%	N/A
Finance costs	2,650,153,972.00	1,994,150,258.00	32.90%	Repayment of the carrying amount of debt that was convertible to stock in last year
R&D expense	7,622,597,925.00	6,699,973,240.00	13.77%	N/A

4. R&D Investments

Applicable Not applicable

Details about R&D input:

Item	2020	2019	Change (%)
Number of R&D personnel	19,694	19,617	0.39%
R&D personnel as % of total employees	25.76%	30.17%	-4.41%
R&D investments (RMB)	9,441,596,318.00	8,748,156,031.00	7.93%
R&D investments as % of operating revenue	6.97%	7.54%	-0.57%
Capitalized R&D investments (RMB)	1,939,420,807.00	2,048,182,791.00	-5.31%
Capitalized R&D investments as % of total R&D investments	20.54%	23.41%	-2.87%

Reasons for any significant YoY change in the percentage of R&D investments in operating revenue:

Applicable Not applicable

Reason for any sharp variation in the percentage of capitalized R&D investments and rationale:

Applicable Not applicable

5. Cash Flows

Unit: RMB

Item	2020	2019	Change (%)
Subtotal of cash generated from operating activities	169,593,756,177.00	145,523,323,441.00	16.54%
Subtotal of cash used in operating activities	130,341,982,719.00	119,440,244,247.00	9.13%
Net cash generated from/used in operating activities	39,251,773,458.00	26,083,079,194.00	50.49%
Subtotal of cash generated from investing activities	25,532,266,564.00	35,949,685,082.00	-28.98%

Subtotal of cash used in investing activities	68,939,233,413.00	83,365,812,518.00	-17.31%
Net cash generated from/used in investing activities	-43,406,966,849.00	-47,416,127,436.00	--
Subtotal of cash generated from financing activities	70,901,578,897.00	75,724,272,107.00	-6.37%
Subtotal of cash used in financing activities	47,083,848,940.00	47,945,626,777.00	-1.80%
Net cash generated from/used in financing activities	23,817,729,957.00	27,778,645,330.00	-14.26%
Net increase in cash and cash equivalents	17,794,414,798.00	6,919,625,053.00	157.16%

Explanation of why any of the data above varies significantly:

Applicable Not applicable

Net cash generated from operating activities increased 50.49% year on year, primarily driven by the expansion of the Company's operating revenue and the improvement of operating results.

Reason for any big difference between the net cash generated from/used in operating activities and the net profit for this Reporting Period

Applicable Not applicable

The net cash generated from operating activities was higher than the net profit primarily because the depreciation amount of display equipment is high.

III Analysis of Non-Core Businesses

Applicable Not applicable

Unit: RMB

Item	Amount	As % of total profit	Source/Reason	Recurrent or not
Return on investment	897,891,109.00	14.74%	Income recognized from associates and wealth management products	Not
Gain/loss on changes in fair value	31,936,339.00	0.52%	N/A	Not
Asset impairments	-3,280,425,399.00	-53.84%	Inventory valuation allowances established based on market conditions	Not
Non-operating income	120,503,628.00	1.98%	N/A	Not
Non-operating expense	72,139,666.00	1.18%	N/A	Not

IV Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Indicate whether the Company has adopted the new accounting standards governing revenue and leases since 2020 and restated the beginning amounts of relevant financial statement line items in the year.

Applicable.

Unit: RMB

Item	31 December 2020		1 January 2020		Change in percentage (%)	Reason for any significant change
	Amount	As a % of total assets	Amount	As a % of total assets		
Monetary assets	73,694,296,095.00	17.37%	56,972,723,239.00	16.73%	0.64%	N/A
Accounts receivable	22,969,140,355.00	5.41%	18,107,976,861.00	5.32%	0.09%	N/A
Inventories	17,875,454,490.00	4.21%	12,396,194,762.00	3.64%	0.57%	Inventories increased primarily driven by expanding operating revenue and the changes to the consolidation scope in the Reporting Period.
Investment property	1,196,168,511.00	0.28%	1,241,242,850.00	0.36%	-0.08%	N/A
Long-term equity investments	3,693,170,224.00	0.87%	2,718,037,934.00	0.80%	0.07%	N/A
Fixed assets	224,866,586,069.00	53.00%	125,786,241,938.00	36.94%	16.06%	Fixed assets increased primarily driven by the reclassification of new constructions into fixed assets and the changes to the consolidation scope in the Reporting Period.
Construction in progress	42,575,849,952.00	10.04%	87,376,782,527.00	25.66%	-15.62%	Construction in progress decreased primarily driven by the reclassification of new constructions into fixed assets in the Reporting Period.
Short-term borrowings	8,599,569,471.00	2.03%	6,366,717,121.00	1.87%	0.16%	N/A
Long-term borrowings	132,452,767,135.00	31.22%	107,730,595,615.00	31.64%	-0.42%	N/A
Other payables	32,867,709,024.00	7.75%	24,570,589,610.00	7.22%	0.53%	Other payables increased primarily driven by the changes to the consolidation scope in the Reporting Period and a rise in payables for engineering and equipment.

2. Assets and Liabilities at Fair Value

√ Applicable □ Not applicable

Unit: RMB

Item	Beginning amount	Gain/loss on fair-value changes in the Reporting Period	Cumulative fair-value changes charged to equity	Impairment allowance for the Reporting Period	Purchased in the Reporting Period	Sold in the Reporting Period	Other changes	Ending amount
Financial assets								
1. Held-for-trading financial assets (excluding derivative financial assets)	5,809,184,994.00	31,936,339.00	98,409,419.00	0.00	13,937,058,793.00	15,379,041,954.00	0.00	4,367,201,833.00
2. Derivative financial assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Investments in other debt obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Investments in other equity instruments	632,076,647.00	-35,969,241.00	-161,611,179.00	0.00	19,168,059.00	137,485,294.00	0.00	533,645,423.00
Subtotal of financial assets	6,441,261,641.00	-4,032,899.00	-63,201,760.00	0.00	13,956,226,852.00	15,516,527,248.00	0.00	4,900,847,256.00
Investment property	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Productive living assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total of the above	6,441,261,641.00	-4,032,899.00	-63,201,760.00	0.00	13,956,226,852.00	15,516,527,248.00	0.00	4,900,847,256.00
Financial liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Contents of other changes: N/A

Significant changes to the measurement attributes of the major assets in the Reporting Period:

Yes No

3. Restricted Asset Rights as at the Period-End

Item	Ending carrying value	Reason for restriction
Monetary assets	5,488,099,634.00	As pledge for guarantee and as security deposits
Notes receivable	60,214,157.00	Discounted and transferred with right of recourse, Endorsed and transferred with right of recourse, as pledge for the issue of notes payable
Inventories	0.00	N/A
Fixed assets	168,972,932,363.00	As collateral for guarantee, Leaseback assets
Intangible assets	1,769,040,417.00	As collateral for guarantee
Construction in progress	21,137,162,080.00	As collateral for guarantee
Investment property	42,959,088.00	As collateral for guarantee
Accounts receivable	44,682,510.00	Factoring discounted with right of recourse
Total	197,515,090,249.00	--

V Investments Made**1. Total Investment Amount**√ Applicable Not applicable

Investments made in this Reporting Period (RMB)	Investments made in the prior year (RMB)	Change (%)
933,268,059.00	123,621,675.00	654.94%

2. Significant Equity Investments Acquired in the Reporting Period√ Applicable Not applicable

Unit: RMB

Investee	Principal activities	Way of investment	Amount of investment	The Company's interest	Funding source	Partner	Term of investment	Type of product	Progress as of the balance sheet date	Estimated return	Income/loss in the current period	Any legal matter involved or not	Date of disclosure (if any)	Index to disclosed information (if any)
Nanjing CEC Panda FPD Technology Co., Ltd.	R&D, manufacturing and sales of TFT-LCD panels, color filters and whole liquid crystal modules; provision of products and business-related services, as well as other business activities associated with the foregoing; proprietary and agency import and export of various goods and technologies	Acquisition	5,591,221,400.00	80.831%	Self and externally-funded	-	-	-	Completed	0.00	0.00	Not	24 Sept., 20 Oct., 25 Nov., 17 Dec., and 26 Dec. 2020	www.cninfo.com.cn
Chengdu CEC Panda Display Technology Co., Ltd.	R&D, manufacturing and sales of TFT-LCD panels and modules, LCD monitors, TVs, instruments, machinery, equipment and parts, and related technical services; import and export of goods and technologies.	Capital increase	7,550,000,000.00	35.0348%	Self and externally-funded	-	-	-	Completed	0.00	0.00	Not	24 Sept., 1 Dec., 18 Dec., and 25 Dec. 2020	www.cninfo.com.cn
Total	--	--	13,141,221,400.00	--	--	--	--	--	--	0.00	0.00	--	--	--

3. Significant Non-Equity Investments of which the Acquisition Was Uncompleted in the Reporting Period

□ Applicable √ Not applicable

4. Financial Investments**(1) Securities Investments**

√ Applicable □ Not applicable

Unit: RMB

Variety of securities	Code of securities	Name of securities	Initial investment cost	Accounting measurement model	Beginning carrying value	Profit/loss on fair value changes in this Reporting Period	Cumulative fair value changes charged to equity	Purchased in this Reporting Period	Sold in this Reporting Period	Profit/loss in this Reporting Period	Ending carrying value	Accounting title	Funding source
Domestic/overseas stock	SH600658	Electronic Zone	90,160,428.00	Fair value method	72,585,692.00	0.00	-15,787,588.00	0.00	0.00	1,842,137.00	74,372,840.00	Other equity instrument investment	Self-funded
Domestic/overseas stock	HK01963	Bank of Chongqing	120,084,375.00	Fair value method	105,407,103.00	0.00	-17,238,707.00	0.00	0.00	5,804,204.00	102,845,668.00	Other equity instrument investment	Self-funded
Domestic/overseas stock	HK06066	China Securities	70,041,364.00	Fair value method	68,545,920.00	0.00	0.00	0.00	77,058,346.00	0.00	0.00	Other equity instrument investment	Self-funded
Domestic/overseas stock	HK01518	New Century	140,848,850.00	Fair value method	53,586,259.00	0.00	-103,853,337.00	0.00	0.00	0.00	36,995,513.00	Other equity	Self-funded

		Healthcare										instrument investment	
Total			421,135,017.00	--	300,124,974.00	0.00	-136,879,632.00	0.00	77,058,346.00	7,646,341.00	214,214,021.00	--	--
Disclosure date of the announcement about the board's consent for the securities investment			N/A										
Disclosure date of the announcement about the general meeting's consent for the securities investment (if any)			N/A										

(2) Investments in Derivative Financial Instruments

√ Applicable □ Not applicable

Unit: RMB'0,000

Counterparty	Relationship with the Company	Related-party transaction or not	Type of derivative	Initial investment amount	Start date	End date	Beginning investment amount	Purchased in the Reporting Period	Sold in the Reporting Period	Impairment allowance (if any)	Ending investment amount	Ending investment amount as % of the Company's ending net asset value	Actual gain/loss in the Reporting Period
Financial institutions	Not related parties	Not	Foreign exchange forward contract	78,133.44	1 Jan. 2020	31 Dec. 2020	78,133.44	137,123.01	96,568.52	-	118,687.93	0.68%	1,451.15
Total				78,133.44	--	--	78,133.44	137,123.01	96,568.52	-	118,687.93	0.68%	1,451.15
Funding source				Self-funded									
Legal matters involved (if applicable)				N/A									
Analysis of risks and control measures associated with the				As of the end of the reporting period, the financial derivatives held by the company are foreign exchange forward contracts, and the									

derivative investments held in the Reporting Period (including but not limited to market, liquidity, credit, operational and legal risks, etc.)	risks faced are related to the uncertainty of the foreign exchange market in the future. The company's control measures for the financial derivatives are as follows: the company controls the types of derivative transactions, reasonably matches the scale of derivative transactions, and the transactions must match the company's production, operation and development planning, mainly for the purpose of cost locking and risk prevention.
Changes in market prices or fair value of derivative investments in the Reporting Period (fair value analysis should include measurement methods and related assumptions and parameters)	The fair value of the invested derivatives at the end of the reporting period shall be determined by reference to the market quotation of the external financial institutions.
Significant changes in accounting policies and specific accounting principles adopted for derivative investments in the Reporting Period compared to the last reporting period	No major changes
Opinion of independent directors on derivative investments and risk control	N/A

5. Use of Funds Raised

Applicable Not applicable

(1) Overall Usage of Funds Raised

Applicable Not applicable

Unit: RMB'0,000

Year	Way of raising	Total funds raised	Total funds used in the Current Period	Accumulative fund used	Total funds with usage changed	Accumulative funds with usage changed	Proportion of accumulative funds with usage changed	Total unused funds	The usage and destination of unused funds	Amount of funds raised idle for over two years
2019	Renewable corporate bonds	800,000	50,130	795,600	0	0	0.00%	0	N/A	0
2020	Renewable corporate bonds	600,000	596,666	596,666	0	0	0.00%	0	N/A	0
Total	--	1,400,000	646,796	1,392,266	0	0	0.00%	0	--	0

Explanation of overall usage of funds raised
--

<p>The cumulative amount of raised funds was RMB14,000,000,000, and the net proceeds after deducting issuance costs were RMB13,922,660,000, which was used to increase capital in subsidiaries, repay debt and supplement working capital. In the Reporting Period, the raised funds were used according to project investment plans, conforming to the promise in the bond offering prospectus.</p>
--

(2) Commitment Projects of Fund Raised

√ Applicable □ Not applicable

Unit: RMB'0,000

Committed investment project and super raise fund arrangement	Changed or not (including partial changes)	Committed investment amount	Investment amount after adjustment (1)	Investment amount in the Reporting Period	Accumulative investment amount as of the period-end (2)	Investment schedule as the period-end (3)= (2)/(1)	Date of reaching intended use of the project	Realized income in the Reporting Period	Whether reached anticipated income	Whether occurred significant changes in project feasibility
Committed investment project										
Chengdu BOE Optoelectronics Technology Co., Ltd.	Not	175,000	172,000	-	172,000	100.00%	-	-	N/A	Not
Mianyang BOE Optoelectronics Co., Ltd	Not	50,000	50,000	-	50,000	100.00%	-	-	N/A	Not
Chongqing BOE Display Technology Co., Ltd.	Not	50,000	48,600	-	48,600	100.00%	-	-	N/A	Not
Wuhan BOE Optoelectronics Technology Co., Ltd.	Not	100,000	100,000	48,630	100,000	100.00%	-	-	N/A	Not
BOE Health Investment Management Co., Ltd.	Not	75,000	75,000	1,500	75,000	100.00%	-	-	N/A	Not
Repayment of bank loan	Not	350,000	350,000		350,000	100.00%	-	-	N/A	Not
Chengdu BOE Optoelectronics Technology Co., Ltd.	Not	50,000	50,000	50,000	50,000	100.00%	-	-	N/A	Not
Mianyang BOE Optoelectronics Co., Ltd	Not	20,000	20,000	20,000	20,000	100.00%	-	-	N/A	Not
Chongqing BOE Display Technology Co., Ltd.	Not	100,000	100,000	100,000	100,000	100.00%	-	-	N/A	Not
Wuhan BOE Optoelectronics	Not	30,000	28,900	28,900	28,900	100.00%	-	-	N/A	Not

Technology Co., Ltd.										
Chengdu BOE Optoelectronics Technology Co., Ltd.	Not	30,000	30,000	30,000	30,000	100.00%	-	-	N/A	Not
Mianyang BOE Optoelectronics Co., Ltd	Not	30,000	30,000	30,000	30,000	100.00%	-	-	N/A	Not
Chongqing BOE Display Technology Co., Ltd.	Not	60,000	60,000	60,000	60,000	100.00%	-	-	N/A	Not
Wuhan BOE Optoelectronics Technology Co., Ltd.	Not	50,000	50,000	50,000	50,000	100.00%	-	-	N/A	Not
BOE Health Investment Management Co., Ltd.	Not	30,000	28,878	28,878	28,878	100.00%	-	-	N/A	Not
Chengdu BOE Optoelectronics Technology Co., Ltd.	Not	20,000	20,000	20,000	20,000	100.00%	-	-	N/A	Not
Mianyang BOE Optoelectronics Co., Ltd	Not	80,000	80,000	80,000	80,000	100.00%	-	-	N/A	Not
Wuhan BOE Optoelectronics Technology Co., Ltd.	Not	30,000	30,000	30,000	30,000	100.00%	-	-	N/A	Not
BOE Health Investment Management Co., Ltd.	Not	50,000	50,000	50,000	50,000	100.00%	-	-	N/A	Not
Supplementation of working capital	Not	20,000	18,888	18,888	18,888	100.00%	-	-	N/A	Not
Subtotal of committed investment project	--	1,400,000	1,392,266	646,796	1,392,266	--	--	-	--	--
Super raised funds arrangement										
N/A										
Total	--	1,400,000	1,392,266	646,796	1,392,266	--	--	-	--	--
Condition and reason for not reaching the schedule and anticipated income (by specific items)	No such cases in the Reporting Period.									

Notes of condition of significant changes occurred in project feasibility	Naught
Amount, usage and schedule of super raise fund	N/A
Changes in implementation address of investment project	N/A
Adjustment of implementation mode of investment project	N/A
Advance investments in projects financed with raised funds and swaps of such advance investments with subsequent raised funds	Applicable
	As of 31 December 2020, the Company swapped, with subsequent raised funds, a total of advance investments of RMB4,515 million in projects financed with raised funds. To be specific, the funds raised in the first tranche of renewable corporate bonds of 2019 were swapped with advance investments of RMB785 million, the funds raised in the first tranche of renewable corporate bonds of 2020 were swapped with advance investments of RMB1,600 million, the funds raised in the second tranche of renewable corporate bonds of 2020 were swapped with advance investments of RMB1,200 million, and the funds raised in the third tranche of renewable corporate bonds of 2020 were swapped with advance investments of RMB930 million.
Idle fund supplementing the current capital temporarily	N/A
Amount of surplus in project implementation and the reasons	Applicable
	The total amount of raised funds was used up. As of 31 December 2020, the balance in the raised funds account was RMB10.5813 million, which were interest accrued.
Usage and destination of unused funds	Naught
Problems incurred in fund using and disclosure or other condition	Naught

(3) Changes in Items of Funds Raised

Applicable Not applicable

No such cases in the Reporting Period.

VI Sale of Major Assets and Equity Interests

1. Sale of Major Assets

Applicable Not applicable

No such cases in the Reporting Period.

2. Sale of Major Equity Interests

Applicable Not applicable

VII Principal Subsidiaries and Joint Stock Companies

√ Applicable □ Not applicable

Principal subsidiaries and joint stock companies with an over 10% effect on the consolidated net profit:

Unit: RMB

Name	Relationship with the Company	Principal activities	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Fuzhou BOE Optoelectronics Technology Co., Ltd.	Subsidiary	Investment construction, R&D, Production, and sales of relevant products of TFT-LCD and its matching products.	17,600,000,000.00	30,407,333,280.00	17,809,446,805.00	12,252,638,949.00	701,953,345.00	652,955,131.00
Hefei BOE Optoelectronics Technology Co., Ltd.	Subsidiary	Investment construction, R&D, Production, and sales of relevant products of TFT-LCD and its matching products.	9,000,000,000.00	20,627,969,062.00	14,397,418,136.00	11,831,116,284.00	2,243,141,730.00	1,945,010,307.00
Chongqing BOE Optoelectronics Technology Co., Ltd.	Subsidiary	R&D, Production, and sales of semi-conductor display device, complete machine, and relevant products; import and export business and technology consulting of goods.	19,226,000,000.00	40,201,139,504.00	27,977,438,793.00	21,209,287,381.00	2,935,981,237.00	2,444,775,419.00

Subsidiaries obtained or disposed in this Reporting Period

Applicable Not applicable

Name of subsidiary	How the subsidiary was acquired or disposed of	Effects on the overall operations and performance
Nanjing CEC Panda FPD Technology Co., Ltd.	Acquisition	Solidifying leadership in the industry
Chengdu CEC Panda Display Technology Co., Ltd.	Capital increase	Solidifying leadership in the industry
Hunan BOE Yiyun Technology Co., Ltd.	Capital increase by other shareholder and revision of the articles of association	No significant effects
Beijing Asahi Electronic Materials Co., Ltd.	Transferred by putting up for sale	No significant effects

Other information on principal subsidiaries and joint stock companies:

N/A

VIII Structured Bodies Controlled by the Company

Applicable Not applicable

IX Prospects

1. Expansion of network of Smart System Innovation Centers

With the focus on cutting-edge technologies such as AI, big data and cloud computing, BOE Innovation Centers are dedicating to building five platforms, namely technology development platform integrating software and hardware, new material and equipment industry transformation platform, product and service marketing and display platform, international talent exchange and training platform, and open technology and market cooperation platform, to develop the six products, namely, Intelligent Car Networking, Smart Retail, Smart Finance, Smart Medicine and Engineering, Industrial IoT, and Smart City Public Service, and Digital Art. In 2020, BOE put into effect a plan to build three innovation centers in Qingdao, Chongqing and Chengdu, and the construction of Chongqing and Chengdu innovation centers has commenced. In the future, the Company will advance the construction of smart system innovation centers and build 10 to 15 innovation centers nationwide in five years. It will concentrate efforts to make breakthroughs in technologies and products integrating software and hardware and dig deeper into IoT application scenarios with a view to creating more innovative IoT products and solutions.

2. Outlook of the five businesses

Display business: To optimize LCD product structure and promote innovative transformation, BOE will promote coordinated development of display devices and whole product business, steadily enhance the comprehensive competitiveness of the Display industry, and continue to consolidate its leading position in the mainstream market. It will accelerate the enhancement of OLED technology capabilities and customer structure optimization and establish and maintain the smart product ecosystem in cooperation with customers. In adherence to the customer-centric principle, the Company will deepen the coordinated business development on the basis of ensuring the quality performance of customers, integrate resources, advance digital transformation, and strengthen lean management. All these are expected to achieve business breakthroughs.

Sensor and Solution business: BOE will continue to push forward innovative transformation and deepen the development of medical imaging, biological testing, smart screens, microwave communications, and fingerprint recognition, to provide customers with a wide range of high-performance products and services.

Mini-LED business: BOE will create a Mini/Micro-LED product group with active driver, COG as the core and coordinated development of SMD/COB, strengthen the collaboration with upstream and downstream resources, constantly enrich product mix, enhance product competitiveness, expand applications and expedite the development of business landscape in pursuit of the goal of becoming a global leader in Mini/Micro-LED products and solutions.

Intelligence System and Innovation business: With the aim of creating industrial ecological chain platform for smart cities, BOE will provide smart finance and park solutions to acquire strategic customers, quickly implement benchmark projects, step up cooperation with ecological partners, and enhance brand influence. It will establish partnerships with regional channel companies, and improve the sales channel system for large-sized products, tiled display screens and smart whole products to see fast expansion in sales volume and market share of core products.

Smart Medical Engineering business: BOE will further optimize the overall business model for health management, accelerate the R&D and transformation of smart terminal products, enhance the core competitiveness of digital hospitals, steadily carry out projects such as Beijing Life Technology Industrial Base and Suzhou Hospital, and move faster to better closed-loop full-lifecycle health services health management as the core, smart terminals as tools and digital hospitals as support.

X Communications with the Investment Community such as Researches, Inquiries and Interviews

1. During the Reporting Period

√ Applicable □ Not applicable

Date	Place	Way of communication	Type of the communication party	Communication party	Main discussions and materials provided by the Company	Index to the relevant information
2 January 2020	Company Conference Room	By phone	Institution	KB asset	Main content: 1. Main situation of the industry; 2. Major operating information of the Company; 3. Technologies and product innovation.	www.cninfo.com.cn
8 January 2020	Company Conference Room	One-site visit	Institution	Guotai Junan GJS Capital		
9 January 2020	Company Conference Room	By phone	Institution	Four institutions including CITC Securities		
9 January 2020	Company Conference Room	One-site visit	Institution	Morgan Stanley		
10 January 2020	Company Conference Room	One-site visit	Institution	China Southern Asset Management, Founder Securities		
10 January 2020	Company Conference Room	One-site visit	Institution	Jinyang Union Asset Management		
15 January 2020	Company Conference Room	By phone	Institution	JS Funds, Mega International Investment Trust, TransGlobe Life Insurance, Franklin Asset Management, Jilifu, Capital ITC		
15 January 2020	Company Conference Room	By phone	Institution	BlackRock Capital		
16 January 2020	Company Conference Room	One-site visit	Institution	Guotai Junan Securities, Lion Fund Management		
16 January 2020	Company Conference Room	One-site visit	Institution	Taikang Capital Management, GF Securities		
4 February 2020	Company Conference Room	By phone	Institutions and individuals	277 institutional and individual investors including Millennium	Main content: 1. Latest operating status of the Company; 2. Changes in	www.cninfo.com.cn

					supply and demand in the industry; 3. Health segment of the Company;	
29 April 2020	Company Conference Room	By phone	Institution	237 institutions including Asia Lion Capital	Main content: 1. Performance results of the Company and main situation of the industry; 2. Major operating information of the Company; 3. Technologies and innovation.	www.cninfo.com.cn
13 May 2020	Company Conference Room	By phone	Institution	GF Securities, GF Fund Management		
20 May 2020	Company Conference Room	By phone	Institution	Hermes Investment		
26 May 2020	Company Conference Room	By phone	Institution	16 institutions including Cavalry		
28 May 2020	Company Conference Room	By phone	Institution	Bosera Asset Management, Cathay Securities		
29 May 2020	Company Conference Room	By phone	Institution	SIG		
29 May 2020	Company Conference Room	By phone	Institution	Artemis Investment Management		
1 June 2020	Company Conference Room	By phone	Institution	BOCOM Schroders, Huatai Securities		
4 June 2020	Company Conference Room	By phone	Institution	China Southern Asset Management, Tianfeng Securities		
5 June 2020	Company Conference Room	By phone	Institution	CITIC Securities		
8 June 2020	Company Conference Room	By phone	Institution	Ping An Annuity Insurance		
8 June 2020	Company Conference Room	One-site visit	Institution	Huaxi Securities		
10 June 2020	Company Conference Room	By phone	Institution	Manulife Asset Management		
15 June 2020	Company Conference Room	By phone	Institution	China Asset Management, CITIC Securities		
16 June 2020	Company Conference Room	By phone	Institution	Seven institutions including SinoPac Securities		
17 June 2020	Company Conference Room	By phone	Institution	First Seafront Fund, Guosheng Securities		

18 June 2020	Company Conference Room	By phone	Institution	Invesco Great Wall, Changjiang Securities		
19 June 2020	Company Conference Room	By phone	Institution	Four institutions including Maplelane Capital LLC		
1 September 2020	Technology Innovation Center, and Conference Room of the Company	One-site visit	Institution	98 institutions including GF Fund Management	<p>Main content:</p> <ol style="list-style-type: none"> 1. The Company's interim results in 2020 and main situation of the industry; 2. Major operating information of the Company; 3. Technologies and product innovation; 4. Future strategic layout. 	www.cninfo.com.cn
24 September 2020	Company Conference Room	By phone	Institution	327 institutions including Essence Securities	<p>Main content:</p> <ol style="list-style-type: none"> 1. Main situation of the industry; 2. Major operating information of the Company; 3. The Company's participation in industry integration. 	www.cninfo.com.cn
25 September 2020	Company Conference Room	By phone	Institution	Orient Securities Asset Management	<p>Main content:</p> <ol style="list-style-type: none"> 1. Main situation of the industry; 2. Major operating information of the Company; 3. Technologies 	www.cninfo.com.cn

					and product innovation; 4. Future strategic layout.	
3 October 2020	Hefei 10.5G Line Exhibition Hall, and Conference Room of the Company	One-site visit and by phone	Institution	246 institutions including Changjiang Securities	Main content: 1. Performance results of the Company and main situation of the industry; 2. The Company's major operating information.	www.cninfo.com.cn
2 November 2020	Company Conference Room	By phone	Institution	GF Fund Management		
4 November 2020	Company Conference Room	By phone	Institution	Egerton Capital		
Times of communications						35
Number of institutions communicated with						1,255
Number of individuals communicated with						11
Number of other communication parties						0
Tip-offs or leakages of substantial confidential information				None		

Part V Significant Events

I Profit Distributions to Ordinary Shareholders (in the Form of Cash and/or Stock)

How the profit distribution policy, especially the cash dividend policy, for ordinary shareholders was formulated, executed or revised in the Reporting Period:

Applicable Not applicable

The profit distributions to ordinary shareholders, either in the form of cash or stock, in the past three years (including the Reporting Period) are summarized as follows:

For 2018, based on the total shares of 34,798,398,763, the Company distributed, with the undistributed profit, a cash dividend of RMB0.30 (tax inclusive) per 10 shares to all its shareholders, with the total distributed amount reaching RMB1,043,951,962.89. And no bonus share was granted, nor was any capital reserve converted into share capital.

For 2019, based on the total shares of 34,798,398,763, the Company distributed, with the undistributed profit, a cash dividend of RMB0.20 (tax inclusive) per 10 shares to all its shareholders, with the total distributed amount reaching RMB695,967,975.26. And no bonus share was granted, nor was any capital reserve converted into share capital.

For 2020, based on the total shares of 34,770,212,630 after the deduction of shares held through the special account for repurchase, the Company planned to distribute, with the undistributed profit, a cash dividend of RMB1.00 (tax inclusive) per 10 shares to all its shareholders, with the total distributed amount reaching RMB3,477,021,263. And no bonus share was granted, nor was any capital reserve converted into share capital.

Cash dividend for ordinary shareholders in the past three years (including the Reporting Period):

Unit: RMB

Year	Cash dividends (tax inclusive) (A)	Net profit attributable to ordinary shareholders of the listed company in consolidated statements for the year (B)	A as % of B (%)	Cash dividends in other forms (such as share repurchase) (C)	C as % of B (%)	Total cash dividends (including those in other forms) (D)	D as % of B (%)
2020	3,477,021,263.00	5,035,627,952.00	69.05%	1,998,774,693.72	39.86%	5,475,795,956.72	109.19%
2019	695,967,975.26	1,918,643,871.00	36.27%	0.00	0.00%	695,967,975.26	37.38%
2018	1,043,951,962.89	3,435,127,975.00	30.39%	0.00	0.00%	1,043,951,962.89	30.39%

Indicate by tick mark whether the Company fails to put forward a cash dividend proposal for the ordinary shareholders despite the facts that the Company has made profits in the Reporting Period and the profits of the Company as the parent distributable to the ordinary shareholders are positive.

Applicable Not applicable

II Final Dividend Plan for the Reporting Period

√ Applicable Not applicable

Bonus shares for every 10 shares (share)	0
Dividend for every 10 shares (RMB) (tax inclusive)	1.00
Total shares as the basis for the profit distribution proposal (share)	34,770,212,630
Cash dividends (RMB) (tax inclusive)	3,477,021,263.00
Cash dividends in other forms (such as share repurchase) (RMB)	1,998,774,693.72
Total cash dividends (including those in other forms) (RMB)	5,475,795,956.72
Attributable profit (RMB)	11,954,088,031.00
Total cash dividends (including those in other forms) as % of total profit distribution (%)	100%
Cash dividend policy adopted	
If the Company is in a growth stage and has any plan for significant expenditure, in profit distribution, the proportion of cash dividends shall be 20% or above.	
Details about the proposal for profit distribution and converting capital reserve into share capital	
Based on the total shares of 34,770,212,630 after the deduction of shares held through the special account for repurchase, the Company planned to distribute, with the undistributed profit, a cash dividend of RMB1.00 (tax inclusive) per 10 shares to all its shareholders. And no bonus share was granted, nor was any capital reserve converted into share capital. The said proposal is in compliance with the Company's Articles of Association and relevant approval procedure, and the independent directors have expressed their independent opinion on the proposal, which fully protects the legal rights and interests of the minority investors.	

III Fulfillment of Commitments

1. Commitments of the Company's Actual Controller, Shareholders, Related Parties and Acquirers, as well as the Company Itself and other Entities Fulfilled in the Reporting Period or Ongoing at the Period-end

√ Applicable Not applicable

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
Commitments made in share reform	-	-	-	-	-	-
Commitments made in acquisition documents or shareholding alteration documents	-	-	-	-	-	-
Commitments made in time of asset restructuring	-	-	-	-	-	-
Commitments made in time of IPO or refinancing	-	-	-	-	-	-
Equity incentive commitments	-	-	-	-	-	-
Other commitments made to minority interests	The Chairman of the Board: Mr. Chen Yanshun Vice Chairman of the Board: Mr. Liu Xiaodong Director: Ms. Sun Yun and Mr. Gao Wenbao Supervisor: Mr. Xu Yangping, Mr. He Daopin, Mr. Yan Jun and Mr. Teng Jiao	Other commitments	In accordance with the Announcement on the Commitments of not Reducing the Shareholding by Some Directors, Supervisors and Senior Management (No.: 2020-001) disclosed by the Company on 22 February 2020, some of the Company's directors, supervisors and senior managers, based on their confidence in the Company's future development and their recognition of the corporate value, promise not to reduce or transfer any shares held in BOE (A shares), not to entrust others to manage specific shares, not to authorize others to execute their voting right by means of any agreement, trust or other arrangements and not to require the Company to repurchase any	21 February 2020	During the term as director, supervisor or senior manager, and in six months after the expiration of the term (the term determined when taking office).	Ongoing

	Senior Management: Mr. Yao Xiangjun, Mr. Zhang Zhaohong, Mr. Zhong Huifeng, Ms. Feng Liqiong, Mr. Xie Zhongdong, Mr. Miao Chuanbin and Mr. Liu Hongfeng		specific shares during the terms of office and within 6 months after their tenures expire so as to promote the Company's continuous, stable and healthy development and maintain the rights and interests of the Company and all shareholders. For any newly-added shares derived from the assignment of rights and interests including the share donation and the reserved funds converted into share capital during the period (corresponding to the specific shares), they shall still keep their promises till the commitment period expires.			
Executed on time or not	Yes					
Specific reasons for failing to fulfill commitments on time and plans for next step (if any)	N/A					

2. Where there had been an earnings forecast for an asset or project and the Reporting Period was still within the forecast period, explain why the forecast has been reached for the Reporting Period.

Applicable Not applicable

IV Occupation of the Company's Capital by the Controlling Shareholder or Its Related Parties for Non-Operating Purposes

Applicable Not applicable

No such cases in the Reporting Period.

V Explanations Given by the Board of Directors, the Supervisory Board and the Independent Directors (if any) Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Reporting Period

Applicable Not applicable

VI YoY Changes to Accounting Policies, Estimates and Methods

Applicable Not applicable

The Ministry of Finance amended and issued the Accounting Standards for Business Enterprises No. 14 - Revenues in 2017. The Group started to adopt the said standards on 1 January 2020 and adjusted its accounting policies accordingly, which caused no significant impact on the Group's financial position and operating results.

The Ministry of Finance issued the Interpretation No. 13 of the Accounting Standards for Enterprises (C.K. [2019] No. 21) ("Interpretation No. 13") in 2019. The Group started to adopt Interpretation No. 13 on 1 January 2020 and adjusted its accounting policies accordingly, which caused no significant impact on the Group's financial position and operating results.

The Ministry of Finance issued the Provisions on Accounting Processing of Rent Concessions Associated with the COVID-19 Pandemic (C.K. [2020] No. 10) in 2020. The Group started to adopt the said Provisions on 24 June 2020 and could, pursuant to the Provisions, adjust relevant rent concessions that occurred between 1 January 2020 and the adoption date of the Provisions, which caused no significant impact on the Group's financial position and operating results.

VII Retrospective Restatements due to Correction of Material Accounting Errors in the Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

VIII YoY Changes to the Scope of the Consolidated Financial Statements

√ Applicable □ Not applicable

Five new subsidiaries were established in the current period, including Hefei BOE Xingyu Technology Co., Ltd., BOE Educational Technology Co., Ltd., Oriental Chengqi (Beijing) Business Technology Co., Ltd., BOE Innovation Investment Co., Ltd., and BOE Smart Technology Co., Ltd. The Company holds a 43.40% interest in Hefei BOE Xingyu Technology Co., Ltd., with subscribed shareholding of 65.00%, and the 100% in all the others.

Two subsidiaries were combined involving entities under different control during the year, namely Nanjing CEC Panda FPD Technology Co., Ltd., with 80.831% shareholding and Chengdu CEC Panda Display Technology Co., Ltd., with 35.0348% shareholding.

This year, Beijing Asahi Electronic Materials Co., Ltd. was disposed, with 100% shareholding at the beginning of the period and 0 shareholding at the end of the period.

This year, the control of one subsidiary was lost due to the capital increase of a other shareholders and amending the company's articles of association.. The subsidiary was Hunan BOE Yiyun Technology Co., Ltd., with 95.92% shareholding at the beginning of the period and 48.99% shareholding at the end of the period.

IX Engagement and Disengagement of Independent Auditor

Current independent auditor

Name of the domestic independent auditor	KPMG Huazhen (LLP)
The Company's payment to the domestic independent auditor (RMB'0,000)	1,000
How many consecutive years the domestic independent auditor has provided audit service for the Company	16 years
Names of the certified public accountants from the domestic independent auditor writing signatures on the auditor's report	Zhanghuan and Chai Jing
How many consecutive years the certified public accountants from the domestic independent auditor have provided audit service for the Company	Zhanghuan 4 years and Chai Jing 2 years
Name of the foreign independent auditor (if any)	N/A
The Company's payment to the foreign independent auditor (RMB'0,000) (if any)	0
How many consecutive years the foreign independent auditor has provided audit service for the Company (if any)	N/A
Names of the certified public accountants from the foreign independent auditor writing signatures on the auditor's report (if any)	N/A
How many consecutive years the certified public accountants from the foreign independent auditor have provided audit service for the Company (if any)	N/A

Indicate by tick mark whether the independent auditor was changed for the Reporting Period.

Yes No

Independent auditor, financial advisor or sponsor engaged for internal control audit

Applicable Not applicable

During the year, the Company engaged KPMG Huazhen (LLP) as the Company's internal control audit accounting firm, and the Company paid KPMG Huazhen (LLP) total compensation of RMB[10 million] for the 2020 annual audit and internal control audit.

During the Reporting Period, the Company engaged China Securities Co., Ltd. as an independent financial advisor for matters related to the equity incentive, and paid a total financial advisory fee of RMB[450,000] during the period.

X Possibility of Delisting after Disclosure of this Report

Applicable Not applicable

XI Insolvency and Reorganization

Applicable Not applicable

No such cases in the Reporting Period.

XII Major Legal Matters

Applicable Not applicable

General information	Involved amount (RMB'0,000)	Provision	Progress	Decisions and effects	Execution of decisions	Disclosure date	Index to disclosed information
Disputes case of sales contract that BOE Technology (HK) Limited sued LeTV Mobile Intelligent Information Technology (Beijing) Co., Ltd, LeTV Holdings (Beijing) Co., Ltd., Le Sai Mobile Technology (Beijing) Co., Ltd. and Mr. JiaYueting	28,471.43	No	The judgment of the first instance has taken effect. BOE Technology (HK) Limited has submitted the <i>Application for Execution</i> to Beijing Municipal High People's Court. On 24 December 2020, the Beijing No. 3 Intermediate People's Court made an <i>Application for Execution</i> that LeTV Mobile Intelligent Information Technology (Beijing) Co., Ltd, and LeTV Holdings (Beijing) Co., Ltd. had been included in the list of defaulters, and the court ruled to terminate	The first instance judgment result: I. The defendant (LeTV Mobile Intelligent Information Technology (Beijing) Co., Ltd.) shall pay the plaintiff (BOE Technology (HK) Limited) the owed principal USD36,940,476.77 and the resulting interests (regarding the principal USD12,871,274.5 as the interest basis from 8 September 2016 to 1 March 2017, USD12,144,001.77 from 2 March 2017 to the actual payment day, USD16,172,935 from 13 October 2016 to the actual payment day, USD8,488,690 from 10 November 2016 to the actual payment day, and US134,850 from 8 December 2016 to the actual payment day; the annual interest rate shall be 6% (365 days)), as well as the liquidated damages (regarding the principal	On 24 December 2020, the Beijing No. 3 Intermediate People's Court made an <i>Application for Execution</i> that LeTV Mobile Intelligent Information Technology (Beijing) Co., Ltd, and LeTV Holdings (Beijing) Co., Ltd. had been included in the list of defaulters, and the court ruled to terminate this enforcement	29 August 2017; 24 April 2018; 28 August 2018; 26 March 2019; 27 August 2019; 28 April 2020; 29 August 2020.	For details, see Interim Report 2017 of BOE Technology Group Co., Ltd., 2017 Annual Report, of BOE Technology Group Co., Ltd., Interim Report 2018 of BOE Technology Group Co., Ltd., 2018 Annual Report, of BOE Technology Group Co., Ltd., Interim Report 2019 of BOE Technology Group Co., Ltd. 2019 Annual

			<p>this enforcement because the defaulters had no property available for execution.</p> <p>USD2,052,248.71 as the basis from 30 April 2017 to 1 July 2017, USD2,052,248.71 from May 31, 2017 to July 1, 2017, USD2,052,248.71 from 30 June 2017 to 1 July 2017, and USD36,940,476.77 from July 2, 2017 to the actual payment day; the penalty standard was 0.03% per day); under the <i>Installment Payment Agreement</i> within 10 days after the judgment took effect; II. The defendant LETV Holdings (Beijing) Co., Ltd. shall burden the joint and several guarantee for the debt owed by LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd. Defined in the judgment (Item I); III. After the Defendant LETV Holdings (Beijing) Co., Ltd. burdens the joint and several guarantee related to Item II, LETV Holdings (Beijing) Co., Ltd. shall have the right to claim compensation from LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd.; IV. The defendant (LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd.) shall pay the plaintiff (BOE Technology (HK) Limited) the owed principal USD2,459,090.91 and the resulting interests (regarding the principal USD2,459,090.91 as the interest basis from 27 May 2017 to 19 August 2019 with the PBC's benchmark interest rate for loan during the same period</p>	<p>because the defaulters had no property available for execution.</p>	<p>Report, of BOE Technology Group Co., Ltd., and Interim Report 2020 of BOE Technology Group Co., Ltd., disclosed on www.cninfo.com.cn.</p>
--	--	--	---	--	---

				as the standard; USD2,459,090.91 from 20 August 2019 to the actual payment day with the quoted interest rate of the loan market issued by the national inter-bank offer center as the standard; the year shall have 365 days) under the Purchase Order with the goods payment USD2.75 million; V. Other claims of the plaintiff (BOE Technology (HK) Limited) shall be rejected. If the Defendant LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd. and LETV Holdings (Beijing) Co., Ltd. fails to fulfill their payment obligation as scheduled in the judgment, the Defendant shall pay the double debt interests during the delayed period according to Article 253 of <i>Civil Procedure Law of the People's Republic of China</i> .			
Litigations for 2020 (including carryforwards in previous years)	15,645.38	No	N/A	N/A	N/A		N/A

XIII Punishments and Rectifications

Applicable Not applicable

No such cases in the Reporting Period.

XIV Credit Quality of the Company as well as Its Controlling Shareholder and Actual Controller

Applicable Not applicable

XV Equity Incentive Plans, Employee Stock Ownership Plans or Other Incentive Measures for Employees

√ Applicable Not applicable

The Company disclosed the *Announcement on the Resolution of the 15th Meeting of the 9th Board of Directors* (Announcement No.: 2020-047) and the *2020 Stock Option and Restricted Stock Grant Program* and other related announcements on 29 August 2020, in which the Company intends to implement the Equity Incentive Scheme, including both the Stock Option Incentive Scheme and the Restricted Stock Incentive Scheme. The source of the stock is the Company's A-shares repurchased from the secondary market. The total stock options and restricted stock incentive plan stock interests shall not exceed 981,150,000 shares, including 639,900,000 stock options and 341,250,000 restricted stock shares, representing approximately 2.82% of the total 34,798,398,763 shares of the Company's share capital at the time of the announcement of this draft incentive plan. On 30 October 2020, the Company received the *Approval on the Implementation of the Equity Incentive Scheme of BOE* (J.G.Z. [2020] No. 77) from the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality forwarded by Beijing Electronics Holding Co., Ltd, the actual controller, and the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality approved in principle the implementation of this incentive plan by the Company. The Company disclosed the *Announcement on the Adjustment of the List of Incentive Subjects and the Number of Equities Granted under the 2020 Stock Option and Restricted Stock Incentive Scheme* (Announcement No.: 2020-081) and the *Announcement on the First Grant of Stock Options and Restricted Shares to Incentive Subjects* (Announcement No.: 2020-082) on 22 December 2020 to determine that the grant date/authorization date of the Incentive Scheme is 21 December 2020, and 596,229,700 stock options will be granted to 1,988 incentive recipients and 321,813,800 restricted shares will be granted to 793 incentive recipients. The Company disclosed the *Announcement on Completion of Registration of the First Grant of the 2020 Stock Option and Restricted Stock Incentive Scheme* (Announcement No.: 2020-086) on 31 December 2020. The conditions for the grant under the Incentive Scheme of the Company have been fulfilled and the first registration of the grant has been completed. The completion date of the registration of the first grant of options under the Stock Option Incentive Scheme was 25 December 2020. The option ticker was 037100 and the option ticker is Eastern JLC1; the listing date of the restricted shares granted was 29 December 2020.

XVI Major Related-Party Transactions

1. Continuing Related-Party Transactions

Applicable Not applicable

No such cases in the Reporting Period.

2. Related-Party Transactions Regarding Purchase or Sales of Assets or Equity Interests

Applicable Not applicable

No such cases in the Reporting Period.

3. Related Transactions Regarding Joint Investments in Third Parties

Applicable Not applicable

No such cases in the Reporting Period.

4. Credits and Liabilities with Related Parties

Applicable Not applicable

No such cases in the Reporting Period.

5. Other Major Related-Party Transactions

Applicable Not applicable

Naught

Index to the public announcements about the said related-party transactions disclosed

Title of public announcement	Disclosure date	Disclosure website
Announcement on the Prediction of 2020 Annual Routine Connected Transaction	28 April 2020	www.cninfo.com.cn
Announcement on 16.67% of equity in BEHC Industrial Investment Co., Ltd. held and transferred by NAURA and Related-party Transactions	24 July 2020	www.cninfo.com.cn

XVII Major Contracts and Execution thereof

1. Entrustment, Contracting and Leases

(1) Entrustment

Applicable Not applicable

No such cases in the Reporting Period.

(2) Contracting

Applicable Not applicable

No such cases in the Reporting Period.

(3) Leases

Applicable Not applicable

No such cases in the Reporting Period.

2. Major Guarantees

Applicable Not applicable

(1) Guarantees

Unit: RMB'0,000

Guarantees provided by the Company as the parent and its subsidiaries for external parties (exclusive of those for subsidiaries)								
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Term of guarantee	Having expired or not	Guarantee for a related party or not
N/A								
Guarantees provided by the Company as the parent for its subsidiaries								
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Term of guarantee	Having expired or not	Guarantee for a related

								party or not
Hefei XinSheng Optoelectronics Technology Co., Ltd.	14 August 2014	1,207,107	15 January 2015	174,946	Joint-liability	6 January 2014 to 6 January 2024	Not	Not
Ordos YuanSheng Optoelectronics Co., Ltd.	30 November 2016	544,611	15 March 2017	192,273	Joint-liability	17 March 2017 to 17 March 2027	Not	Not
Chengdu BOE Optoelectronics Technology Co., Ltd.	25 April 2017	2,234,178	30 August 2017	2,160,441	Joint-liability	6 September 2017 to 6 September 2029	Not	Not
Chengdu BOE Optoelectronics Technology Co., Ltd.	25 April 2017	450,000	31 July 2017	111,850	Joint-liability	Opening date of the letter of guarantee to 25 May 2027	Not	Not
Chongqing BOE Optoelectronics Technology Co., Ltd.	14 August 2014	1,389,055	29 September 2014	392,416	Joint-liability	5 November 2014 to 5 November 2024	Not	Not
Hefei BOE Display Technology Co., Ltd.	1 December 2016	1,630,103	30 August 2017	1,493,210	Joint-liability	7 September 2017 to 7 September 2027	Not	Not
Fuzhou BOE Optoelectronics Technology Co., Ltd.	10 December 2015	1,302,308	8 November 2016	820,671	Joint-liability	19 December 2016 to 19 December 2026	Not	Not
Fuzhou BOE Optoelectronics Technology Co., Ltd.	10 December 2015	300,000	8 November 2016	72,000	Joint-liability	Opening date of the letter of guarantee to 24 September 2025	Not	Not
Mianyang BOE Optoelectronics Co., Ltd.	18 May 2018	2,071,675	18 September 2018	1,878,176	Joint-liability	26 September 2018 to 26 September 2031	Not	Not
Mianyang BOE Optoelectronics Co., Ltd.	18 May 2018	460,000	22 June 2018	169,000	Joint-liability	Opening date of the letter of guarantee to 6 November 2027	Not	Not
Chongqing BOE Display Technology Co., Ltd.	28 April 2020	1,985,465	29 December 2020	508,187	Joint-liability	31 December 2020 to 31 December 2033	Not	Not
Wuhan BOE Optoelectronics Co., Ltd.	25 March 2019	1,962,423	16 August 2019	1,545,602	Joint-liability	23 August 2019 to 23 August 2032	Not	Not

Chengdu BOE Hospital Co., Ltd.	28 April 2020	240,000	15 June 2020	99,909	Joint-liability	15 June 2020 to 30 June 2042	Not	Not
Chongqing BOE Display Technology Co., Ltd.	28 April 2020	370,000	N/A	0	Joint-liability	Not signing the contract yet	Not	Not
Total approved line for such guarantees in the Reporting Period (B1)			2,595,465	Total actual amount of such guarantees in the Reporting Period (B2)				457,159
Total approved line for such guarantees at the end of the Reporting Period (B3)			16,146,924	Total actual balance of such guarantees at the end of the Reporting Period (B4)				9,618,681
Guarantees provided between subsidiaries								
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Term of guarantee	Having expired or not	Guarantee for a related party or not
Guangtai Solar Energy Technology (Suzhou) Co., Ltd.	N/A	5,450	20 December 2017	4,087	Joint-liability	20 December 2017 to 6 April 2029	Not	Not
Huanda Trading (Hebei) Co., Ltd.	N/A	14,600	24 May 2017	9,297	Joint-liability	15 June 2017 to 16 March 2031	Not	Not
Yangyuan Photovoltaic Power Generation (Huanggang) Co., Ltd.	N/A	3,800	30 September 2020	3,789	Joint-liability	30 September 2020 to 30 September 2034	Not	Not
Yaoguang New Energy (Shouguang) Co., Ltd.	N/A	3,600	30 September 2020	3,589	Joint-liability	30 September 2020 to 30 September 2034	Not	Not
Suzhou Industrial Park Taijing Photovoltaic Co., Ltd.	N/A	2,800	30 September 2020	2,792	Joint-liability	30 September 2020 to 30 September 2034	Not	Not
Qingmei Solar Energy Technology (Lishui) Co., Ltd.	N/A	3,300	30 September 2020	3,242	Joint-liability	30 September 2020 to 30 September 2034	Not	Not

Qinghong Solar Energy Technology (Jinhua) Co., Ltd.	N/A	1,700	30 September 2020	1,670	Joint-liability	30 September 2020 to 30 September 2034	Not	Not
Qinghui Solar Energy Technology (Jinhua) Co., Ltd.	N/A	1,100	30 September 2020	1,081	Joint-liability	30 September 2020 to 30 September 2034	Not	Not
Hefei Hexu Technology Co., Ltd.	N/A	400	30 September 2020	399	Joint-liability	30 September 2020 to 30 September 2034	Not	Not
Hefei Chenneng Technology Co., Ltd.	N/A	800	30 September 2020	798	Joint-liability	30 September 2020 to 30 September 2034	Not	Not
Rongke New Energy (Hefei) Co., Ltd.	N/A	1,400	18 December 2017	1,244	Joint-liability	18 December 2017 to 18 December 2032	Not	Not
Tianchi New Energy (Hefei) Co., Ltd.	N/A	1,100	18 December 2017	974	Joint-liability	18 December 2017 to 18 December 2032	Not	Not
Qinghao Solar Energy Technology (Jinhua) Co., Ltd.	N/A	890	18 December 2017	759	Joint-liability	18 December 2017 to 18 December 2032	Not	Not
Xiangqing Solar Energy Technology (Dongyang) Co., Ltd	N/A	3,476	18 December 2017	2,518	Joint-liability	18 December 2017 to 18 December 2032	Not	Not
Qingyue Solar Energy Technology (Wuyi) Co., Ltd	N/A	960	18 December 2017	696	Joint-liability	18 December 2017 to 18 December 2032	Not	Not
Qingyou Solar Energy Technology (Longyou) Co., Ltd	N/A	2,210	18 December 2017	1,907	Joint-liability	18 December 2017 to 18 December 2032	Not	Not
Qingfan Solar Energy Technology (Quzhou) Co., Ltd	N/A	1,855	18 December 2017	1,343	Joint-liability	18 December 2017 to 18 December 2032	Not	Not
Anhui BOE Energy Investment Co., Ltd	N/A	13,575	27 December 2017	11,589	Joint-liability	27 December 2017 to 27 December 2032	Not	Not
Taihang Electric Power Technology (Ningbo) Co., Ltd	N/A	300	3 December 2020	300	Joint-liability	3 December 2020 to 3 December 2034	Not	Not
Guoji Energy (Ningbo) Co., Ltd.	N/A	1,800	3 December 2020	1,800	Joint-liability	3 December 2020 to 3 December 2034	Not	Not
Hongyang Solar Energy Power	N/A	2,500	3 December 2020	2,500	Joint-liability	3 December 2020 to 3 December 2034	Not	Not

Generation (Anji) Co., Ltd.								
Ke'en Solar Energy Power Generation (Pingyang) Co., Ltd.	N/A	1,600	3 December 2020	1,600	Joint-liability	3 December 2020 to 3 December 2034	Not	Not
Dongze Photovoltaic Power Generation (Wenzhou) Co., Ltd.	N/A	1,400	3 December 2020	1,400	Joint-liability	3 December 2020 to 3 December 2034	Not	Not
Aifeisheng Investment and Management (Wenzhou) Co, Ltd.	N/A	700	3 December 2020	700	Joint-liability	3 December 2020 to 3 December 2034	Not	Not
Beijing BOE Energy Technology Co., Ltd.	N/A	12,800	23 October 2017	12,530	Pledge	24 October 2017 to 23 October 2032	Not	Not
Beijing BOE Energy Technology Co., Ltd.	N/A	20,560	15 August 2018	17,120	Pledge	26 September 2018 to 21 December 2032	Not	Not
Beijing BOE Energy Technology Co., Ltd.	N/A	25,418	28 November 2017	22,618	Pledge	1 December 2017 to 1 December 2032	Not	Not
Hengchuang New Energy Technology (Hong'an) Co., Ltd.	N/A	6,892	31 January 2018	5,845	Joint-liability	31 January 2018 to 31 January 2033	Not	Not
Anhui BOE Energy Investment Co., Ltd.	N/A	2,060	25 April 2018	1,841	Joint-liability	25 April 2018 to 25 April 2033	Not	Not
Junlong New Energy Technology (Huaibin) Co., Ltd.	N/A	8,459	25 April 2018	7,560	Joint-liability	25 April 2018 to 25 April 2033	Not	Not
Shaoxing Guangnian New Energy Co., Ltd.	N/A	16,000	13 December 2018	15,872	Joint-liability	13 December 2018 to 12 December 2033	Not	Not
Shaoxing Xuhui New Energy Co., Ltd.	N/A	4,500	13 December 2018	4,464	Joint-liability	13 December 2018 to 12 December 2033	Not	Not
Hefei BOE Hospital Co., Ltd.	27 April 2018	130,000	27 April 2018	104,100	Joint-liability	27 April 2018 to 27 April 2036	Not	Not
Total approved line for such guarantees in the Reporting Period (C1)				0	Total actual amount of such guarantees in the Reporting			-95,788

		Period (C2)	
Total approved line for such guarantees at the end of the Reporting Period (C3)	298,005	Total actual balance of such guarantees at the end of the Reporting Period (C4)	252,024
Total guarantee amount (total of the three kinds of guarantees above)			
Total guarantee line approved in the Reporting Period (A1+B1+C1)	2,595,465	Total actual guarantee amount in the Reporting Period (A2+B2+C2)	361,371
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)	16,444,929	Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)	9,870,705
Total actual guarantee amount (A4+B4+C4) as % of the Company's net assets		95.58%	
Of which:			
Balance of guarantees provided for shareholders, actual controller and their related parties (D)		0	
Balance of debt guarantees provided directly or indirectly for obligors with an over 70% debt/asset ratio (E)		39,119	
Amount by which the total guarantee amount exceeds 50% of the Company's net assets (F)		4,706,867	
Total of the three amounts above (D+E+F)		4,706,867	
Joint responsibilities possibly borne or already borne in the Reporting Period for undue guarantees (if any)		N/A	
Provision of external guarantees in breach of the prescribed procedures (if any)		N/A	

Compound guarantees: none

(2) Irregularities in Provision of Guarantees

Applicable Not applicable

No such cases in the Reporting Period.

3. Cash Entrusted to Other Entities for Management

(1) Cash Entrusted for Wealth Management

Applicable Not applicable

Overviews of cash entrusted for wealth management during the Reporting Period

Unit: RMB'0,000

Specific type	Capital resources	Amount incurred	Undue balance	Overdue amount
Bank financial products and structured deposit	Self-owned funds	716,300	436,100	0
Total		716,300	436,100	0

Particulars of entrusted cash management with single significant amount or low security, bad liquidity, and no capital preservation

Applicable Not applicable

Whether there is the case where the principal cannot be recovered at maturity or other case which may cause impairment for entrusted asset management

Applicable Not applicable

(2) Entrusted Loans

Applicable Not applicable

No such cases in the Reporting Period.

4. Continuing Major Contracts

Applicable Not applicable

5. Other Major Contracts

Applicable Not applicable

No such cases in the Reporting Period.

XVIII Corporate Social Responsibility (CSR)

1. Measures Taken to Fulfill CSR Commitment

BOE discloses its Corporate Social Responsibility Report every year. As of 2020, BOE had consecutively disclosed Social Responsibility Report for 11 years. Please view and download such report via official website of BOE www.boe.com.

2. Measures Taken for Targeted Poverty Alleviation

(1) Plans

BOE actively responds to the national call for precise poverty alleviation, fully fulfills its corporate social responsibility, and actively participates in poverty alleviation through education, health aid, and consumption. In terms of poverty alleviation through education, BOE actively promotes education public welfare projects such as "Lighting the Way to Growth" and "Dream Space"; in terms of poverty alleviation through health aid, BOE relies on its advantages and accumulation in Smart Medical Engineering business to popularize medical and health knowledge and help poor patients with major diseases; in terms of poverty alleviation through consumption, BOE actively promotes the establishment of long-term and stable cooperative relationships with its designated poverty-stricken areas, achieving poverty alleviation in those areas through logistics procurement, employee consumption and other forms.

(2) Summary of the Related Work Done in the Reporting Period

In 2020, BOE mainly worked in the fields of poverty alleviation through education, health aid, and consumption. In the field of poverty alleviation through education, BOE mainly helped poor students and improved education resources in poverty-stricken areas through donations of materials, and have carried out poverty alleviation projects such as "Lighting the Way to Growth", "Raindrop Program" and "100,000+ Academic Support". In the field of poverty alleviation through health aid, in 2020, Hefei BOE Hospital donated RMB1 million to the Red Cross Society of Anhui to aid poverty-stricken patients with diseases such as congenital heart disease, tumor, cataract, kidney failure, etc. In addition, BOE also carried out a series of voluntary medical checkups and medical services for remote areas such as Tibet and Daliang Mountains in Sichuan to provide medical aid to local patients, and also to provide professional support and assistance to local medical teams. In terms of poverty alleviation through consumption, RMB8,231,500 was invested to support the circulation of products and income increase in poor areas through logistic procurement and employee consumption.

(3) Results

Indicator	Measurement unit	Quantity/Progress
I. General results	—	—
Of which: 1. Capital	RMB'0,000	951.05

2. Materials converted into cash	RMB'0,000	8.7
II. Itemized results	—	—
1. Out of poverty by employment transfer	—	—
Of which: 1.1 Number of persons out of poverty which were helped to set up file card	Person	22
2. Out of poverty by education	—	—
Of which: 2.1 Invested amounts to subsidize poor students	RMB'0,000	23.5
2.2 Number of poor students subsidized	Person	313
2.3 Invested amounts to improve education resources in poverty-stricken area	RMB'0,000	4.4
3. Health poverty alleviation	—	—
Of which: 3.1 Investment in health resources in poverty-stricken area	RMB'0,000	100
4. Other items	—	—
Of which: 4.1 Numbers of items	Piece	2
4.2 Invested amounts	RMB'0,000	823.15

(4) Subsequent Plans

In 2021, BOE will continuously carry forward the educational poverty alleviation project focused on “Light up Your Growth”, carrying out education support, materials support, and voluntary activities, etc, taking the location of BOE production line as the main place to carry out these activities and gradually expand coverage scale of projects; additionally, by relying on the advantages and accumulation of smart medicine & engineering integration business, BOE will carry out projects on health poverty alleviation to help poor patients and popularize medical and health knowledge and services; meanwhile, taking the BOE employees volunteers system as the platform to continuously conduct activities of helping the poor and various donations.

3. Issues Related to Environmental Protection

Indicate by tick mark whether the Company or any of its subsidiaries is identified as a major polluter by the environmental protection authorities.

Yes No

Yes

Name of polluter	Name of major pollutants	Way of discharge	Number of discharge outlets	Distribution of discharge outlets	Discharge concentration	Discharge standards implemented	Total discharge (t)	Approved total discharge	Excessive discharge
Beijing BOE	COD	Standard	1	Northwe	56mg/L	500mg/L	414.21t	828.418t	None

Optoelectronics Technology Co., Ltd.	Ammonia nitrogen	emission after being treated by sewage treatment system		st corner of factory	3mg/L	45 mg/L	29.59t	59.173t		
The 4.5 th generation TFT-LCD production line of Chengdu BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	North side of factory	205.55mg/L	500mg/L	217.1t	607.66t	None	
	Ammonia nitrogen				21.30mg/L	45mg/L	22.50t	54.69t		
Hefei BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	Northwest corner of factory	38.133mg/L	380mg/L	138.9t	1081.55t	None	
	Ammonia nitrogen				1.898mg/L	30mg/L	6.85t	101.23t		
Beijing BOE Display Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1(main discharge outlet of wastewater)	East gate of factory	173.17mg/L	500mg/l	1090.15t	1618.8t	None	
	Ammonia nitrogen				12.88mg/L	45mg/l	79.17t	134.4t		
	COD			1(S2 Phase II discharge outlet of sanitary sewage)	South gate of dormitory area	43.92mg/L	500mg/l	6.61t		60.57t
	Ammonia nitrogen					12.43mg/L	45mg/l	1.90t		6.06t
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	Northeast gate of factory	62.96mg/L	380mg/L	342.168t	3383.54t	None	
	Ammonia nitrogen				18.27mg/L	30mg/L	99.31t	267.12t		
Erdos Yuansheng Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	North side of factory	50.09mg/L	500mg/l	71.24t	713.81t	None	
	Ammonia nitrogen				1.29mg/L	-	1.67t	76.82t		

cs Co., Ltd.		by sewage treatment system							
The 6 th generation flexible AMOLED production line of Chengdu BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	North side of factory	47.6mg/L	500mg/L	158.37t	9590.40 t	None
	Ammonia nitrogen				1.85mg/L	45 mg/L	8.921t	863.14t	
Chongqing BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	South side of factory	101.19mg/L	400mg/L	490.00t	1900.24t	None
	Ammonia nitrogen				4.03mg/L	30 mg/L	19.49t	146.17t	
Hefei BOE Display Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	North side of factory	82mg/L	400mg/L	708.657t	1189.88t	None
	Ammonia nitrogen				11.63mg/L	35mg/L	102.668t	118.98t	
Fuzhou BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	Northeast side of factory	112.87mg/L	500mg/L	84.03t	510.35t	None
	Ammonia nitrogen				7.11 mg/L	45mg/L	1.57t	68.05t	
Mianyang BOE Optoelectronics Technology Co., Ltd.	COD	Standard emission after being treated by sewage treatment system	1	North side of factory	35.02mg/L	500mg/L	140.55t	6911.4t	None
	Ammonia nitrogen				3.02mg/L	45 mg/L	11.987t	364.68t	

		system							
BOE Technology Group Co., Ltd.	COD	Standard	1	Northwest corner of factory	39.3mg/L	500mg/L	0.24t	11.114t	None
	Ammonia nitrogen	emission after being treated by sewage treatment system			6.8mg/L	45mg/L	0.042t	0.341t	
BOE (Hebei) Mobile Display Technology Co., Ltd.	COD	Discharged into sewage treatment plant through municipal pipes	2	Southeast side of factory	13.25mg/L	500mg/L	0.195t	13.554t	None
	Ammonia nitrogen				0.133mg/L	45mg/L	0.002t	1.01t	
	COD	North side of factory		151mg/L	500mg/L	7.213t	74.937t		
	Ammonia nitrogen			9.8mg/L	45mg/L	0.714t	6.744t		

Construction of pollution prevention equipment and operation condition

During the Reporting Period, the Company did not have any serious environmental problems. The Company builds sound environment management systems and establishes the environment management organizations to supervise the overall environment performance of the Company, work out the environment management objectives and related systems, conduct regular supervision and instruction for the environment management of subordinate companies and push forward the implementation of environment management.

Currently, the waste water which is generated by each subordinate enterprise of the Company can be divided in to industrial waste water and household waste water. Rain water-waste water shunting system is adopted for drainage system to drain water separately according to different natures. After collecting, the rain water is discharged into rain water pipeline of factory; after the rain water is collected by rain water pipe network, the rain water is discharged. After being treated by sewage treatment system in factory, industrial waste water is discharged into sewage treatment factory through municipal pipe network for intense treatment. Household waste water comprises household fecal waste water and canteen oily waste water etc, after pretreatment, the waste water is discharged into municipal sewage treatment factory. All industrial and household waste water is not discharged directly, and the concentration and total amount of drainage satisfy the requirements of national and local relevant standards.

In additional, the exhaust gas which is emitted by each subordinate enterprise mainly comes from technology exhaust gas during production process, generally including general exhaust gas, acid exhaust gas, alkaline exhaust gas, special exhaust gas and organic exhaust gas etc. Various exhaust gas can be emitted after being treated by independent emission treatment system. The emission concentration and total amount satisfy the national and local relevant standards.

“4R concept” for the use of materials has been used by the Company since 2007, that is recycle (Recycle), reduction (Reduce), renewal (Renew) and responsibility (responsibly). The Company promises that the used materials are all in accordance with requirements of national relevant environmental regulations and the registration, assessment, permission and restriction system of chemicals. In additional, the Company promotes the recycle of package materials constantly. The waste materials which are generated by each subordinate enterprise can be divided into general industrial solid waste, hazardous waste materials and household waste materials, and they all handed over to qualified recycler for regular treatment.

The Company focuses on the recycle of water resource and advanced cleaning methods such as adverse cleaning etc are adopted for processing equipment. Most high purity water and chemicals are recycled, reducing the consumption of high purity water, chemical and other materials maximally and reducing the discharge of waste water and waste materials.

At present, each subordinate enterprise formulates various management methods such as water pollution management, air pollution

management standard, hazardous waste materials management standard, energy management standard etc. The methods specify the operation and maintenance regulations and requirements of pollutant treatment system, establish regular monitoring and supervising mechanism, in order to ensure the continuous stable operation of each system.

In recent years, the environmental emission index of the Company is up to national standards such as Sewage Comprehensive Discharge Standard, Air Pollutant Comprehensive Emission Standard, Industrial Enterprise Environmental Noise Emission Standard within Factory Boundary, etc and local standards. The Company will continue to promote the environmental management, devote to forging green factory and improve environmental management level constantly.

Environmental Impact Assessment on Construction Project and Other Administrative Licenses for Environmental Protection

At present, corresponding environmental impact assessments have been conducted for all construction projects under the control of the Company in conformity with applicable national and local laws and regulations, and corresponding administrative licenses have also been obtained.

Contingency Plan for Emergent Environmental Incidents

The Company has formulated and filed corresponding contingency plan for emergent environmental incidents in the environmental protection agency according to relevant requirements of local environmental protection bureaus. However, such contingency plan consists of comprehensive plan, special plan and on-site disposal plan, and involves various aspects such as waste water, exhaust gas, hazardous wastes and dangerous chemicals etc. Meanwhile, drills must be conducted regularly.

Self-monitoring Plan

Currently, major pollutant-discharging units subordinated to the Company have worked out corresponding self-monitoring plan according to relevant requirements put forward by the local environmental protection agency. The self-monitoring plans respectively formulated by Beijing BOE Display Technology Co., Ltd. and Beijing BOE Optoelectronics Technology Co., Ltd. have been published via the company's official website.

Other environment information that should be disclosed

No

Other related environment protection information

No

XIX Other Significant Events

Applicable Not applicable

1. On 18 October 2019, the Company disclosed the Announcement on the Company's Application for CSRC's Approval for its Public Issue of Renewable Corporate Bonds (Announcement No. 2019-052), and the Company received the No. [2019] 1801 Approval from CSRC. Based on the approval, the Company could publicly issue the renewable corporate bonds with the nominal value no more than RMB30 billion to qualified investors. The Company publicly issued renewable corporate bonds (to qualified investors) (the first issue) ("19BOEY1" for short; Code: 112741) in 2019 with the issue term from 28 October 2019 to 29 October 2019, the issuing scale of RMB8 billion and the bonds' ultimate nominal interest rate of 4.0%. The Company publicly issued renewable corporate bonds (to qualified investors) (the first issue) (epidemic prevention and control bonds) ("20BOEY1" for short; Code: 149046) in 2020 with the issue term from 27 February 2020 to 28 February 2020, the issuing scale of RMB2 billion and the bonds' ultimate nominal interest of 3.64%. The Company publicly issued the renewable corporate bonds (to qualified investors) (the second issue) (epidemic prevention and control bonds) ("20BOEY2" for short; Code: 149065) in 2020 with the issue term from 18 March 2020 to 19 March 2020, the issuing scale of RMB2 billion and the bonds' ultimate nominal interest of 3.54%. The Company publicly issued the renewable corporate bonds (to qualified investors) (the third issue) (epidemic prevention and control bonds) ("20BOEY3" for short; Code: 149108) in 2020 with the issue term from 24 April 2020 to 27 April 2020, the issuing scale of RMB2 billion and the bonds' ultimate nominal interest of 3.50%. The Company disclosed 2020 "19BOEY1" Interest Payment Announcement (Announcement No. 2020-065) on 22

October 2020. BOE Public Issuance of Renewable Corporate Bonds (to Qualified Investors) (the First Issue) in 2019 was one year old until 29 October 2020. According to the regulations, interest will be paid once a year during the interest-bearing period. The interest payment plan is RMB40.00 (including tax) per 10 bonds. The Company disclosed 2021 "20BOEY1" Interest Payment Announcement (Announcement No. 2021-016) on 23 February 2021. BOE Public Issuance of Renewable Corporate Bonds (to Qualified Investors) (the First Issue) (epidemic prevention and control bonds) in 2020 was one year old until 27 February 2021. According to the regulations, interest will be paid once a year during the interest-bearing period. The interest payment plan is RMB36.40 (including tax) per 10 bonds. The Company disclosed 2021 "20BOEY2" Interest Payment Announcement (Announcement No. 2021-018) on 17 March 2021. BOE Public Issuance of Renewable Corporate Bonds (to Qualified Investors) (the Second Issue) (pandemic prevention and control bonds) in 2020 was one year old until 18 March 2021. According to the regulations, interest will be paid once a year during the interest-bearing period. The interest payment plan is RMB35.40 (including tax) per 10 bonds.

2. The Company's wholly-owned subsidiary BOE Technology (HK) Limited filed a lawsuit on the sales contract dispute to the superior people's court in Beijing, and the defendants included LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd. (hereinafter referred to as "LETV Mobile"), LETV Holdings (Beijing) Co., Ltd., Le Sai Mobile Technology (Beijing) Co., Ltd. and Jia Yueting with the claimed amount of USD41.84 million in total. However, Beijing Municipal Superior People's Court respectively issued the Notice of Acceptance and the Civil Ruling Paper on Property Preservation on July 6, 2017 and July 31, 2017. LETV Mobile ever put forward the jurisdiction objection to Beijing Municipal Superior People's Court, which was rejected, and then launched a lawsuit on the judgment of the jurisdiction objection to the Supreme People's Court. Finally, the Supreme People's Court made the final ruling, rejected the appeal of LETV Mobile and affirmed the original judgment. On 8 March 2019, the first hearing was held in Beijing Municipal Superior People's Court. On 19 February 2020, Beijing Municipal Superior People's Court issued the first instance judgment:

- (1) The defendant (LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd.) shall pay the plaintiff (BOE Technology (HK) Limited) the owed principal USD36,940,476.77 and the resulting interests (regarding the principal USD12,871,274.5 as the interest basis from 8 September 2016 to 1 March 2017, USD12,144,001.77 from 2 March 2017 to the actual payment day, USD16,172,935 from October 13, 2016 to the actual payment day, USD8,488,690 from November 10, 2016 to the actual payment day, and US134,850 from 8 December 2016 to the actual payment day; the annual interest rate shall be 6% (365 days)), as well as the liquidated damages (regarding the principal USD2,052,248.71 as the basis from 30 April 2017 to 1 July 2017, USD2,052,248.71 from 31 May 2017 to 1 July 2017, USD2,052,248.71 from 30 June 2017 to 1 July 2017, and USD36,940,476.77 from 2 July 2017 to the actual payment day; the penalty standard was 0.03% per day); under the *Installment Payment Agreement* within 10 days after the judgment took effect;
- (2) The defendant LETV Holdings (Beijing) Co., Ltd. shall burden the joint and several guarantee for the debt owed by LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd. Defined in the judgment (Item I);
- (3) After the Defendant LETV Holdings (Beijing) Co., Ltd. burdens the joint and several guarantee related to Item II, LETV Holdings (Beijing) Co., Ltd. shall have the right to claim compensation from LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd.;
- (4) The defendant (LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd.) shall pay the plaintiff (BOE Technology (HK) Limited) the owed principal USD2,459,090.91 and the resulting interests (regarding the principal USD2,459,090.91 as the interest basis from 27 May 2017 to 19 August 2019 with the PBC's benchmark interest rate for loan during the same period as the standard; USD2,459,090.91 from August 20, 2019 to the actual payment day with the quoted interest rate of the loan market issued by the national inter-bank offer center as the standard; the year shall have 365 days) under the Purchase Order with the goods payment USD2.75 million;
- (5) Other claims of the plaintiff (BOE Technology (HK) Limited) shall be rejected.

If the defendant LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd. and LETV Holdings (Beijing) Co., Ltd. fails to fulfill their payment obligation as scheduled in the judgment, the Defendant shall pay the double debt interests during the delayed period according to Article 253 of *Civil Procedure Law of the People's Republic of China*.

The litigation fee was RMB1,465,371.63, of which, RMB5,371.63 shall be paid by the plaintiff BOE Technology (HK) Limited (already paid), and RMB1.46 million shall be jointly burdened by LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd. and LETV Holdings (Beijing) Co., Ltd. (payment within 7 days after the judgment took effect); the preservation fee was RMB5000, which shall be jointly burdened by LETV Mobile Intelligent Information Technology (Beijing) Co., Ltd. and LETV Holdings (Beijing) Co., Ltd. (payment within 7 days after the judgment took effect).

On 17 March 2020, BOE Technology (HK) Limited received the petition for appeal submitted by LETV Holdings (Beijing) Co., Ltd. to the court. LETV Holdings (Beijing) Co., Ltd. failed to pay the fee for the appeal it had instituted. The Supreme People's Court made the judgment that the case was treated as that the appellant LeTV Holdings (Beijing) Co., Ltd. automatically withdrew the appeal on 8 July 2020. And the judgment of the first instance will take effect since the date when the written order is served. BOE Technology (HK) Limited has submitted the Application for Execution to Beijing High People's Court and the court has accepted the execution application. On 24 December 2020, the Beijing No. 3 Intermediate People's Court made an *Application for Execution* that LeTV Mobile Intelligent Information Technology (Beijing) Co., Ltd. and LeTV Holdings (Beijing) Co., Ltd. had been included in the list of defaulters, and the court ruled to terminate this enforcement because the defaulters had no property available for execution. The Company has calculated corresponding bad-debt provision for the account receivables equaling the above-mentioned claimed amount according to the accounting standards, which has uncertain influence on the Company.

3. On 10 April 2020, the Company disclosed the *Suggestive Announcement on Shareholders' Equity Changes* (Announcement No.: 2020-014) and the *Short Form of Report on Shareholders' Equity Changes*. According to the disclosure, the Company's shareholder Chongqing Ezcapiital Opto-electronics Industry Investment Co., Ltd. reduced its shareholding of the Company's unrestricted tradable A shares by 280,814,800 shares, accounting for 0.0807% of the Company's total share capital, by means of block trade through the trading system of Shenzhen Stock Exchange. After the reduction, the shares held of the Company by Chongqing Ezcapiital Opto-electronics Industry Investment Co., Ltd. account for about 4.9999997% of the Company's total share capital, making it no longer a shareholder holding more than 5% of the Company's shares.

4. On 22 April 2020, the Company disclosed the *Shareholders' Announcement on Reducing More than 1% of the Company's Shares* (Announcement No.: 2020-017), *Suggestive Announcement on Shareholders' Equity Changes* (Announcement No.: 2020-018) and the *Short Form of Report on Shareholders' Equity Changes*. According to the disclosure, the Company's shareholder Hefei Jianxiang Investment Co., Ltd. gratuitously transferred to Hefei Jianxin Investment Co., Ltd. 800 million shares of unrestricted tradable A shares it held of the Company (accounting for 2.30% of the Company's total share capital). After the gratuitous transfer, the shares held of the Company by Hefei Jianxiang Investment Co., Ltd. account for 4.91% of the Company's total share capital, making it no longer a shareholder holding more than 5% of the Company's shares.

5. On 28 April 2020, the Company disclosed the *Announcement on the Resolution of the Tenth Meeting of the Ninth Session of the Board of Directors* (Announcement No.: 2020-026) and the *Announcement on the Departure of an Independent Director at Tenure Expiration and the Selection of a Replacement Independent Director* (Announcement No.: 2020-034). According to the disclosure, Mr. Lv Tingjie applied for departing from his position as Independent Director of the Company and other positions in related committees under the Board due to the expiration of his tenure as Independent Director. At the Tenth Meeting of the Ninth Session of the Board of Directors, the Company considered and approved the *Proposal on Selecting Mr. Tang Shoulian as an Independent Director of the Ninth Session of the Board of Directors*, and nominated Mr. Tang Shoulian as a candidate for Independent Director of the Ninth Session of the Board of Directors. On May 30, 2020, the Company disclosed the *Announcement on the Resolution of the Annual General Meeting of 2020* (Announcement No.: 2020-039). At the meeting, the *Proposal on Selecting Mr. Tang Shoulian as an Independent Director of the Ninth Session of the Board of Directors* was considered and approved. Mr. Tang Shoulian has been selected as an Independent Director of the Ninth Session of the Board of Directors of the Company.

Overview of significant events	Disclosure date	Index to disclosure website for interim report
Announcement on Investment in the Suzhou BOE Hospital	29 June 2020	www.cninfo.com.cn

Announcement on Construction of BOE (Chongqing) Smart System Innovation Center via Investment	29 June 2020	www.cninfo.com.cn
Announcement on Construction of BOE (Chengdu) Smart System Innovation Center via Investment	29 June 2020	www.cninfo.com.cn
Announcement on the 16.67% of Equity in BEHC Industrial Investment Co., Ltd. Held by NAURA	24 July 2020	www.cninfo.com.cn
Announcement on Intention to Purchasing Some Equity in Nanjing Cec Panda Fpd Technology Co., Ltd. and Chengdu Cec Panda Display Technology Co., Ltd.	24 September 2020	www.cninfo.com.cn
Announcement on Progress of Purchasing Some Equity in Nanjing Cec Panda Fpd Technology Co., Ltd.	20 October 2020; 25 November 2020; 17 December 2020; 26 December 2020	www.cninfo.com.cn
Announcement on 100% of Equity in Beijing Asahi Electronic Materials Co., Ltd. Listed for Transfer	4 November 2020	www.cninfo.com.cn
Announcement on Capital Increase in Chengdu Cec Panda Display Technology Co., Ltd.	1 December 2020	www.cninfo.com.cn
Announcement on Progress of 100% of Equity in Beijing Asahi Electronic Materials Co., Ltd. Listed for Transfer	5 December 2020; 24 December 2020	www.cninfo.com.cn
Announcement on Progress of Capital Increase in Chengdu Cec Panda Display Technology Co., Ltd.	18 December 2020; 25 December 2020	www.cninfo.com.cn

XX Significant Events of Subsidiaries

Applicable Not applicable

Part VI Share Changes and Shareholder Information

I. Share Changes

1. Share Changes

Unit: share

Item	Before		Increase/decrease (+/-)					After	
	Number	Percentage	New issues	Bonus shares	Bonus issue from profit	Other	Subtotal	Number	Percentage
I. Restricted shares	1,724,761	0.00%	0	0	0	323,620,850	323,620,850	325,345,611	0.93%
1. Shares held by the state	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by state-owned corporations	0	0.00%	0	0	0	0	0	0	0.00%
3. Shares held by other domestic investors	1,724,761	0.00%	0	0	0	295,639,650	295,639,650	297,364,411	0.85%
Among which: Shares held by domestic corporations	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by domestic individuals	1,724,761	0.00%	0	0	0	295,639,650	295,639,650	297,364,411	0.85%
4. Shares held by foreign investors	0	0.00%	0	0	0	27,981,200	27,981,200	27,981,200	0.08%
Among which: Shares held by foreign corporations	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by foreign individuals	0	0.00%	0	0	0	27,981,200	27,981,200	27,981,200	0.08%
II. Non-restricted shares	34,796,674,002	100.00%	0	0	0	-323,620,850	-323,620,850	34,473,053,152	99.07%

1. RMB ordinary shares	33,860,560,514	97.30%	0	0	0	-323,620,850	-323,620,850	33,536,939,664	96.37%
2. Domestically listed foreign shares	936,113,488	2.69%	0	0	0	0	0	936,113,488	2.69%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Other	0	0.00%	0	0	0	0	0	0	0.00%
III. Total shares	34,798,398,763	100.00%	0	0	0	0	0	34,798,398,763	100.00%

Reasons for share changes:

Applicable Not applicable

During the Reporting Period, the executives of the Company increased their holding of the Company's shares by 2,409,400 shares, resulting in an increase of 1,807,050 shares in the locked-up shares of the executives. During the Reporting Period, the Company completed the grant of a total of 321,813,800 restricted shares under the 2020 Stock Option and Restricted Stock Incentive Scheme, resulting in an increase of 321,813,800 restricted shares of the Company's equity incentive. The total number of restricted shares increased by 323,620,850 shares during the Reporting Period.

Approval of share changes:

Applicable Not applicable

Transfer of share ownership:

Applicable Not applicable

Progress on any share repurchase:

Applicable Not applicable

The Company first implemented the share repurchase on 2 September 2020 and disclosed the relevant progress during the repurchase in accordance with the requirements of relevant laws and regulations (for details, please refer to the *Announcement on the First Repurchase of Some Public Shares* disclosed on the cinfo website on 3 September 2020, Announcement No. 2020-056). As at 3 September 2020, the Company has implemented the repurchase of the Company's shares by means of centralized bidding through a special securities account for the repurchase, and the cumulative number of A-shares repurchased was 349,999,933, accounting for approximately 1.03% of the Company's A-shares and 1.01% of the Company's total share capital, with the highest transaction price of RMB5.79 per share and the lowest transaction price of RMB5.54 per share. The total amount paid was RMB1,998,774,693.72 (including other fixed fees such as commissions). So far, the number of shares repurchased has reached the cap of shares under the repurchase scheme and the implementation of the share repurchase scheme has been completed.

Progress on reducing the repurchased shares by means of centralized bidding:

Applicable Not applicable

Effects of share changes on the basic and diluted earnings per share, equity per share attributable to the Company's ordinary shareholders and other financial indicators of the prior year and the prior accounting period, respectively:

Applicable Not applicable

Item	January-December 2020
Basic earnings per share (RMB/share)	0.13
Diluted earnings per share (RMB/share)	0.13
Item	31 December 2020
Equity per share attributable to the Company's ordinary shareholders	2.56

Other information that the Company considers necessary or is required by the securities regulator to be disclosed:

Applicable Not applicable

2. Changes in Restricted Shares

√ Applicable □ Not applicable

Unit: Share

Name of the shareholders	Restricted shares amount at the period-begin	Restricted shares increased of the period	Restricted shares relieved of the period	Restricted shares amount at the period-end	Restricted reasons	Restricted shares relieved date
Shares locked by senior executives	1,724,761	1,807,050	0	3,531,811	Shareholding increase by senior executives	-
Restricted shares for equity incentive	0	321,813,800	0	321,813,800	Grant for equity incentive	-
Total	1,724,761	323,620,850	0	325,345,611	--	--

II. Issuance and Listing of Securities

1. Securities (Exclusive of Preferred Shares) Issued in the Reporting Period

√ Applicable □ Not applicable

Name of Stock and derivative securities thereof	Issue date	issue price (interest)	Issue amount	Listing date	Approved amount for listing	Termination date for trading	Disclosure index	Disclosure date
Stock								
None								
Convertible corporate bonds, convertible corporate bonds separately traded and corporate bonds								
2020 Public Offering of Renewable Corporate Bonds of BOE (for qualified investors) (Phase I) (epidemic prevention and control)	27 February 2020	3.64%	200,000	12 March 2020	200,000	28 February 2023	Refer to the Listing Memorandum of 2020 Public Offering of Renewable Corporate	12 March 2020

bonds)							Bonds of BOE (for qualified investors) (Phase I) (epidemic prevention and control bonds) disclosed on www.cninfo.com.cn for details	
2020 Public Offering of Renewable Corporate Bonds of BOE (for qualified investors) (Phase II) (epidemic prevention and control bonds)	18 March 2020	3.54%	200,000	3 April 2020	200,000	19 March 2023	Refer to the Listing Memorandum of 2020 Public Offering of Renewable Corporate Bonds of BOE (for qualified investors) (Phase II) (epidemic prevention and control bonds) disclosed on www.cninfo.com.cn for details	3 April 2020
2020 Public Offering of Renewable Corporate Bonds of BOE (for qualified investors) (Phase III) (epidemic prevention and control bonds)	24 April 2020	3.50%	200,000	12 May 2020	200,000	27 April 2023	Refer to the Listing Memorandum of 2020 Public Offering of Renewable Corporate Bonds of BOE (for qualified investors) (Phase III) (epidemic prevention and control bonds) disclosed on www.cninfo.com.cn for details	12 May 2020

Other derivative securities							
None							

Note: none

2. Changes to Total Shares, Shareholder Structure and Asset and Liability Structures

Applicable Not applicable

3. Existing Staff-Held Shares

Applicable Not applicable

III Shareholders and Actual Controller

1. Total Number of Shareholders and Their Shareholdings

Unit: share

Number of ordinary shareholders at the Period-end	1,012,008 (including 973,560 A-shareholders and 38,448 B-shareholders)			Number of ordinary shareholders at the month-end prior to the disclosure of this Report	1,329,925 (including 1,292,791 A-shareholders and 37,134 B-shareholders)			
5% or greater shareholders or top 10 shareholders								
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Increase/decrease in the Reporting Period	Restricted shares held	Unrestricted shares held	Shares in pledge or frozen	
							Status	Shares
Beijing State-owned Capital Operation and Management Center	State-owned legal person	11.68%	4,063,333,333	0	0	4,063,333,333	N/A	0
Hong Kong Securities Clearing Company	Foreign legal person	5.88%	2,047,015,619	718,680,014	0	2,047,015,619	N/A	0

Ltd.								
Beijing BOE Investment & Development Co., Ltd.	State-owned legal person	2.36%	822,092,180	0	0	822,092,180	N/A	0
Hefei Jianxin Investment Co., Ltd.	State-owned legal person	2.30%	800,000,000	800,000,000	0	800,000,000	N/A	0
Hefei Jianxiang Investment Co., Ltd.	State-owned legal person	2.10%	730,885,417	-1,779,257,536	0	730,885,417	N/A	0
Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd.	State-owned legal person	1.93%	669,956,235	-1,350,778,406	0	669,956,235	N/A	0
China Construction Bank-GF Technology Pioneer Mixed Type Securities Investment Fund	Other	1.09%	379,856,777	379,856,777	0	379,856,777	N/A	0
Beijing Yizhuang Investment Holdings Co., Ltd	State-owned legal person	1.05%	364,706,898	-551,051,102	0	364,706,898	N/A	0
China Merchants Bank- Galaxy Innovation Growth Mixed Type Securities Investment Fund	Other	0.88%	307,000,000	274,648,600	0	307,000,000	N/A	0
Industrial and Commercial Bank of China-GF Double Engines Upgrade Mixed Type Securities Investment Fund	Other	0.88%	306,718,505	234,297,285	0	306,718,505	N/A	0
Strategic investors or general corporations becoming top-ten shareholders due to placing of new shares (if any)	Naught							
Related or acting-in-concert parties among the shareholders above	Except for the below relationships, the Company does not know any other connected party or acting-in-concert party among the top 10 shareholders.							
Above shareholders involved in entrusting/being entrusted with voting rights and giving up voting rights	After the non-public offering of BOE in 2014, Hefei Jianxiang Investment Co., Ltd. and Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd. by entering into the <i>Agreement on Exercise of Voting Right</i> respectively, agreed to maintain unanimous with Beijing BOE Investment & Development Co., Ltd. when exercising the voting rights of the shareholders by							

all shares of the Company held by them.			
Shareholdings of the top ten unrestricted shareholders			
Name of shareholder	Number of unrestricted shares held at the period-end	Shares by type	
		Type	Shares
Beijing State-owned Capital Operation and Management Center	4,063,333,333	RMB ordinary share	4,063,333,333
Hong Kong Securities Clearing Company Ltd.	2,047,015,619	RMB ordinary share	2,047,015,619
Beijing BOE Investment & Development Co., Ltd.	822,092,180	RMB ordinary share	822,092,180
Hefei Jianxin Investment Co., Ltd.	800,000,000	RMB ordinary share	800,000,000
Hefei Jianxiang Investment Co., Ltd.	730,885,417	RMB ordinary share	730,885,417
Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd.	669,956,235	RMB ordinary share	669,956,235
China Construction Bank-GF Technology Pioneer Mixed Type Securities Investment Fund	379,856,777	RMB ordinary share	379,856,777
Beijing Yizhuang Investment Holdings Co., Ltd	364,706,898	RMB ordinary share	364,706,898
China Merchants Bank- Galaxy Innovation Growth Mixed Type Securities Investment Fund	307,000,000	RMB ordinary share	307,000,000
Industrial and Commercial Bank of China-GF Double Engines Upgrade Mixed Type Securities Investment Fund	306,718,505	RMB ordinary share	306,718,505
Related or acting-in-concert parties among top 10 unrestricted public shareholders, as well as between top 10 unrestricted public shareholders and top 10 shareholders	<p>1. After the non-public offering of BOE in 2014, Hefei Jianxiang Investment Co., Ltd. and Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd. by entering into the <i>Agreement on Exercise of Voting Right</i> respectively, agreed to maintain unanimous with Beijing BOE Investment & Development Co., Ltd. when exercising the voting rights of the shareholders by all shares of the Company held by them.</p> <p>2. Except for the above relationships, the Company does not know any other connected party or acting-in-concert party among the top 10 shareholders.</p>		
Top 10 ordinary shareholders involved in securities margin trading (if any)	The shares held by Beijing Yizhuang Investment Holdings Co., Ltd. in the Company decreased by 164,694,800 shares due to engaging in securities financing.		

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

Yes No

No such cases in the Reporting Period.

2. Controlling Shareholder

Nature of the controlling shareholder: Controlled by a local state-owned legal person

Type of the controlling shareholder: legal person

Name of controlling shareholder	Legal representative/ person in charge	Date of establishment	Unified social credit code	Principal activity
Beijing Electronics Holdings Co., Ltd.	Wang Yan	8 April 1997	91110000633647998H	Operation and management of state-owned assets within authorization; communications equipments, audio & visual products for broadcasting and television, computer and its supporting equipments and the applied products, electronic raw material and components, home electric appliances and electronic products, electronic surveying instruments and meters, mechanical and electric equipments, electronic transportation products and investment in business fields other than electronics and its management, development of real estate, lease and sales of commodity apartments, property management. (The market entity shall independently choose business items and carry out business activities according to law. For items requiring approval according to law, the company must obtain approval from related authorities before carrying out the business activities. The company shall not engage in business activities that are banned and restricted in the national and municipal industrial policies.)
Controlling shareholder's holdings in other listed companies at home or abroad in the Reporting Period	Beijing Electronic Shareholding Co., Ltd. held 508,801,304 shares of A share of Electronic City (Stock Code: 600658), which was of 45.49% of the total shares amount of Electronic City; it held 51,983,223 shares of A share of NAURA Technology Group Co., Ltd. (original Beijing Sevenstar Electronics Co., Ltd.) (Stock Code: 002371), which accounted for 10.47% of the total shares of NAURA Technology Group Co., Ltd. Beijing Electronic Shareholding Co., Ltd. held 178,175,721 shares of A share of NAURA Technology Group Co., Ltd. through holding the wholly-owned subsidiary Beijing Seven Star Huadian Technology Group Co., Ltd, which covered 35.89% of the total shares amount of NAURA Technology Group Co., Ltd. Beijing Electronic Shareholding Co., Ltd. held 50,610,116 shares of A shares of BAIC BluePark New Energy Technology Co.,Ltd. (Stock Code: 600733), which accounted for 1.45% of the total shares of BAIC BluePark New Energy Technology Co.,Ltd.			

Change of the controlling shareholder in the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

3. Actual Controller and Its Acting-in-Concert Parties

Nature of the actual controller: Local institution for state-owned assets management

Type of the actual controller: legal person

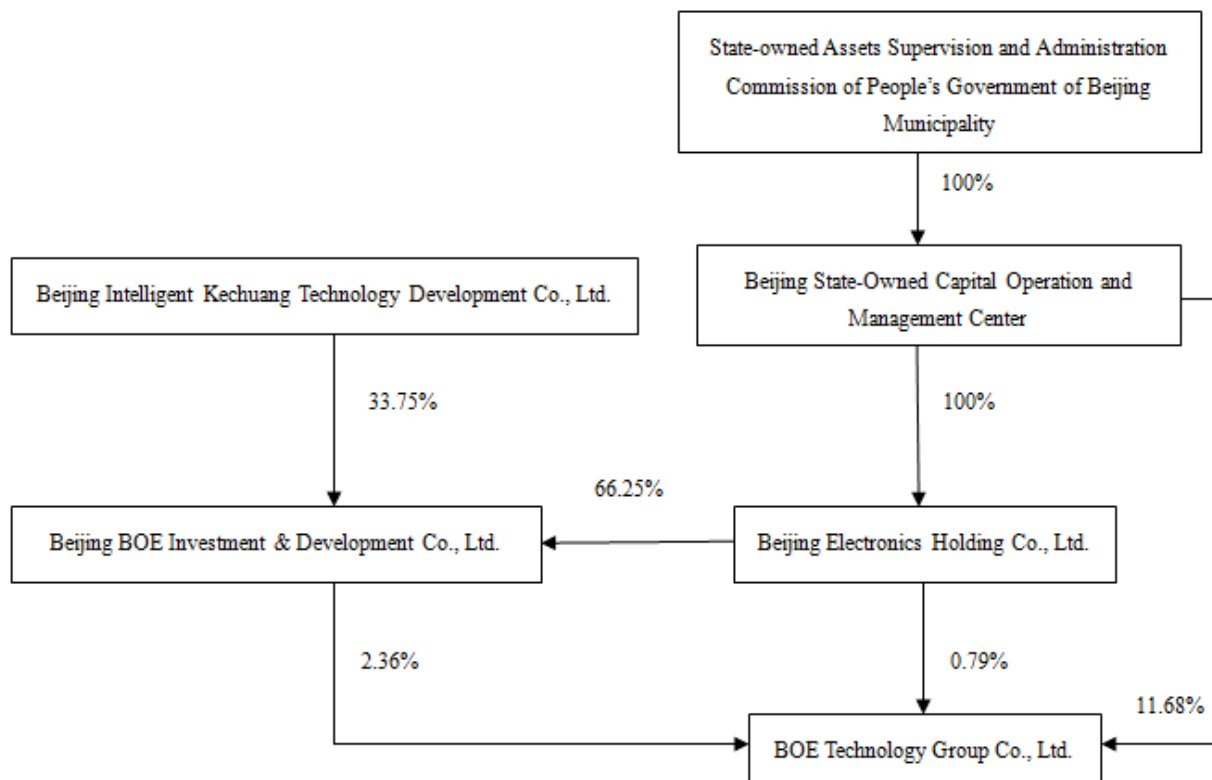
Name of actual controller	Legal representative/ person in charge	Date of establishment	Unified social credit code	Principal activity
Beijing Electronics Holdings Co., Ltd.	Wang Yan	8 April 1997	91110000633647998H	Operation and management of state-owned assets within authorization; communications equipments, audio & visual products for broadcasting and television, computer and its supporting equipments and the applied products, electronic raw material and components, home electric appliances and electronic products, electronic surveying instruments and meters, mechanical and electric equipments; electronic transportation products and investment in business fields other than electronics and its management, development of real estate, lease and sales of commodity apartments, property management. (The market entity shall independently choose business items and carry out business activities according to law. For items requiring approval according to law, the company must obtain approval from related authorities before carrying out the business activities. The company shall not engage in business activities that are banned and restricted in the national and municipal industrial policies.)
Other listed companies at home or abroad controlled by the actual controller in the Reporting Period	Beijing Electronic Shareholding Co., Ltd. held 508,801,304 shares of A share of Electronic City (Stock Code: 600658), which was of 45.49% of the total shares amount of Electronic City; it held 51,983,223 shares of A share of NAURA Technology Group Co., Ltd. (original Beijing Sevenstar Electronics Co., Ltd.) (Stock Code: 002371), which accounted for 10.47% of the total shares of NAURA Technology Group Co., Ltd. Beijing Electronic Shareholding Co., Ltd. held 178,175,721 shares of A share of NAURA Technology Group Co., Ltd. through holding the wholly-owned subsidiary Beijing Seven Star Huadian Technology Group Co., Ltd, which covered 35.89% of the total shares amount of NAURA Technology Group Co., Ltd. Beijing Electronic Shareholding Co., Ltd. held 50,610,116 shares of A share of BAIC BluePark (Stock Code: 600733), which was of 1.45% of the total shares amount of BAIC BluePark.			

Change of the actual controller during the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

Ownership and control relations between the actual controller and the Company:



Notes: 1. Beijing Intelligent Kechuang Technology Development Co., Ltd. (Intelligent Kechuang) is used as a platform for the Company to implement equity incentives for its core technical and managerial personnel, who are the 20 nominal shareholders of Intelligent Kechuang. The ratios of their capital contributions to Intelligent Kechuang do not represent their actual equity percentage. The equities of Intelligent Kechuang are jointly owned by the awardees of the Company's equity incentive plans. The capital contribution ratios of the said 20 people are as follows: Wang Dongsheng 20%, Jiang Yukun 10%, Liang Xinqing 10%, Zhao Caiyong 6.667%, Shi Dong 6.667%, Chen Yanshun 6.667%, Song Ying 6.667%, Han Guojian 6.667%, Gong Xiaoqing 3.333%, Wang Yanjun 3.333%, Wang Jiaheng 3.333%, Liu Xiaodong 3.333%, Ren Jianchang 1.667%, Sun Jiping 1.667%, Zhang Peng 1.667%, Wang Aizhen 1.667%, Mu Chengyuan 1.667%, Xu Yan 1.667%, Hua Yulun 1.667% and Zhong Huifeng 1.667%.

2. When the Company completed a private offering of shares in 2014, Beijing State-Owned Capital Operation and Management Center transferred its 70% stake directly held in the Company to Beijing Electronics Holding Co., Ltd. for managing through a Shares Management Agreement, and Beijing Electronics Holding Co., Ltd. obtained the shareholder's rights other than the disposal and earnings rights attached to the 70% stake; and Beijing State-Owned Capital Operation and Management Center agreed in a Voting Rights Exercise Agreement to align itself with Beijing Electronics Holding Co., Ltd. when exercising its voting rights of the remaining 30% stake directly held by it in the Company.

Indicate by tick mark whether the actual controller controls the Company via trust or other ways of asset management.

Applicable Not applicable

4. Other 10% or Greater Corporate Shareholders

Applicable Not applicable

Name of corporate shareholder	Legal representative/ person in	Date of establishment	Registered capital	Principal activity

	charge			
Beijing State-owned Capital Management Administrative Center	Zhang Guilin	30 December 2008	RMB35,000 million	Investment and investment management; assets management; organize the reorganization as well as the merger and acquisition of the enterprise assets.

5. Limitations on Shareholding Decrease by the Company's Controlling Shareholder, Actual Controller, Reorganizer and Other Commitment Makers

Applicable Not applicable

Part VII Preference Shares

Applicable Not applicable

No preference shares in the Reporting Period.

Part VIII Convertible Corporate Bonds

Applicable Not applicable

No convertible corporate bonds in the Reporting Period.

Part IX Directors, Supervisors, Senior Management and Staff

I Change in Shareholdings of Directors, Supervisors and Senior Management

Name	Office title	Incumbent/Former	Gender	Age	Start of tenure	End of tenure	Beginning shareholding (share)	Increase in the Reporting Period (share)	Decrease in the Reporting Period (share)	Other increase/decrease (share)	Ending shareholding (share)
Chen Yanshun	Chairman of the Board, Chief of Executive Committee	Incumbent	Male	55	28 June 2019	27 June 2022	600,000	300,000	0	2,000,000	2,900,000
Pan Jinfeng	Vice Chairman of the Board	Incumbent	Male	41	28 June 2019	27 June 2022	0	0	0	0	0
Liu Xiaodong	Vice Chairman of the Board, President, Vice Chairman of Executive Committee	Incumbent	Male	56	28 June 2019	27 June 2022	250,000	430,000	0	1,800,000	2,480,000
Wang Chenyang	Director	Incumbent	Male	51	28 June 2019	27 June 2022	0	0	0	0	0
Song Jie	Director	Incumbent	Male	53	28 June 2019	27 June 2022	0	0	0	0	0
Sun Yun	Director, member of Executive Committee, Executive vice president, CFO	Incumbent	Female	51	28 June 2019	27 June 2022	223,981	265,500	0	1,500,000	1,989,481
Gao Wenbao	Director, member of Executive Committee, Executive vice president, CEO of the	Incumbent	Male	45	28 June 2019	27 June 2022	90,700	270,000	0	1,500,000	1,860,700

	Display business										
Li Yantao	Director	Incumbent	Male	39	28 June 2019	27 June 2022	0	0	0	0	0
Wang Huacheng	Independent director	Incumbent	Male	57	28 June 2019	27 June 2022	0	0	0	0	0
Hu Xiaolin	Independent director	Incumbent	Male	42	28 June 2019	27 June 2022	0	0	0	0	0
Li Xuan	Independent director	Incumbent	Male	52	28 June 2019	27 June 2022	0	0	0	0	0
Tang Shoulian	Independent director	Incumbent	Male	68	28 June 2019	27 June 2022	0	0	0	0	0
Yang Xiangdong	Chairman of the Supervisory Committee	Incumbent	Male	59	28 June 2019	27 June 2022	0	0	0	0	0
Xu Tao	Supervisor	Incumbent	Male	56	28 June 2019	27 June 2022	0	0	0	0	0
Wei Shuanglai	Supervisor	Incumbent	Male	53	28 June 2019	27 June 2022	0	0	0	0	0
Chen Xiaobei	Supervisor	Incumbent	Female	48	28 June 2019	27 June 2022	0	0	0	0	0
Shi Hong	Supervisor	Incumbent	Female	38	28 June 2019	27 June 2022	0	0	0	0	0
Xu Yangping	Employee supervisor	Incumbent	Male	46	28 June 2019	27 June 2022	0	35,000	0	0	35,000
He Daopin	Employee supervisor	Incumbent	Male	51	28 June 2019	27 June 2022	0	32,600	0	0	32,600
Yan Jun	Employee supervisor	Incumbent	Male	49	28 June 2019	27 June 2022	0	32,000	0	0	32,000
Teng Jiao	Employee supervisor	Incumbent	Male	38	28 June 2019	27 June 2022	0	55,200	0	0	55,200
Yao Xiangjun	Member of Executive Committee, Executive vice president	Incumbent	Male	43	28 June 2019	27 June 2022	100,000	165,000	0	1,000,000	1,265,000
Zhang Zhaohong	Member of Executive Committee, Executive vice president, CEO of Mini-LED business	Incumbent	Male	50	28 June 2019	27 June 2022	328,700	170,100	0	1,000,000	1,498,800
Zhong Huifeng	Member of Executive Committee, Executive	Incumbent	Male	50	28 June 2019	27 June 2022	150,000	160,000	0	1,000,000	1,310,000

	vice president, Chief Performance Officer										
Feng Liqiong	Member of Executive Committee, Executive vice president, lead counsel	Incumbent	Female	48	28 June 2019	27 June 2022	200,000	160,000	0	1,000,000	1,360,000
Xie Zhongdong	Member of Executive Committee, Senior vice president, Auditor General, Chief Risk Officer	Incumbent	Male	50	28 June 2019	27 June 2022	200,000	107,000	0	750,000	1,057,000
Miao Chuanbin	Member of Executive Committee, vice president, Chief Culture Officer	Incumbent	Male	47	28 June 2019	27 June 2022	1,800	107,000	0	650,000	758,800
Zhang Yu	Vice president, Chief Human Resource Officer	Incumbent	Male	50	22 March 2021	27 June 2022	117,600	0	0	634,000	751,600
Liu Hongfeng	Vice president, Secretary of the Board	Incumbent	Male	42	28 June 2019	27 June 2022	154,500	120,000	0	750,000	1,024,500
Lv Tingjie	Independent director	Former	Male	65	28 June 2019	29 May 2020	0	0	0	0	0
Total	--	--	--	--	--	--	2,417,281	2,409,400	0	13,584,000	18,410,681

II Change of Directors, Supervisors and Senior Management

√Applicable □ Not applicable

Name	Office title	Type of change	Date of change	Reason for change
Lv Tingjie	Independent director	Left for term expiration	29 May 2020	Left for term expiration
Tang Shoulian	Independent director	Elected	29 May 2020	Elected
Zhang Yu	Senior management	Appointed	22 March 2021	Appointed

III Biographical Information

Professional backgrounds, major work experience and current duties in the Company of the incumbent directors, supervisors and senior management

Director

Mr. Chen Yanshun, Master of Economics, senior accountant, he had served in the Company from the year of 1993, has taken the posts of Secretary of the Board of the 1st Board of Directors of the Company, Secretary of the 2nd Board of Directors and Vice President, Executive Director of the 3rd Board of Directors and Senior Vice President, Executive Director of the 4th, 5th and the 6th Board of Directors and President, and Vice Chairman of the 7th Board of Directors and President, Vice Chairman of the 8th Board of Directors, Chairman of Executive Committee (CEO), Chairman of the Board of Beijing BOE Optoelectronics Technology Co., Ltd, and Chairman of the Board of many subordinate subsidiaries such as Hefei BOE Optoelectronics Technology Co., Ltd. and Chongqing BOE Optoelectronics Technology Co., Ltd.

Now he takes the posts of Chairman of the 9th Board of Directors of the Company and Chief of Executive Committee, BOE Optoelectronics Holdings Co., Ltd. and BOE Technology (Hong Kong) Co., Ltd., Vice Chairman of Beijing BOE Investment Development Co., Ltd., Chairman of the Board of Beijing Kechuang Intelligent Technology Development Co., Ltd., BOE Smart Technology Co., Ltd. and BOE Educational Technology Co., Ltd. Meanwhile, he serves as Vice Chairman of China Information Technology Industry Federation (CITIF), Vice Chairman of China Optics & Optoelectronics Manufactures Association (COEMA), Chairman of China Optics & Optoelectronics Manufactures Association LCB (CODA), Chief Supervisor of The Listed Companies Association of Beijing, and was awarded as National Model Worker in 2020

Mr. Pan Jinfeng, senior management, MBA, senior economist. He once acted as a staff and a staff of Corporate Planning Department of Shanghai Sales Company of Beijing Zhaowei Electronics (Group) Co., Ltd., Deputy Manager, Manager of Operation Department, Manager of Zhaowei Building Project Department, Assistant of GM, Deputy GM, GM of Zhaowei Industrial Corporation of Beijing Zhaowei Electronics (Group) Co., Ltd. Executive Deputy President of Beijing Zhaowei Electronics (Group) Co., Ltd., Deputy Secretary of Party Committee, GM of Beijing Yiheng Electronics Group Co., Ltd., Assistant of GM and Deputy GM of Beijing Electronics Holding Co., Ltd.

Now, he acts as the Deputy Secretary of CPC and GM of Beijing Electronics Holding Co., Ltd., Vice Chairman of the 9th Board of Directors of the Company & Deputy Chairman of the Board of NAURA Technology Group Co., Ltd., Chairman of the Board of BE New Energy Technology (Jiangsu) Co., Ltd., Director of Beijing Electronics Holding & SK Technology Co., Ltd. and Chairman of the Board of BE Aisite (Jiangsu) Technology Co., Ltd.

Mr. Liu Xiaodong, Bachelor' degree, Engineer, he ever worked in Research Institute of Beijing Information Optics Apparatus. He successively took the posts of Director, Deputy General Manager and Secretary of CPC of Beijing Matsushita Color CRT Co., Ltd., Vice President of the Company and concurrently Director and General Manager of Beijing BOE Optoelectronics Technology Co.,

Ltd., Director and General Manager of Hefei BOE Optoelectronics Technology Co., Ltd. Chairman of the Board of Beijing BOE Vision-electronic Technology Co., Ltd. Director and GM of Hefei Xinsheng Optoelectronics Technology Co., Ltd., Deputy Chairman of the Board of Chongqing BOE Optoelectronics Technology Co., Ltd., Chairman of the Board of Beijing BOE Multimedia Science and Technology Co., Ltd. and Beijing BOE Living Technology Co., Ltd, Director of TPV Display Technology (China) Limited, Beijing BOE Display Technology Co., Ltd., Fuzhou BOE Optoelectronics Technology Co., Ltd., BOE Health Investment Management Co., Ltd., Beijing BOE CHATANI Electronics Co.,Ltd., Director of the 7th Board of Directors, Executive Vice President, COO, Director of the 8th Board of Directors, Deputy Chairman of Executive Committee, President & COO of the Company.

Now he takes the posts of Vice Chairman of the 9th Board of Director, President, Deputy Chairman of Executive Committee of the Company, Chairman of Mianyang BOE Optoelectronics Technology Co., Ltd., Chongqing BOE Display Technology Co., Ltd., Wuhan BOE Optoelectronics Technology Co., Ltd., Yunnan Chuangshijie Optoelectronics Technology Co., Ltd., Fuzhou BOE Display Technology Co., Ltd. and Director of Beijing BOE Technology Development Co., Ltd., Fuzhou BOE Display Technology Co., Ltd. and BOE Educational Technology Co., Ltd.

Mr. Wang Chenyang, Master, senior political division. He has served as division-head level and deputy-bureau level cadre in the General Office of Beijing Municipal Government and Director of the 8th Board of Directors of the Company.

Now he takes the posts of Director of the 9th Board of Directors of the Company and Deputy GM of Beijing State-owned Capital Management Center.

Mr. Song Jie, Senior Economist, MBA of Peking University, Countries travelled visiting scholar of University of Sydney from Feb, 2005 to Mar. 2006. He once worked as Assistant Engineer of Design Institute Wire Plant of Shougang Corporation, Officer of Project examination and approval of Beijing Economic and Technological Development Zone Management Committee, Officer of Foreign Investment Service Center, the Director of Yi Da Tong Paging Center, Deputy General Manager of Chinese Human Genome Research Center, Beijing (SinoGenoMax Co., Ltd.), Project Manager of East Zone Sewage project of Beijing Yizhuang Investment Holdings Co., Limited, Director of the 7th Board of Directors of the Company, Director of the 8th Board of Directors of the Company. Now he is the Director of the 9th Board of Directors of the Company, GM of Beijing Yizhuang Investment Co., Limited.

Ms. Sun Yun, Master of Business, a Senior Accountant. She successively took the posts of Deputy Chief, Chief of Finance Department of the Company, as well as Deputy CFO and Chief Auditor of the Company, Director of the 8th Board of Directors, Director of Erdos Yuansheng Optoelectronics Co., Ltd., Beijing BOE Video Technology Co., Ltd., Beijing BOE Multimedia Science and Technology Co., Ltd., BOE Health Investment Management Co., Ltd., Beijing BOE Matsushita Color CRT Innovation Co., Ltd. and Supervisor of Beijing Orient Vacuum Electric Co., Ltd.

Now she is Director of the 9th Board of Directors, Member of Executive Committee, Executive Vice President and CFO of the Company, Director of Beijing BOE Land Co., Ltd., Director of Beijing Yinghe Century Land Co., Ltd., Director of BOE Smart Technology Co., Ltd., Chairman of the Board of BOE Innovation Investment Co., Ltd. and Director of BOE Educational Technology Co., Ltd.

Mr. Gao Wenbao, doctor of MSE. He joined the Company in 2003, and once acted as the section chief and minister of product technology division, Deputy Technical Director, Deputy GM in Beijing BOE Optoelectronics Technology Co., Ltd., GM of TPC SBU, GM of Chongqing BOE Optoelectronics Technology Co., Ltd., Chairman of the Board of Hefei BOE Zhuoyin Technology Co., Ltd. and Director of Chongqing BOE Display Technology Co., Ltd.

Now, he acts as the Director of the 9th Board of Directors and Member of Executive Committee, Executive Vice President of the Company, CEO of the Display BG, Executive Director & Chairman of the Board in BOE Varitronix Co., Ltd., Chairman of the

Board of Beijing BOE Optoelectronics Co., Ltd., Chengdu BOE Optoelectronics Co., Ltd., Hefei BOE Optoelectronics Co., Ltd., Beijing BOE Display Technology Co., Ltd., Hefei Xinsheng BOE Optoelectronics Co., Ltd., Chongqing BOE Optoelectronics Co., Ltd., Fuzhou BOE Optoelectronics Co., Ltd., Director of Mianyang BOE Optoelectronics Co., Ltd., Fuzhou BOE Display Technology Co., Ltd., Wuhan BOE Optoelectronics Co., Ltd., TPV Display Technology (China) Limited, BOE Educational Technology Co., Ltd. and Chairman of the Board of Beijing Zhongxiangying Technology Co., Ltd.

Mr. Li Yantao, Master Degree Candidate, MBA in Financial Accounting of Tsinghua University-Chinese University of Hong Kong, Intermediate Economist, PMP, with fund qualification. He once worked as an engineer of Module Technology Department and Section Chief of Public Relations of Administrative Security Department in Beijing BOE Optoelectronics Technology Co., Ltd., Section Chief of Tender Approval of Commerce Group, noviate vice minister of Engineering Cost Control Department and Bidding Contract Management Section of Engineering Cost Control Department in Beijing BOE Display Technology Co., Ltd., Secretary of Youth League Committee, minister of Corporate Culture/Party Work Department of Corporate Culture Centre and Chief of Corporate Culture Section and Group Work Section, Vice Minister (Assistant Director Level) of Planning & Coordination Department and Director of Office for Promotion of Major Projects, Minister of Market & New Business Planning Department, Head of Planning & Coordination Centre (Deputy Director Level) and Minister of Market Insight Department, Minister of Strategic Planning Department, Minister of Performance Management Department, Minister of Office for Promotion of Major Projects and Minister of Knowledge Management & Training Department in the Company, Director of the 8th Directors of the Board of the Company

Now he serves as the Director of the 9th Directors of the Board of the Company, Director of Strategic Development Department of Beijing Electronics Holdings Co., Ltd., Director and GM of Beijing Electronic Control Industry Investment Co., Ltd., Chairman of the Board of Beijing Nuohua Capital Investment Management Co., Ltd., Director of Office for Promotion of Old Industrial Base Transformation in Beijing Electronics City, Vice Chairman of Beijing Enterprise Conferation.

Independent Director

Mr. Wang Huacheng, Doctoral Candidate Degree, Professor Doctoral Supervisor, In July 1985, graduate from Department of Finance, Renmin University of China, obtained bachelor of economics degree, in July 1988, graduated from Department of Accounting, Renmin University of China, obtained master's degree in economics, in July 1998, graduated from Department of Accounting, Renmin University of China, obtained PhD degree. Since September 1988, worked as a teacher in Renmin University of China, He successively worked as teaching assistant, lecturer, associate professor, professor, PhD supervisor, social appointments: Director of the institute of Chinese accounting. He once was the Independent Director of the 7th Board of Directors of the Company, Independent Director of the 8th Board of Directors of the Company.

Now he is the Independent Director of the 9th Board of Directors of the Company, Professor of Renmin University of China, the Independent Director of Hua Xia Bank Co.,Limited, China Railway Construction Corporation Limited, CHINA GREATWALL SECURITIES CO.,LTD. and Tsinghua Tongfang Co.,Ltd..

Mr. Hu Xiaolin, doctor, associate professor of Tsinghua University, artificial intelligence professor, used to be the independent director of the 8th Board of Directors of the Company.

Now he serves as the Independent Director of the 9th Board of Directors of the Company, Editorial Board Member of IEEE Transactions on Image Processing and Cognitive Neurodynamics.

Mr. Li Xuan, doctor of laws, associate professor, graduate student tutor. He once worked as the Vice President of School of Law and Dean of Legal Affairs Office of Central University of Finance and Economics, Independent Director of China Minzu Securities Co., Ltd. and China Shengmu Organic Milk Limited. (Listed in Hong Kong Exchanges and Clearing Limited), Independent Director of the 8th Board of Directors of the Company.

Now he serves as the Independent Director of the 9th board of directors of the Company, Chief of Central University of Finance and Economics Master of Laws (J.M) Education Center, Executive Dean of Public Policy-Making Research Center of China University of Political Science and Law, Deputy Chief of Committee for Social and Legal Affairs of Beijing Municipal Committee of the CDL, vice chairman of Case Study Association of China Law Society, Executive Director of Lawyer Law Research Institute, government legal advisor of State Administration of Coal Mine Safety, Independent Director of Beijing Da Bei Nong Science and Technology Group Co., Ltd. and Independent Supervisor of China National Building Materials Company Limited (listed in Hong Kong Exchange), and part-time arbitrator and lawyer.

Mr. Tang Shoulian, professor, holds a master's degree.

He has served as Director of Finance Office, Dean of School of Management and Humanities, Secretary of Party Committee of School of Economics and Management, Executive Dean of School of Economics and Management, and Standing Committee of Academic Committee and Chairman of Labor Dispute Mediation Committee of Beijing University of Posts and Telecommunications (BUPT). He has served as a member of the Expert Committee on Telecommunications Economy of the Ministry of Industry and Information Technology, a permanent member of the Chinese Association of Market Development, a standing member of the Information Law Research Society of the China Law Society, a senior member of the Chinese Society of Technology Economics, a standing member of the Commerce Statistical Society of China, and a reviewer of the Management Science Department of the National Natural Science Foundation of China.

He is currently an Independent Director of the 9th Board of Directors.

Supervisor

Mr. Yang Xiangdong, postgraduate. He once worked as chief of Technology Security Section, minister of Sales Department and minister of Materials Department in Beijing TV Accessories Third Factory, Deputy GM of Beijing Jile Electronics Group Co., Ltd., Deputy GM of Beijing Sevenstar Electronics Co., Ltd., and Deputy GM of Beijing North Microelectronics Co., Ltd., Chairman of the 8th Supervisory Committee (convener),

Now he serves as the Chairman of the 9th Supervisory Committee, assigned full-time Chairman of Supervisory Committee of Beijing Electronics Holdings Co., Ltd., Chairman of Supervisory Committee of Beijing Zhaowei Electronic (Group) Co., Ltd., Chairman of Supervisory Committee of Beijing Seven Star Huadian Technology Group Co., Ltd., Chairman of Supervisory Committee of Kingstronic (Beijing) Limited, Supervisor of Beijing Electronics Holding & SK Technology Co., Ltd., Supervisor of Beijing Electronics New Energy Technology (Jiangsu) Co., Ltd. and supervisor of BEST, Supervisor of Beijing Electronic Information Technician College.

Mr. Xu Tao, master degree, Senior Accountant, Minister of Finance Department of Beijing TV Accessories Third Factory, Chief Accountant and CFO of Beijing Jile Electronics Group Co., Ltd, Minister of Finance Department, Head of Finance Department/Settlement Center of Beijing Electronics Holding Co., Ltd. and Supervisor of the 7th and 8th Supervisory Committee of the Company.

Currently, he serves as the Supervisor of the 9th Supervisory Committee of the Company, Director of the Financial Department of Beijing Electronics Holdings Co., Ltd. and Chairman of the Board of Beijing BOE Investment & Development Co., Ltd.

Mr. Wei Shuanglai, MBA, senior Engineer. He once acted as a staff of Beijing BBEF Electronics Group Co., Ltd., deputy director of Technology Center, director of General Labor Office, Deputy GM of Beijing BBEF Digital Broadcasting and Television Co., Ltd., president assistant & minister of Television Department, Executive President & Strategic Director, Deputy GM & Executive President, Deputy Secretary of Party Committee, Director, GM in Beijing BBEF Science & Technology Co., Ltd., Vice Minister of Technology Industry Department, Minister of Market Department, Head of Smart Equipment and System Business Department in

Beijing Electronics Holding Co., Ltd. and Deputy GM of Beijing Zhaowei Electronics (Group) Co., Ltd.

Now, he acts as the Supervisor of the 9th Supervisory Committee of the Company, Director of Operation Management Department of Beijing Electronics Holding Co., Ltd. & Director of Beijing Zhaowei Electronics (Group) Co., Ltd.

Beijing BBEF Science & Technology Co., Ltd.

Ms. Chen Xiaobei, bachelor, economist. She once acted as deputy director of general office, director of General Office (Party Committee Office), Board Secretary and Supervisor in Hefei Construction and Investment Holding (Group) Co., Ltd.

Now, she acts as the Supervisor of the 9th Supervisory Committee of the Company, Member of the Party Committee, Director, Deputy GM and Board Secretary in Hefei Construction and Investment Holding (Group) Co., Ltd.

Ms. Shi Hong, Master of Economics, Senior Economist, Supervisor of the 7th Supervisory Committee of the Company, Supervisor of the 8th Supervisory Committee of the Company.

Now he is the Supervisor of the 9th Supervisory Committee of the Company, Vice GM of Beijing Yizhuang Investment Co., Ltd. & Chairman of the Board of Yizhuang Equity Investment Fund Management (Tianjin) Co., Ltd., Vice Chairman of the Board of Schneider (Beijing) LV Appliance Co., Ltd., Member of Investment Decision Committee of China Reform Fund Management Co., Ltd. Director of Beijing Jinyuan Jingkai Limited Liability Company for Sewage Treatment and Supervisor of Beijing Boda Xinyuan House Real Estate Development Co., Ltd..

Mr. Xu Yangping, Master of Civil and Commercial Law. He was former Deputy Minister, Minister of the Company's Legal Department, and Employee Supervisor of the 7th Supervisory Committee of the Company, Employee Supervisor of the 8th Supervisory Committee of the Company

Now he acts as Employee Supervisor of the 9th Supervisory Committee of the Company, Chief of the Group's Legal Center, Senior Chief Officer and the Director of Board of Directors of Gaochuang (Suzhou) Electronics Co., Ltd, Director of Beijing BOE Energy Technology Co., Ltd., Director of Orient Chengqi (Beijing) Business Technology Co., Ltd., Nanjing CEC Panda FPD Technology Co., Ltd., Qingdao BOE Smart Technology Co., Ltd., Chengdu BOE Smart Technology Co., Ltd., Chongqing BOE Smart Technology Co., Ltd., Suzhou BOE Smart Technology Co., Ltd., Yunnan BOE Smart Technology Co., Ltd., Shenzhen BOE Smart Technology Co., Ltd., Guangzhou BOE Smart Technology Co., Ltd. and BEHC Industrial Investment Co., Ltd., Supervisor of BOE Smart Technology Co., Ltd., BOE Innovation Investment Co., Ltd., Tianjin BOE Innovation Investment Co., Ltd., Beijing BOE Vacuum Electric Appliance Co., Ltd., Beijing BOE Technology Development Co., Ltd., BOE Jingxin Technology Co., Ltd., Hefei BOE Ruisheng Technology Co., Ltd. and BOE Digital Technology Co., Ltd.

Mr. He Daopin, master. He once worked as Production Supervisor, Purchasing Supervisor, Financial Manager, Vice General Manager of Beijing Oriental Aristocratic Paper Co., Ltd., Vice General Manager, General Manager of Industrial Gas Underwriting Company of Business Department of Park of the Company, Management Representative of Business Department of Park, Chief of HR and Administrative Department, Chief of Property Department and Chief of Labor Union, Deputy Chief, Chief of Party Mass Work Department of the Company, Corporate Cultural Center, Employee Supervisor of the 8th Supervisory Committee of the Company,

He now serves as Employee Supervisor of the 9th Supervisory Committee of the Company, Head of the North China Regional Corporate Culture Center, Chairman of Labor Union and Secretary of Committee for Discipline Inspection of Beijing BOE Display Technology Co., Ltd. & Chief of Corporate Culture of the Display BG, Chief of Corporate Culture of Beijing BOE Display Technology Co., Ltd. and Vice Chairman of Labor Union of the Group.

Mr. Yan Jun, bachelor. He once acted as the Deputy GM of Beijing Nissin Electronic Precision Components Co., Ltd., Minister of Corporate Culture/Party Affairs Department, Chairman of Labor Union in Chongqing BOE Optoelectronics Technology Co., Ltd. and Deputy Director of General Office of the Group.

Now he acts as the Employee Supervisor of the 9th Supervisory Committee, Deputy Head of Party Mass/Corporate Culture Center, Deputy Secretary of Discipline and Inspection Committee, Deputy Chairman of Labor Union in the Company.

Mr. Teng Jiao, bachelor of Administration. He once acted as the Deputy Minister of Planning and Finance Department, Minister of Performance Analysis of the Company and Minister of Accounting Department of Beijing BOE Display Technology Co., Ltd., Director of Beijing Asahi Electronic Materials Co., Ltd., Beijing BOE Energy Technology Co., Ltd., Beijing BOE Health Technology Co., Ltd. and Supervisor of Beijing BOE CHATANI Electronics Co., Ltd.

Now, he acts as the Employee Supervisor of the 9th Supervisory Committee, Head of Finance Organization Accounting Taxation Center, Senior Director of the Company, Director of Beijing BOE Vacuum Electric Co., Ltd., Beijing BOE Special Display Technology Co., Ltd., Director of Beijing BOE Matsushita Color CRT Innovation Co., Ltd., Hefei BOE Hospital Co., Ltd., Chengdu BOE Hospital Co., Ltd., Suzhou BOE Hospital Co., Ltd. and Gaochuang (Suzhou) Electronics Co., Ltd.

Senior Management

Mr. Yao Xiangjun, MBA, Chinese CPA. He once worked as Minister and Chief Inspector of Financing Department of the Company, CFO of Hefei BOE Optoelectronics Technology Co., Ltd., Director of Business Planning Center, Chief Strategic Officer of the Company, CEO of Intelligent System Business Group, Chairman of the Board of Beijing BOE Video Technology Co., Ltd., Hefei BOE Video Technology Co., Ltd., Chongqing BOE Intelligent Electronic System Co., Ltd., BOE Optical Science and Technology Co., Ltd., Beijing BOE Multimedia Science and Technology Co., Ltd. and BOE Smart IoT Technology Co., Ltd.

Now he serves as member of Executive Committee, Executive Vice President of the Company, Director of SES-imgotag, and Chairman of the Board of Hunan BOE Yiyun Technology Co., Ltd., and BOE Smart Retail (Hong Kong) Co., Limited.

Mr. Zhang Zhaohong, bachelor of inorganic nonmetallic materials, engineer. He joined in the Company in 1992, he once worked as CEO of the Display BG of BOE, Chairman of the Board of Beijing BOE Optoelectronics Technology Co., Ltd., Chengdu BOE Optoelectronics Technology Co., Ltd., Hefei BOE Optoelectronics Technology Co., Ltd., Beijing BOE Display Technology Co., Ltd., Erdos Yuansheng Optoelectronics Co., Ltd., and Fuzhou BOE Optoelectronics Technology Co., Ltd., Director of Wuhan BOE Optoelectronics Technology Co., Ltd., Chairman of the Board of Beijing BOE Display Technology Co., Ltd., Chinese GM of Beijing Asahi Glass Co., Ltd., Director of Chengdu BOE Optoelectronics Technology Co., Ltd. and Chairman of the Board of BOE Health Investment Management Co., Ltd., Beijing BOE Health Technology Co., Ltd., Beijing BOE Living Technology Co., Ltd., BOE Hyundai LCD Inc.

Now he serves as the member of Executive Committee, Executive Vice President and CEO of the Mini LED BG, Chairman of the Board of BOE Jingxin Technology Co., Ltd.

Mr. Zhong Huifeng, Master Degree, awarded certification on Secretary of the Board of Shenzhen Stock Exchange. He ever took posts of Securities Affairs Representative and Manager of Security Department of the 2nd Board of Directors, Secretary to the Board of the 3rd, 4th and 5th Board of Directors of the Company, Employee Supervisor of the 6th Supervisory Committee and Employee Supervisor of the 7th Supervisory Committee, Supervisor of Beijing Orient Top Victory Electronics Co., Ltd. and Vice Secretary of the CPC, Secretary of Discipline Inspection Commission, Principal of Labor Union, CHO of the Company and President of BOE University, Supervisor of Beijing BOE TPV Electronics Co., Ltd., Member of the Third National Committee of China's Defense of Posts and Telecommunications Union.

Now he acts as member of Executive Committee, Executive Vice President and Chief Performance Officer of the Company, Director of Beijing BOE Investment Development Co., Ltd. and BOE Educational Technology Co., Ltd.

Ms. Feng Liqiong, Bachelor Degree and Lawyer of the Company, she has served as Senior Vice President and Minister of Legal Affairs Department of the Company, and as Secretary of the 5th and 6th Board of Directors.

Now she is member of Executive Committee, Executive Vice President, Chief Counsel and Director of Beijing BOE Land Co., Ltd. and Beijing Yinghe Science & Century Technology Development Co., Ltd.

Mr. Xie Zhongdong, Master, CIA. He has ever taken posts of Deputy Chief of Basic Construction Office in the Yi-Shu-Si Water Conservancy Administration of Huaihe Water Resources Commission under the Ministry of Water Resource of P.R.C, Chief and Deputy Auditor of Auditing & Supervision Division of the Company, Vice Chief and Chief of Auditing & Supervision Division of Beijing BOE Optoelectronics Technology Co., Ltd.

Now he acts as member of Executive Committee, Senior Vice President, Chief Audit Officer and Chief Risk Control Officer of the Company & Vice President of Beijing Internal Audit Association, Supervisor of Beijing BOE Optoelectronics Technology Co., Ltd., Beijing BOE Display Technology Co., Ltd., Erdos Yuansheng Optoelectronics Co., Ltd., Chongqing BOE Optoelectronics Technology Co., Ltd., Hefei BOE Optoelectronics Technology Co., Ltd., Chengdu BOE Optoelectronics Technology Co., Ltd., Chongqing BOE Display Technology Co., Ltd., Beijing BOE Sensor Technology Co., Ltd., Beijing BOE Video Technology Co., Ltd., Gaochuang (Suzhou) Electronics Co., Ltd., Hefei BOE Video Technology Co., Ltd. and BOE Health Investment Management Co., Ltd., Hefei BOE Display Technology Co., Ltd., Fuzhou BOE Optoelectronics Technology Co., Ltd., Nanjing CEC Panda FPD Technology Co., Ltd., Chongqing BOE Intelligent Electronic System Co., Ltd., BOE Optical Science and Technology Co., Ltd., Beijing BOE CHATANI Electronics Co.,Ltd., Suzhou BOE IT Co., Ltd., Hefei BOE Display Light Sources Co., Ltd., Chongqing BOE Display Lighting Co., Ltd., BOE Smart IoT Technology Co., Ltd., Beijing BOE Multimedia Science and Technology Co., Ltd., Hefei BOE Hospital Co., Ltd., Chengdu BOE Hospital Co., Ltd., Beijing BOE Health Technology Co., Ltd., BOE Regenerative Medical Technologies Co. Ltd., Suzhou BOE Hospital Co., Ltd., Beijing BOE Life Technology Co., Ltd., Beijing BOE Hospital Co., Ltd., Beijing BOE Marketing Co., Ltd., BOE Indonesia Co., Ltd, Beijing BOE Living Technology Co., Ltd. and BOE Educational Technology Co., Ltd.

Mr. Miao Chuanbin, Master degree, once worked as Manager of Market Department Beijing Wireless Power Plant Putai Technology Company, Secretary of Party Committee Work Department and Deputy Secretary of Beijing Wireless Power Plan, Deputy General Manager of Beijing Ether-led Electronic Group Co., Ltd., Secretary of Party Committee Work Department, Enterprise Minister of Culture of Beijing Electronics Holdings Co., Ltd, Employee Supervisor of the 7th Supervisory Committee of the Company, Employee Supervisor of the 8th Supervisory Committee of the Company,.

Now he is the member of Executive Committee, vice president, CCO of the Company, Deputy Secretary of CPC, Secretary of the Commission for Discipline Inspection, Union Chairman of the Company, Deputy Chairman of Beijing Industry (National Defense) Labor Union, member of Beijing Electronic Union, member of Beijing Industrial Movement Theory Research Association and member of the Commission for Discipline Inspection in Beijing Electronics Holding Co., Ltd.

Mr. Zhang Yu, engineer, holds a master's degree. He has served as the Deputy Director of the Executive Office of the Company, General Manager of Hefei Office, and Deputy General Manager of Hefei Xinsheng Optoelectronics Technology Co., Ltd.

He is currently the Vice President, Chief Human Resources Officer and Director of the Digital Change Management Office of the Company. He was awarded the "National Model Worker" in 2020.

Mr. Liu Hongfeng, master. He once worked as the Deputy Chief of the Finance Department of the Company, the Deputy Chief and

Chief of the BOD Office, the Securities Representative and the Secretary of the 7th Board of the Company.

Now he is a vice president and the Secretary of the 9th Board of Directors of the Company, as well as a director of Beijing Nissin Electronics Precision Component Co., Ltd. and Supervisor of Beijing Yinghe Century Land Co., Ltd.

Offices held concurrently in shareholding entities:

√Applicable □Not applicable

Name	Shareholding entity	Office held in the shareholding entity	Start of tenure	End of tenure	Remuneration or allowance from the shareholding entity
Pan Jinfeng	Beijing Electronics Holdings Co., Ltd.	GM	11 December 2020	--	Yes
Wang Chenyang	Beijing State-owned Capital Management Center	Vice GM	19 November 2014	--	Yes
Li Yantao	Beijing Electronics Holdings Co., Ltd.	Minister of Strategic Department	12 August 2016	--	Yes
Yang Xiangdong	Beijing Electronics Holdings Co., Ltd.	Full-time Chairman of the Dispatched Supervisory Committee	17 April 2015	--	Yes
Xu Tao	Beijing Electronics Holdings Co., Ltd.	Finance Minister	26 October 2012	--	Yes
Wei Shuanglai	Beijing Electronics Holdings Co., Ltd.	Minister of Operation and Management Department	16 January 2019	--	Yes
Notes to post-holding in shareholder's unit	The documents for holding the posts of shareholders entities haven't listed the expiry date.				

Offices held concurrently in other entities:

√Applicable □Not applicable

Name	Other entity	Office held in the entity	Start of tenure	End of tenure	Remuneration or allowance from the entity
Wang Huacheng	Renmin University of China	Doctor Advisor	--	--	Yes
Hu Xiaolin	Tsinghua University	Associate professor	--	--	Yes
Li Xuan	The Central University of Finance and Economics	Post-graduate Tutor	--	--	Yes
Chen Xiaobei	Hefei Construction Investment Holding (Group) Co., Ltd.	Director, member of CPC Committee, Deputy GM, Secretary of the Board	--	--	Yes

Notes to post-holding in other unit	Due to the above personnel's units were special, their start dates and ending dates of the office terms have not been fixed.
-------------------------------------	--

Punishments imposed in the recent three years by the securities regulator on the incumbent directors, supervisors and senior management as well as those who left in the Reporting Period:

Applicable Not applicable

IV Remuneration of Directors, Supervisors and Senior Management

Decision-making procedure, determination basis and actual payments of remuneration for directors, supervisors and senior management:

(1) Determining Basis and Decision-making Procedure of Remuneration of Directors, Supervisors and Senior Management

Proposal on Adjustment of Allowance for Directors and Supervisors was reviewed and approved on the 1st Extraordinary General Meeting of 2019 held by the Company on 28 June 2019, of which, the allowance for independent directors was adjusted to RMB0.2 million (before tax) per year from RMB0.15 million; the allowance for the Company's executive directors and employee supervisors as well as directors and supervisors holding posts in shareholder's unit was cancelled.

(2) Up to the end of the Reporting Period, the current directors, supervisors and senior management drew their remuneration from the Company totaled RMB58.1914 million (before tax). Allowance for independent directors is RMB0.2 million (before tax) per year in 2020. For details please referred to the statement below.

Remuneration of directors, supervisors and senior management for the Reporting Period

Unit: RMB'0,000

Name	Office title	Gender	Age	Incumbent/Former	Total before-tax remuneration from the Company	Any remuneration from related party
Chen Yanshun	Chairman of the Board, Chief of Executive Committee	Male	55	Incumbent	320.48	No
Pan Jinfeng	Vice Chairman of the Board	Male	41	Incumbent	0	-
Liu Xiaodong	Vice Chairman of the Board, President, Vice Chairman of Executive Committee	Male	56	Incumbent	851.09	No
Wang Chenyang	Director	Male	51	Incumbent	0	-
Song Jie	Director	Male	53	Incumbent	0	-
Sun Yun	Director, member of Executive Committee, Executive vice president, CFO	Female	51	Incumbent	924.23	No
Gao Wenbao	Director, member of Executive Committee, Executive vice president, CEO of the Display BG	Male	45	Incumbent	618.16	No
Li Yantao	Director	Male	39	Incumbent	0	-
Wang Huacheng	Independent director	Male	57	Incumbent	20	-

Hu Xiaolin	Independent director	Male	42	Incumbent	20	-
Li Xuan	Independent director	Male	52	Incumbent	20	-
Tang Shoulian	Independent director	Male	68	Incumbent	11.67	-
Yang Xiangdong	Chairman of the Supervisory Committee	Male	59	Incumbent	0	-
Xu Tao	Supervisor	Male	56	Incumbent	0	-
Wei Shuanglai	Supervisor	Male	53	Incumbent	0	-
Chen Xiaobei	Supervisor	Female	48	Incumbent	0	-
Shi Hong	Supervisor	Female	38	Incumbent	0	-
Xu Yangping	Employee supervisor	Male	46	Incumbent	131.31	No
He Daopin	Employee supervisor	Male	51	Incumbent	100.03	No
Yan Jun	Employee supervisor	Male	49	Incumbent	76.37	No
Teng Jiao	Employee supervisor	Male	38	Incumbent	154.46	No
Yao Xiangjun	Member of Executive Committee, Executive vice president	Male	43	Incumbent	373.49	No
Zhang Zhaohong	Member of Executive Committee, Executive vice president, CEO of Mini LED BG	Male	50	Incumbent	386.47	No
Zhong Huifeng	Member of Executive Committee, Executive vice president, Chief Performance Officer	Male	50	Incumbent	417.37	No
Feng Liqiong	Member of Executive Committee, Executive vice president, lead counsel	Female	48	Incumbent	417.66	No
Xie Zhongdong	Member of Executive Committee, Senior vice president, Auditor General, Chief Risk Officer	Male	50	Incumbent	276.39	No
Miao Chuanbin	Member of Executive Committee, vice president, Chief Culture Officer	Male	47	Incumbent	205.04	No
Zhang Yu	Vice president, Chief Human Resource Officer	Male	50	Incumbent	170.8	No
Liu Hongfeng	Vice president, Secretary of the Board	Male	42	Incumbent	315.79	No
Lv Tingjie	Independent director	Male	65	Former	8.33	-
Total	--	--	--	--	5,819.14	--

Equity incentives for directors, supervisors and senior management in the Reporting Period:

Applicable Not applicable

Unit: share

Name	Office title	Shares feasible to exercise during the	Shares exercised during the Reporting Period	Exercise price of exercised shares during the Reporting	Market price at the Period-end (RMB/share)	Number of restricted shares held at the period-begin	Number of released shares for the Reporting	Number of restricted shares newly granted during the	The grant price of restricted shares (RMB/share)	Number of restricted shares held at the period-end
------	--------------	--	--	---	--	--	---	--	--	--

		Reportin g Period		Period (RMB/share)			g Period	Reporting Period		
Chen Yanshun	Chairman of the Board, Chief of Executive Committee	0	0	-	6	0	0	2,000,000	2.72	2,000,000
Liu Xiaodong	Vice Chairman of the Board, President, Vice Chairman of Executive Committee	0	0	-	6	0	0	1,800,000	2.72	1,800,000
Sun Yun	Director, member of Executive Committee, Executive vice president, CFO	0	0	-	6	0	0	1,500,000	2.72	1,500,000
Gao Wenbao	Director, member of Executive Committee, Executive vice president,	0	0	-	6	0	0	1,500,000	2.72	1,500,000
Yao Xiangjun	Member of Executive Committee, Executive vice president	0	0	-	6	0	0	1,000,000	2.72	1,000,000
Zhang Zhaohong	Member of Executive Committee, Executive vice president	0	0	-	6	0	0	1,000,000	2.72	1,000,000
Zhong Huifeng	Member of Executive Committee, Executive vice president, Chief Performance Officer	0	0	-	6	0	0	1,000,000	2.72	1,000,000

Feng Liqiong	Member of Executive Committee, Executive vice president, lead counsel	0	0	-	6	0	0	1,000,000	2.72	1,000,000
Xie Zhongdong	Member of Executive Committee, Senior vice president, Auditor General, Chief Risk Officer	0	0	-	6	0	0	750,000	2.72	750,000
Miao Chuanbin	Member of Executive Committee, vice president, Chief Culture Officer	0	0	-	6	0	0	650,000	2.72	650,000
Zhang Yu	Vice president, Chief Human Resource Officer	0	0	-	6	0	0	634,000	2.72	634,000
Liu Hongfeng	Vice president, Secretary of the Board	0	0	-	6	0	0	750,000	2.72	750,000
Total	--	0	0	--	--	0	0	13,584,000	--	13,584,000
Note (if any)	The restricted shares granted to the directors and senior management of the Company are restricted for a period of 24 months, 36 months and 48 months from the grant date of this equity incentive on 21 December 2020. As at the end of the Reporting Period, all equity incentives received by the directors and senior management of the Company were unlocked shares.									

V Employees

1. Number, Functions and Educational Backgrounds of Employees

Number of in-service employees of the Company as the parent	2,346
Number of in-service employees of major subsidiaries	53,242
Total number of in-service employees	76,459
Total number of paid employees in the Reporting Period	76,459

Number of retirees to whom the Company as the parent or its major subsidiaries need to pay retirement pensions	22
Functions	
Function	Employees
Production	47,309
Sales	2,334
Technical	23,666
Financial	679
Administrative	272
Manager	1,826
Other	373
Total	76,459
Educational backgrounds	
Educational background	Employees
Doctor and post-doctorate	368
Master	8,639
Bachelor	19,033
College	22,432
Technical secondary school	10,894
Other	15,093
Total	76,459

2. Employee Remuneration Policy

The Company has established the remuneration system based on the position, ability and business performance, paid attention to the external competitive compensation and internal fairness, strengthening the control of the group as well as considering the difference among all business groups and subsidiaries.

3. Employee Training Plans

Since its establishment in 2015, BOE University (BOEU) has been adhering to the philosophy of "education before career", tapping and developing excellent cultural and wisdom assets to help various professionals grow. It has been cultivating a new generation of professional executives and business leaders, focusing on improving organizational performance and promoting the achievement of corporate strategic goals. BOEU is committed to providing targeted training programs for the Group's industrialists, professionals, managers and leaders, and helping BOE share its corporate philosophy and culture with similar SMEs, upstream and downstream industrial chain and eco-chain partners to achieve mutual benefits and win-win results. After five years of efforts, BOEU is steadily exploring and developing towards the vision of "becoming an internationally competitive and respectable industrial university".

In 2020, BOEU has formulated the working policy of "user thinking, value creation, open breakthrough, quality improvement and efficiency increase", and organized and implemented a series of empowerment projects themed with leadership, management,

marketing, professional techniques and general professional ability. Focusing on the strategic objectives of the Group, BOEU has designed and implemented a series of empowerment and development projects, combining systemization and customization. Through the design of combining training and practice, BOEU has effectively helped management to change their concepts and enhance their management awareness, and cultivated a number of reserve young talents and professional and technical talents for the Group. Through holding innovation competitions, BOEU has helped the construction of BOE's innovative and entrepreneurial atmosphere and promoted the transformation of innovation achievements. Through consulting and diagnosis, training and counseling, BOEU has designed and implemented a number of performance improvement projects, helping to solve practical business problems. At the same time, BOEU actively promotes communication and cooperation with industry chain and eco-chain enterprises by providing BOE management methodology training for executives of eco-chain enterprises, and has achieved good results.

4. Labor Outsourcing

Applicable Not applicable

Part X Corporate Governance

I General Information of Corporate Bonds

1. Standardized Operation and Perfection of Corporate Governance Structure of the Company in the Reporting Period

The Company has stringently followed laws and rules such as *Company Law*, *Securities Laws*, *Code of Corporate Governance for Listed Companies*, etc., and requirements of *Guidelines of the Shenzhen Stock Exchange for the Standardized Operation of Companies*, to continuously improve the corporate governance of the Company, to perfect internal control system as well as to promote corporate governance level of the Company.

During Reporting Period, the Company's board of directors, board of supervisors and senior executives strictly in line with the requirement of related laws and Company rules and regulations perform their obligations; ensure the standardization and effectiveness of corporate governance. During the Reporting Period, the Company revised the *Articles of Association* and Rules of Procedure of the Board and newly set up Financing Business Management System, Implementing Rules for the Enterprise Annuity Plan Further promote the standardization of the corporate governance level. During the Reporting Period, the Company continued to promote the Company's governance in many ways. Actively arranged the Company's new directors, supervisors to join special training organized by the Securities regulatory bureau of Beijing, regularly carry out the theme of the franco-prussian propaganda inside the Company. The Company preserved the related party fund transaction, external guarantee and regularly self-inspection of the shareholding and its changes of the directors, supervisors and senior executives, through maintaining and perfecting the Shenzhen Stock Exchange Investors Interactive Platform to strengthen the communication of the investors.

In the Reporting Period, corporate governance of the Company was perfected and operated normally, which was in total compliance with various requirements on corporate governance of listed companies. No problems such as horizontal competition or illegal related-party transactions caused by partial restructuring or other reasons were found. The Company will continue to follow the concept of "honesty, standard, transparency and responsibility", regulate itself and continuously improve the level of governance.

Main governance of the Company was as follows:

(1) About Shareholders and Shareholders' General Meetings

As per the Company's *Articles of Association*, shareholders enjoyed rights and assumed obligations according to the shares they held. Organizing and convening procedures of the Company's shareholders' general meetings were in compliance with laws and regulations. The Company paid high attention to legal interests of its shareholders, especially its minority shareholders. Meanwhile, on the basis of ensuring legitimacy and validity of shareholders' general meetings, actively provided conveniences including internet voting for minority shareholders' joining the general meeting of the shareholders.

(2) About Relationship between the Controlling Shareholder and the Company

The Company was independent from the controlling shareholder and the actual controller in terms of personnel, assets, financing, organization and business. The controlling shareholder and actual controller of the Company was able to strictly control its behaviors, with no direct or indirect intervention in the Company's decision-making, production and operating activities by violating relevant laws, regulations and the *Articles of Association*, no behaviors in relation to occupying significant funds of the Company, and no behaviors in relation to asking the Company to provide guarantees for it or other parties.

(3) About Directors and the Board of Directors

During the Reporting Period, the composition of the Board of Directors of the Company was in line with requirements of regulations and the Company's actual situation. All directors possessed necessary knowledge, skills and quality for duty performance. They all performed their duties as stipulated in the *Articles of Association* honestly, faithfully and diligently. They learned about and kept a constant focus on the Company's production and operation, its financial status and influence and risks of significant events. They

also took the initiative to search for information needed in their decision-making so as to ensure efficient operation and scientific decision-making of the Board of Directors. Board sessions were organized and convened in strict compliance with the *Articles of Association* and *Rules of Procedure for the Board of Directors*. There were three special committees under the Board of Directors, namely, the Strategic Committee, the Nomination, Remuneration and Appraisal Committee and the Risk Control and Audit Committee. The Company also formulated rules of procedure for all the said special committees so that they could perform better.

(4) About Supervisors and the Supervisory Committee

Within the Reporting Period, the Supervisory Committee has enhanced its ability to supervise the legality and compliance of duty performance of the Company's financial staffs, directors and senior managers. By way of attending shareholders' general meetings, sitting in on board sessions, checking the Company's compliance with laws and finance periodically, issuing its opinions on relevant matters, etc., the Supervisory Committee supervised the Company's finance, duty performance of directors and senior management staffs, management and capital flows between the Company and its related parties, and safeguarded the legitimate interests and rights of the Company and its shareholders. Sessions of the Supervisory Committee were organized and convened in strict compliance with the *Articles of Association* and the *Rules of Procedure for the Supervisory Committee* so as to ensure the Supervisory Committee's activities for duty performance were rightful and valid.

(5) About Information Disclosure and Transparency

According to the *Company Law*, the *Stock Listing Rules of the Shenzhen Stock Exchange*, the *Guidelines of the Shenzhen Stock Exchange for the Standardized Operation of Companies*, *Companies Publicly Issuing Securities Information Disclosure Standards on the Contents and Formats No.2 - Content And Format of the Annual Report*, the *Business Guidelines for Companies Listed at Shenzhen Stock Exchange No. 2 - Regular Report Disclosure Related Matters*. The *Articles of Association* and *Management Methods for Information Disclosure* and other requirements, the Company disclosed information in a timely and fair manner and ensured the factuality, accuracy and completeness of the information disclosed.

The Company attached importance to communication with investors through investor visits reception, investors interaction platform, online business performance explanation session, telephone and attending the investment strategy session organized by the securities brokers, etc. Except for the aforesaid services, the Company's senior management joined in the investor conference held by large international investment institutions, actively communicated with the global institutional investors and discussed the situation and development strategy of the Company with investors and analyst, so as to promote the open, transparent, efficient and consistent communication between the Company, investors and analyst of securities, made them known more about the strategy, operation and development of the Company. As unremitting effort was made to establish the investor relations communication platform, the Company innovated and developed the investor relations mini APP. While the communication will become more convenient between the investor and the Company via the digital platform, the compliance and fairness of the investor relations work can also be guaranteed.

2. Governance Systems of the Company Revised during the Reporting Period

During the Reporting Period, based on the development demand, the Company revised a number of governance systems which had been disclosed on Cninfo and details were presented in the following table:

Diclosure date	Name of system	Established/Revised
24 April 2020	Composition and Rules of Procedure for Risk Control and Audit Committee under the Board of Directors	Revised
24 April 2020	Composition and Rules of Procedure for Nomination, Remuneration and Appraisal Committee under the Board of Directors	Revised
24 April 2020	Management System for Information Disclosure	Revised
24 April 2020	Management System for Independent Directors	Revised

24 April 2020	Management System for Registration of Insiders	Revised
24 April 2020	Management System for Investor Relations	Revised
24 April 2020	Internal Audit System	Revised
24 April 2020	Management System for Internal Control	Revised
24 April 2020	Management System for Raised Funds	Revised
24 April 2020	Management System for Financial Products and Structural Deposits	Revised
24 April 2020	Measures for Administration of External Guarantees	Revised
29 May 2020	Articles of Association	Revised
29 May 2020	Rules of Procedures for Shareholders Meetings	Revised
29 May 2020	Rules of Procedure for the Board of Directors	Revised
29 May 2020	Rules of Procedure for the Supervisory Committee	Revised

Indicate by tick market whether there is any material incompliance with the regulatory documents issued by the CSRC governing the governance of listed companies.

Yes No

No such cases in the Reporting Period.

II The Company's Independence from Its Controlling Shareholder in Business, Personnel, Asset, Organization and Financial Affairs

The Company was independent from the controlling shareholder and the actual controller in terms of business, personnel, assets, organization and financing, with independent & complete business and capability to operate independently.

1. In business, the Company was independent from the controlling shareholder and the actual controller, with its own production and business departments and management system, the Company had the capability to make its own decisions, assume sole responsibility for its profits and losses, and operate independently with independent and complete business.

2. In personnel, the Company was completely independent in labor, staff and remunerations. The Company had its own operating management team. CEO, President, Chief Financial Officer, Secretary of the Board as well as other senior management staffs of the Company all worked on full-time basis in the Company and did not hold any post in or receive any remuneration in the controlling shareholder unit.

3. In assets, the Company had independent and complete assets. With clear ownership on its assets, the Company independently owned the production system, ancillary production system as well as supporting facilities for major businesses, as well as assets like land use rights and intellectual property rights, etc.. Neither the controlling shareholder nor the actual controller appropriated any assets of the Company.

4. In organization, the Company had established its organization completely independent from the controlling shareholder and the actual controller, with independent and sound organs and corporate governance structure. The Company had not handled any official affairs jointly with the controlling shareholder or the actual controller. There were no subordinate relationships between the controlling shareholder & its functional departments and the Company & its functional departments.

5. In financing, the Company had established independent financial departments, with full-time finance personnel. The Company had also formulated a standard and independent finance accounting system as well as financial measurement system, established the

corporate financial management archives and deployed relevant administrative personnel for them, opened independent account in bank, and paid tax independently.

III Horizontal Competition

Applicable Not applicable

IV Annual and Extraordinary General Meetings Convened during the Reporting Period

1. General Meeting Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Date of the meeting	Disclosure date	Index to disclosed information
The 2019 Annual General Meeting	Annual General Meeting	30.81%	29 May 2020	30 May 2020	<i>Announcement on Resolution of the 2019 Annual General Meeting (2020-039) disclosed on China Securities Journal, Shanghai Securities News, Securities Times and Ta Kung Pao as well as http://www.cninfo.com.cn.</i>
The 1 st Extraordinary General Meeting of 2020	Extraordinary General Meeting	34.10%	12 October 2020	13 October 2020	<i>Announcement on Resolution of the 1st Extraordinary General Meeting of 2020 (2020-063) disclosed on China Securities Journal, Shanghai Securities News, Securities Times and Ta Kung Pao as well as http://www.cninfo.com.cn.</i>
The 2 nd Extraordinary General Meeting of 2020	Extraordinary General Meeting	30.84%	17 November 2020	18 November 2020	<i>Announcement on Resolution of the 2nd Extraordinary</i>

					General Meeting of 2020 (2020-071) disclosed on <i>China Securities Journal</i> , <i>Shanghai Securities News</i> , <i>Securities Times</i> and <i>Ta Kung Pao</i> as well as http://www.cninfo.com.cn .
--	--	--	--	--	---

2. Extraordinary General Meetings Convened at the Request of Preferred Shareholders with Resumed Voting Rights

Applicable Not applicable

V Performance of Duty by Independent Directors in the Reporting Period

1. Attendance of Independent Directors at Board Meetings and General Meetings

Attendance of independent directors at board meetings and general meetings							
Independent director	Total number of board meetings the independent director was eligible to attend	Board meetings attended on site	Board meetings attended by way of telecommunication	Board meetings attended through a proxy	Board meetings the independent director failed to attend	The independent director failed to attend two consecutive board meetings (yes/no)	General meetings attended
Wang Huacheng	12	2	10	0	0	No	1
Hu Xiaolin	12	2	10	0	0	No	2
Li Xuan	12	2	10	0	0	No	3
Tang Shoulian	9	1	8	0	0	No	3
Lyu Tingjie (former)	3	0	3	0	0	No	1

Why any independent director failed to attend two consecutive board meetings:

Not applicable.

2. Objections Raised by Independent Directors on Matters of the Company

Indicate by tick mark whether any independent directors raised any objections on any matter of the Company.

Yes No

No such cases in the Reporting Period.

3. Other Information about the Performance of Duty by Independent Directors

Indicate by tick mark whether any suggestions from independent directors were adopted by the Company.

√ Yes No

Suggestions from independent directors adopted or not adopted by the Company

The Company has four current independent directors, who are experts and scholars in the fields of finance, law and industry. During the Reporting Period, in accordance with *Company Law*, *Securities Law*, *Stock Listing Rules*, *Guidance on Establishing Independent Director System for Listed Companies*, *Articles of Association* and *Independent Director System*, the independent directors paid special attention to the standardized operation of the Company, performed their duties independently and diligently, issued many precious professional advice in terms of the perfection of systems and routine operating decision-making, etc., and issued their independent and fair opinion as independent directors on the related-party transactions, engagement of audit firm, decision of annual remuneration of senior management staffs, external guarantee and other events needing their opinion occurred in the Reporting Period, as well as played their due roles in perfecting the supervisory mechanism of the Company, protecting the legal right of the Company and the whole shareholders.

VI Performance of Duty by Specialized Committees under the Board in the Reporting Period

1. Duty fulfillment of the Strategy Committee under Board of Directors

In the Reporting Period, the Strategy Committee under Board of Directors conscientiously controlled the strategic guidance, significant projects, and production and operation activities. During the recess of the board session, the Strategy Committee was in charge of working out the operating strategies of the Company, planning its significant investment and financing projects, and monitoring its major operation activities, which played an important role in ensuring the Company's stable and smooth operation in the year.

2. Duty fulfillment of the Audit Committee under Board of Directors

In the Reporting Period, the Audit Committee conscientiously performed its routine duties, and actively advanced the launch of the audit work for Y2020. Before the periodic reports were submitted to the Board for review, the Audit Committee convened special sessions to discuss the reports. At the sessions, the committee members listened to relevant reports, expressed their opinions and put forward constructive advices concerning the Company's internal control, financial auditing and so on.

The Committee will quarterly examine the Company's risk management, auditing and supervision work, and supervise the internal control's effective implementation. Meanwhile, the committee will also hold the annual report audit communication meeting so as to deliberate the annual internal control evaluation report and make relevant decisions.

The 2020 annual audit work on financial report of the Audit Committee was detailed as follows:

- 1) Before the audit, the Committee discussed and decided the schedule of audit work for the 2020 annual report with KPMG Huazhen Certified Public Accountants (LLP) (hereinafter referred to as "KPMG");
- 2) Before the presence of KPMG, the Committee reviewed the financial statements prepared by the Company and issued a written opinion;
- 3) Upon the presence of KPMG, the Audit Committee convened meetings to communicate with KPMG, reviewed the Company's financial statements following the preliminary audit opinion issued by KPMG, and issued the written opinion concerned. Before the Board reviewed the annual report, the Committee reviewed the annual financial statements, the employment of the CPAs firm, etc., and made resolutions for further review by the Board.
- 4) In the audit process, the Committee issued a written Audit Urge Letter to KPMG, asking KPMG to finish the audit in an orderly manner in strict accordance with the set schedule, so as to submit the annual audit report on time;

The Audit Committee is of the opinion that the Financial Report is complete and factual with complete consolidated entities and

statements, an accurate consolidation basis, a steady and consistent accounting policy, proper application of the accounting policy and reasonable accounting estimates, which is in line with the Enterprise Accounting Standards and other regulations promulgated by the Ministry of Finance.

3. Duty fulfillment of Nomination & Remuneration & Appraisal Committee under Board of Directors

In the Reporting Period, in accordance with relevant rules and laws, the Nomination & Remuneration & Appraisal Committee conscientiously performed its duties endowed by the Board through strictly executing the appointment procedure of directors, and senior management. And it reviewed the basic remuneration of senior managerial of the Company, the Proposal on the Appointment of Professional Manager, the Proposal on the Election of Independent Director, the Proposal on the First Grant of Share Options and Restricted Shares to Awardees under the 2020 Share Option and Restricted Share Incentive Plans, etc. were approved.

VII Performance of Duty by the Supervisory Committee

Indicate by tick mark whether the Supervisory Committee found any risk to the Company during its supervision in the Reporting Period.

Yes No

The Supervisory Committee raised no objections in the Reporting Period.

VIII Appraisal of and Incentive for Senior Management

According to the *Articles of Association*, *Management System for Professional Managers* and the *Performance Management System*, members of the senior management of the Company are appointed by the Board of Directors and sign the *Appointment Contract* and the *Annual Target Responsibility Paper*. The annual performance assessment and appointment period assessment will be implemented. The annual performance assessment is determined by the annual task breakdown of the current year's targets and the appointment period targets, and the appointment period assessment is based on medium- and long-term targets, and the salary and rewards are delivered according to the assessment results. Meanwhile, according to BOE's *2020 Stock Option and Restricted Stock Incentive Scheme* and relevant laws and regulations, the granted stock interests will be determined to be unlocked after the lock-up period based on the achievement of relevant conditions.

IX Internal Control

1. Material Internal Control Weaknesses Identified for the Reporting Period

Yes No

2. Internal Control Self-Evaluation Report

Disclosure date of the internal control self-evaluation report	13 April 2021
Index to the disclosed internal control self-evaluation report	On 13 April 2021, the Company disclosed 2020 Internal Control Appraisal Report, refer to www.cninfo.com.cn for details.
Evaluated entities' combined assets as % of consolidated total assets	99.24%
Evaluated entities' combined operating	95.46%

revenue as % of consolidated operating revenue		
Identification standards for internal control weaknesses		
Type	Weaknesses in internal control over financial reporting	Weaknesses in internal control not related to financial reporting
Nature standard	<p>The nature standards of internal control deficiency evaluation over financial reporting determined by the Company are as follows:</p> <p>Material weakness: In case of the following situations, it will be deemed as that major defects (including but not limited to the following situations) may occur:</p> <p>(1) Directors, supervisors and Senior Management make the malpractices;</p> <p>(2) The enterprise corrects the released financial statements;</p> <p>(3) The certified public accountant finds that there is a material misstatement in the current financial report, but the internal control fails to find the misstatement in the process of operation;</p> <p>(4) Supervision of the risk control and audit committee and the internal audit organization for internal control is ineffective. Serious weakness refers to one or combination of several control items, and its severity and economic consequence are lower than those of the material weaknesses but may still affect the real and accurate objective of the financial report.</p> <p>The common weakness refers to other internal control weaknesses except for material weaknesses and serious weaknesses.</p>	<p>Evaluation standards for internal defects not related to financial reporting specified by the Company are as below:</p> <p>Material weakness:</p> <p>(1) The business scope of the Company violates national laws and regulations seriously;</p> <p>(2) The decision-making procedure is not scientific, major decision errors are released, the development strategies of the Company are deviated from severely and major property losses are caused for the Company;</p> <p>(3) Safety and environmental accidents occur, resulting in major negative effects on the Company;</p> <p>(4) A lot of senior management personnel and key technicians leave the Company;</p> <p>(5) Important business lacks system control or the system is failure;</p> <p>(6) Material weaknesses or serious weaknesses are not corrected.</p> <p>Serious weakness refers to one or combination of several control items, and its severity and economic consequence are lower than those of the material weaknesses but may still affect the enterprise to deviate from the control goal.</p> <p>The common weakness refers to other internal control defects except for material weaknesses and Serious weakness.</p>
Quantitative standard	<p>The quantitative standards of internal control deficiency evaluation over financial reporting determined by the Company are as follows:</p>	<p>The quantitative standards for internal control defects not related to financial reporting determined by the Company are consistent with those over the</p>

	<p>Material weakness: The amount reported incorrectly is $\geq 1\%$* total amount of assets of the Group (operating revenue)</p> <p>Serious weakness: 0.5%*total amount of assets of the Group (operating revenue)\leq the amount reported incorrectly$<1\%$*total amount of assets of the Group (operating revenue)</p> <p>Common weakness: 0.1%*total group assets (operating revenue)\leq the amount reported incorrectly $<0.5\%$*total group assets (operating revenue)</p>	financial reporting. See the left side for details.
Number of material weaknesses in internal control over financial reporting		0
Number of material weaknesses in internal control not related to financial reporting		0
Number of serious weaknesses in internal control over financial reporting		0
Number of serious weaknesses in internal control not related to financial reporting		0

X Independent Auditor's Report on Internal Control

Applicable Not applicable

Opinion paragraph in the independent auditor's report on internal control	
We believe that the Company and important subsidiaries make valid internal control on financial report in all significant aspects on 31 December 2020 according to the Basic Rules on Enterprise Internal Control and other relevant stipulations.	
Independent auditor's report on internal control disclosed or not	Disclosed
Disclosure date	13 April 2021
Index to such report disclosed	The Company disclosed the Audit Report on Internal Control on 13 April 2021, for details, please refer to http://www.cninfo.com.cn
Type of the auditor's opinion	Standard unqualified opinion
Material weaknesses in internal control not related to financial reporting	No

Indicate by tick mark whether any modified opinion is expressed in the independent auditor's report on the Company's internal control.

Yes No

Indicate by tick mark whether the independent auditor's report on the Company's internal control is consistent with the internal control self-evaluation report issued by the Company's Board.

Yes No

Part XI Corporate Bonds

Does the Company have any corporate bonds publicly offered on the stock exchange, which were outstanding before the date of this Report's approval or were due but could not be redeemed in full?

Yes

I. Basic Information of the Corporate Bonds

Bond name	Abbr.	Bond code	Date of issue	Maturity	Balance (RMB'0,000)	Coupon rate	Way of redemption
2019 Public Offering of Renewable Corporate Bonds of BOE (for qualified investors) (Phase I)	19BOEY1	112741	28 October 2019	29 October 2022	800,000	4.00%	If the issuer does not execute its right in the deferred interest payment, corresponding interests shall be paid for this issue of bonds yearly, and the last installment of interest shall be paid with the redemption of principal.
2020 Public Offering of Renewable Corporate Bonds of BOE (for qualified investors) (Phase I) (epidemic prevention and control bonds)	20BOEY1	149046	27 February 2020	28 February 2023	200,000	3.64%	If the issuer does not execute its right in the deferred interest payment, corresponding interests shall be paid for this issue of bonds yearly, and the last installment of interest shall be paid with the redemption of principal.
2020 Public Offering of Renewable Corporate Bonds of BOE (for qualified investors) (Phase II) (epidemic prevention and control bonds)	20BOEY2	149065	18 March 2020	19 March 2023	200,000	3.54%	If the issuer does not execute its right in the deferred interest payment, corresponding interests shall be paid for this issue of bonds yearly, and the last installment of interest shall be paid with the redemption of principal.
2020 Public Offering of Renewable Corporate	20BOEY3	149108	24 April 2020	27 April 2024	200,000	3.50%	If the issuer does not execute its right in the

Bonds of BOE (for qualified investors) (Phase III) (epidemic prevention and control bonds)							deferred interest payment, corresponding interests shall be paid for this issue of bonds yearly, and the last installment of interest shall be paid with the redemption of principal.
Listed or transferred trading place of the Company bonds	SZSE.						
Appropriate arrangement of the investors	The qualified investors						
Interest payment during the Reporting Period	The Company paid the interests of the corporate bonds 19BOEY1 for the period from 29 October 2019 to 28 October 2020 on 29 October 2020.						
Execution of the relevant regulations during the Reporting Period such as the affiliated option clause of the issuers or investors, special clauses such as the exchangeable regulations of the Company bonds (if applicable)	For the renewable corporate bonds “19BOEY1”, “20BOEY1”, “20BOEY2” and “20BOEY3” 3 interest-bearing years shall be regarded as a cycle. At the end of each cycle, the issuer shall have the right to conditionally extend the issue of bonds for another cycle (3 years) or choose to fully redeem the due bonds at the end of the cycle. All bonds issued in the Reporting Period entitle the issuer the right in the deferred interest payment. As of the approval quotation date of the Annual Report, these bonds have not yet been executed.						

II. List of the Bond Trustee and the Rating Organization

Bond trustee:							
Name	China Securities Co., Ltd.	Office address	Rm. 2203, North Tower, Shanghai Securities Plaza, 528 Pudong Road South, Shanghai	Contact person	Zhu Mingqiang, Han Yong, Liao Ling, Xu Tianquan, Chen Qiaoling, Minggennamuer	Contact number	021-68801569
Rating organization executed the tracking rating of the corporate bonds of the Reporting Period:							
Name	China Lianhe Credit Rating Co., Ltd.		Office address	12/F, PICC Building, No.2 Jianwai Street, Chaoyang District, Beijing			
Alternation reasons, execution process and influences on the investors' interests etc. if there was alternation of the bond trustees and the credit rating agencies engaged by the Company during the Reporting Period (if applicable)			The People's Bank of China and the China Securities Regulatory Commission jointly issued Announcement [2018] No. 14 to encourage the integration of different credit-rating agencies, as legal entities, under the same actual controller through mergers, restructuring and other market-based approaches. China Lianhe Credit Rating Co., Ltd. (the former parent company of the rating agency United Ratings) assumed all the securities rating business of United Ratings and its corresponding rights and obligations on 26 October 2020. China Lianhe Credit Rating Co., Ltd. will be responsible for the Company's subsequent follow-up rating business, which will have				

	no impact on the Company's bond business.
--	---

III. List of the Usage of the Raised Funds of the Corporate Bonds

List of the usage of the raised funds and the execution process of the Company bonds	The Company executed the internal decision-making process strictly according to the applications committed by the prospectus as well as the review and approval regulations of the Board of Directors and meetings of shareholders of the Company.
Ending balance (RMB'0,000)	1,058.13
Operating situation of the raised funds special account	The Company signed the <i>Agreement on BOE's Public Issue of Renewable Corporate Bonds Account and Three-party Supervision of Funds</i> with Beijing Branch of Ping An Bank, CITIC Bank Beijing Branch, BDA Sub-branch of ABC, and BDA Sub-branch of ICBC and the Business Department of Beijing Branch of China Merchants Bank and opened special bank accounts for the raised fund so as to earmark the fund for its specified purpose only.
Whether the usage of the raised funds met with the usage, using plan and other agreements committed on the prospectus	Yes

IV. Rating Situation of the Corporate Bonds Information

Bond name	Corporate credit rating	Outlook on corporate rating	Credit rating of corporate bonds	Letter of credit rating	Date of report disclosure
19BOEY1	AAA	Stable	AAA	LH[2019]No.2141	23 October 2019
20BOEY1	AAA	Stable	AAA	LH[2020]No.236	25 February 2020
20BOEY2	AAA	Stable	AAA	LHPZ[2020]No.376	16 March 2020
20BOEY3	AAA	Stable	AAA	LHPZ[2020]No.692	22 April 2020

On 19 June 2020, United Credit Ratings Co., Ltd. issued the *Follow-up Rating Report of the 2020 for the Renewable Corporate Bonds of BOE Technology Group Co., Ltd.* According to the Report, the issuer was still granted with a corporate long-term credit rating of AAA with rating outlook rated as Stable; the bond credit rating remained AAA. The Follow-up Rating Report was published on <http://www.cninfo.com.cn/> and the website of United Ratings at www.unitedratings.com.cn. on 22 June 2020.

It is estimated that China Lianhe Credit Rating Co., Ltd. will issue the *Follow-up Rating Report of the 2021 for the Renewable Corporate Bonds of BOE Technology Group Co., Ltd.* in June 2021. The Company will disclose the tracking rating analysis report on www.szse.cn in time. And please investors pay attention to it.

V. Credit-adding Mechanism, Repayment Plan and Other Repayment Guarantee Measures of the Corporate Bonds

“19BOEY1”, “20BOEY1”, “20BOEY2” and “20BOEY3” renewable corporate bonds are unsecured bonds without any other credit enhancement measures.

“19BOEY1” Bond Retirement Plan can be described as follows: (1) the value date of this issue of bonds is 29 October 2019; (2) if the issuer does not execute the right of deferred payment of interest, corresponding interests shall be paid yearly upon matured, and each October 29 (in case of official holidays or weekends, it shall postpone to the next working day) within the existing period shall be the

interest payment day for the previous interest-bearing year; (3) the issuer of corporate bonds shall have the option for renewal. If the issuer chooses to extend the bonds' duration in the renewal option execution year, the bonds' duration shall extend for another cycle from the interest payment day of the interest-bearing year. If the issuer chooses to fully redeem the bonds in the renewal option execution year, the interest payment day of the interest-bearing year shall be the bonds' redemption day.

"20BOEY1" Bond Retirement Plan can be described as follows: (1) the value date of this issue of bonds is 28 February 2020; (2) if the issuer does not execute the right of deferred payment of interest, corresponding interests shall be paid yearly upon matured, and each February 28 (in case of official holidays or weekends, it shall postpone to the next working day) within the existing period shall be the interest payment day for the previous interest-bearing year; (3) the issuer of corporate bonds shall have the option for renewal. If the issuer chooses to extend the bonds' duration in the renewal option execution year, the bonds' duration shall extend for another cycle from the interest payment day of the interest-bearing year. If the issuer chooses to fully redeem the bonds in the renewal option execution year, the interest payment day of the interest-bearing year shall be the bonds' redemption day.

"20BOEY2" Bond Retirement Plan can be described as follows: (1) the value date of this issue of bonds is 19 March 2020; (2) if the issuer does not execute the right of deferred payment of interest, corresponding interests shall be paid yearly upon matured, and each March 19 (in case of official holidays or weekends, it shall postpone to the next working day) within the existing period shall be the interest payment day for the previous interest-bearing year; (3) the issuer of corporate bonds shall have the option for renewal. If the issuer chooses to extend the bonds' duration in the renewal option execution year, the bonds' duration shall extend for another cycle from the interest payment day of the interest-bearing year. If the issuer chooses to fully redeem the bonds in the renewal option execution year, the interest payment day of the interest-bearing year shall be the bonds' redemption day.

"20BOEY3" Bond Retirement Plan can be described as follows: (1) the value date of this issue of bonds is 27 April 2020; (2) if the issuer does not execute the right of deferred payment of interest, corresponding interests shall be paid yearly upon matured, and each April 27 (in case of official holidays or weekends, it shall postpone to the next working day) within the existing period shall be the interest payment day for the previous interest-bearing year; (3) the issuer of corporate bonds shall have the option for renewal. If the issuer chooses to extend the bonds' duration in the renewal option execution year, the bonds' duration shall extend for another cycle from the interest payment day of the interest-bearing year. If the issuer chooses to fully redeem the bonds in the renewal option execution year, the interest payment day of the interest-bearing year shall be the bonds' redemption day.

The repayment guarantee measures of the corporate bonds of "19BOEY1", "20BOEY1", "20BOEY2" and "20BOEY3": to formulate the Meeting Regulations of the Bondholders and the repayment guarantee measures; to formulate and strictly carry out the funds management plans; to fully exert the functions of the bond trustees; to strictly disclose the information; at the same time, when expected to fail to repay the principals and interest of the bonds on time or failed to repay the principals and interest of the bonds when expired, the Company will at least adopt the measures of the execution of the capital expenditures projects such as to postpone the significant external investment and the purchase as well as merger and so on that guarantee the repayment of the debts.

During the Reporting Period and before the approval quotation date of this Report, there was no alternation of the credit-adding mechanism, debt repayment plan and other repayment guarantee measures of the corporate bonds.

VI. Convene Situation of the Bonds Holders Meeting during the Reporting Period

Naught

VII. List of the Duty Execution of the Bonds Trustee during the Reporting Period

As the bonds trustee of the Reporting Period, China Securities Co., Ltd. constantly paid attention to the operating, finance and credit situation of the Company strictly according to the relevant laws and regulations such as the *Regulations of the Offering and Trading of the Corporate Bonds*, *Professional Code of Conduct of the Bond Trustee of the Corporate Bonds* and vigorously executed the responsibilities as a trustee as well as maintained the legal interests of the bondholders; there was no any situation conflicted to the

Company's interests when executing the relevant responsibilities of the trustee.

VIII. The Major Accounting Data and the Financial Indicators of the Recent 2 Years of the Company up the Period-end

Item	2020	2019	YoY Change
EBITDA (RMB'0,000)	3,215,335	2,201,586	46.05%
Current ratio	1.23	1.33	-7.52%
Asset-liability ratio	59.13%	58.56%	0.57%
Quick ratio	1.06	1.17	-9.40%
Total debt ratio of EBITDA	19.23%	16.26%	2.97%
Times interest earned	2.27	1.14	99.12%
Times interest earned of cash	8.07	5.80	39.14%
Times interest earned of EBITDA	6.69	6.03	10.95%
Loan repayment rate	100.00%	100.00%	0.00%
Interest coverage	100.00%	100.00%	0.00%

Main reason of the above accounting data and the financial indicators with the YoY change exceeded 30%

Applicable Not applicable

EBITDA increased 46.05% compared with that of the same period of last year, mainly due to the increase of total profit.

Times interest earned increased 99.12% compared with that of the same period of last year, mainly due to the increase of total profit.

Times interest earned of cash increased 39.14% compared with that of the same period of last year, mainly due to the increase of net cash generated from/used in operating activities.

IX. List of the Interest Payment of Other Bonds and Debt Financing Instruments during the Reporting Period

The Company paid interest of the private placement bond Euro PP for the period from 24 December 2019 to 23 December 2020 respectively on 30 June 2020 and 24 December 2020. .

X. List of the Acquired Bank Credit Lines, Usage and the Repayment of the Bank Loans

The Company has standardized operation, good reputation, strong profitability and solvency. It has a good credit status with major banks. It has maintained long-term partnership with major domestic commercial banks, obtained higher credit lines from various banks, and has indirect debt financing capabilities Strong. Up to 31 December 2020, the total amount of credit lines from major banks was RMB63 billion with the used credit lines of RMB30.5 billion and the unused credit lines of RMB32.5 billion. The Company has a good record of debt repayment. The principals and the interest of bank loans were repaid on time. No bank loans were extended in the Reporting Period.

XI. List of the Execution of the Agreements or the Commitments Related to the Company Bonds Raising Specification during the Reporting Period

Up to the approval quotation date of the Annual Report, the Company strictly carried out each agreement and commitment of the current bond prospectus, and there was no any situation of the inefficient execution of the relevant agreements or commitments according to the bond prospectus by the Company that caused the negative influences on the bonds investors.

XII. Significant Events Occurring during the Reporting Period

As of the approval quotation date of the Annual Report, no significant events presented in Article 45 of Measures for the Administration of Corporate Bond Issuance and Trading occurred.

XIII. Whether there Was Guarantor of the Corporate Bonds

Yes No

Part XII Financial Statements

I Independent Auditor's Report

Type of the independent auditor's opinion	Standard unqualified audit opinion
Date of signing this report	April 9, 2021
Name of the independent auditor	KPMG Huazhen Certified Public Accountants (LLP)
Reference number of auditor's report	KPMGHZSZ No. 2102796
Name of the certified public accountants	Zhang Huan, Chai Jing

AUDITORS' REPORT

毕马威华振审字第 2102796 号

All shareholders of BOE Technology Group Co., Ltd.:

Opinion

We have audited the accompanying financial statements of BOE Technology Group Company Limited ("BOE"), which comprise the consolidated and company's balance sheet as at 31 December 2020, the consolidated and company's income statement, the consolidated and company's cash flow statement, and the consolidated and company's statement of changes in shareholders' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position of BOE as at 31 December 2020, and its consolidated and company's financial performance and cash flows of BOE for the year then ended in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing for Certified Public Accountants ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of BOE in accordance with the China Code of Ethics for Certified Public Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

AUDITORS' REPORT (continued)

毕马威华振审字第 2102796 号

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
Refer to the accounting policies set out in the notes to the financial statements “III. Significant accounting policies and accounting estimates” 23 and “V. Notes to the consolidated financial statements” 44.	
The Key Audit Matter	How the matter was addressed in our audit
<p>The revenue of BOE and its subsidiaries (“BOE Group”) is mainly derived from the sales of products relating to display device across the domestic and overseas market.</p> <p>The sales contracts/orders signed between BOE Group and its customers (mainly electronic equipment manufacturers) contain various trading terms. BOE Group judges the transfer timing of control according to the trading terms, and recognises revenue accordingly. Depending on the trading terms, the income is usually recognised when the goods are delivered and received, or when they are received by the carrier.</p> <p>We identified the recognition of BOE Group’s revenue as a key audit matter because revenue, as one of BOE Group’s key performance indicators, involves various trading terms, and there is an inherent risk that revenue may not be recognised in a correct period.</p>	<p>Our audit procedures to evaluate revenue recognition included the following:</p> <ul style="list-style-type: none"> ● Evaluate the design and operation effectiveness of key internal controls related to revenue recognition; ● Check key sales contracts/orders on a sampling basis to identify relevant trading terms, and evaluate whether the accounting policies for revenue recognition of BOE Group meet the requirements of the Enterprise Accounting Standards; ● On a sampling basis and according to different trading terms, reconcile the revenue recorded in the current year to relevant supporting files such as relevant orders, shipping orders, sales invoices, customs declarations, delivery receipts, etc. to evaluate whether revenue is recognised in accordance with the accounting policy of BOE Group; ● On a sampling basis and according to different trading terms, cross check the revenue recorded before and after the balance sheet date against relevant supporting files such as relevant orders, shipping orders, sales invoices, customs declarations, delivery receipts, etc. to evaluate whether revenue is recorded in the appropriate period;

AUDITORS' REPORT (continued)

毕马威华振审字第 2102796 号

Key Audit Matters (continued)

Revenue recognition (continued)	
Refer to the accounting policies set out in the notes to the financial statements “III. Significant accounting policies and accounting estimates” 23 and “V. Notes to the consolidated financial statements” 44.	
The Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none">● Select a sample based on the characteristics and nature of customer’s transaction, and perform certification on the balance of accounts receivable as at the balance sheet date and the sales transaction amount during the current year;● On a sampling basis, check the written-back of revenue after the balance sheet date (including sales discounts and sales returns, etc.) with relevant supporting documents to assess whether revenue is recorded in the appropriate period;● Select revenue accounting entries that meet specific risk criteria and check related supporting documents.

AUDITORS' REPORT (continued)

毕马威华振审字第 2102796 号

Key Audit Matters (continued)

Book value of fixed assets and construction in progress	
Refer to the accounting policies set out in the notes to the financial statements “III. Significant accounting policies and accounting estimates” 13, 14 and “V. Notes to the consolidated financial statements” 14, 15.	
The Key Audit Matter	How the matter was addressed in our audit
<p>BOE Group continued to invest in building production lines of display device to expand its production capacity. As at 31 December 2020, the book value of fixed assets and construction in progress amounted to RMB 267,442 million.</p> <p>The judgement made by the management on the following aspects will affect the book value of fixed assets and construction in progress, including:</p> <ul style="list-style-type: none"> ● Determine which type of expenditures are qualified for capitalisation; ● Determine the timing for transferring construction in progress to fixed assets and making depreciation; ● Estimate the useful life and residual value of corresponding fixed assets. <p>We identified the book value of fixed assets and construction in progress of BOE Group as a key audit matter because the valuation of the book value of fixed assets and construction in progress involves significant judgement from the management and it is of importance to the consolidated financial statements.</p>	<p>Our audit procedures to assess the book value of fixed assets and construction in progress included the following:</p> <ul style="list-style-type: none"> ● Evaluate the design and operation effectiveness of key internal controls (including estimating useful life and residual values, etc.) related to the integrity, existence and accuracy of fixed assets and construction in progress; ● Check the physical status of construction in progress and fixed assets on a sampling basis; ● Check capital expenditures with relevant supporting documents (including purchase agreements/orders, acceptance orders, engineering construction contracts, project progress reports, etc.) on a sampling basis; ● Assess whether the capitalised commissioning expenses for the current year are in compliance with relevant capitalisation conditions; check the commissioning expenses with relevant supporting documents on a sampling basis; ● On the basis of sampling, assess the timing for transferring construction in progress to fixed assets, through the inspection of commissioning situation and the documents for transferring construction in progress to fixed assets; ● Based on our understanding of industry practices and actual operating conditions of assets, we evaluate the management’s estimation of the useful life and residual value of fixed assets.

AUDITORS' REPORT (continued)

毕马威华振审字第 2102796 号

Key Audit Matters (continued)

Impairment of fixed assets and intangible assets	
Refer to the accounting policies set out in the notes to the financial statements “III. Significant accounting policies and accounting estimates” 19 and “V. Notes to the consolidated financial statements” 14, 16.	
The Key Audit Matter	How the matter was addressed in our audit
<p>BOE Group principally generates revenue from the production and sale of display device. Due to the fluctuation of supply-demand relationship of display device and the influence of technology upgrading, the profit level of different production lines suffer dramatic fluctuation. As at 31 December 2020, the book value of fixed assets and intangible assets amounted to RMB 236,743 million, the judgement on impairment indications and impairment test are material to BOE Group’s financial statements.</p> <p>The management classifies asset groups based on the smallest identifiable group of assets that generates cash inflows that are independent, and continuously monitors the trend of market of supply and demand as well as the technology evolution; comprehensively judges impairment indications of each asset group in accordance with market trends, operating conditions of production lines and technological advanced performance, and performs impairment test on asset groups if any impairment indication exists.</p> <p>For asset groups with impairment indications, the management assesses whether the book value of fixed assets and intangible assets as at 31 December 2020 were impaired by calculating the present value of expected future cash flows. Calculating the present value of expected future cash flows requires management to make significant judgements, especially for the estimation of future selling prices, sales volume and applicable discount rate.</p>	<p>Our audit procedures to assess the impairment of fixed assets and intangible assets included the following:</p> <ul style="list-style-type: none"> ● Evaluate management’s identification of asset groups, assessment of impairment indications, and assess the design and operation effectiveness of key internal controls for impairment tests; ● Based on our understanding of BOE Group’s businesses and relevant accounting standards, evaluate management’s classification basis of asset groups and judgement basis of impairment indications; ● For asset groups with impairment indications, based on our understanding of the industry, compare the key assumptions in the calculation of recoverable amounts used by management with external available data and historical analysis, including future selling prices, sales volume and discount rate used by management, evaluate the key assumptions and estimations used by the management; ● For asset groups with significant impairment risk, assess the competence, professional quality and objectivity of experts hired by the management; and adopt our own valuation experts’ work, assess if discount rates used for estimating the present value of future cash flows by management are within the range used by other companies in the same industry;

AUDITOR’S REPORT (continued)

毕马威华振审字第 2102796 号

Key Audit Matters (continued)

Impairment of fixed assets and intangible assets (continued)	
Refer to the accounting policies set out in the notes to the financial statements “III. Significant accounting policies and accounting estimates” 19 and “V. Notes to the consolidated financial statements” 14, 16.	
The Key Audit Matter	How the matter was addressed in our audit
<p>We identified the impairment of fixed assets and intangible assets as a key audit matter because the book value of fixed assets and intangible assets is significant to the financial statements; management’s significant judgements and estimations are involved in assessing the classification basis of asset groups, existence of impairment indications and impairment test of asset groups with impairment indications, which may exist errors or potential management bias.</p>	<p>Our audit procedures to assess the impairment of fixed assets and intangible assets included the following:</p> <ul style="list-style-type: none"> ● Compare estimations used for calculating the present value of expected future cash flows in the previous year by the management with the actual situation in this year to consider the historical accuracy of management’s forecast results; ● Perform sensitivity analysis on key assumptions, including future selling prices, sales volume and discount rates, used in the calculation of recoverable amount by the management; assess how changes in key assumptions (individually or collectively) will lead to different results and assess whether there are indications of management bias in the selection of key assumptions; ● Consider whether the disclosure of impairment of fixed assets and intangible assets in the financial statements is consistent with relevant accounting policy.

AUDITOR'S REPORT (continued)

毕马威华振审字第 2102796 号

Other Information

BOE's management is responsible for the other information. The other information comprises all the information included in 2020 annual report of BOE, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of BOE to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless BOE either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of BOE.

AUDITORS' REPORT (continued)

毕马威华振审字第 2102796 号

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the BOE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause BOE to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

AUDITORS' REPORT (continued)

毕马威华振审字第 2102796 号

Auditor's Responsibilities for the Audit of the Financial Statement (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within BOE to express an opinion on the financial statements. We are responsible for the instruction, supervision and execution of Conch Group's audit, and assume full responsibility for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Huazhen LLP

Certified Public Accountants Registered in the
People's Republic of China

Zhang Huan (Engagement Partner)

Beijing China

Chai Jing

9 April 2021

Consolidated balance sheet
as at 31 December 2020
(Expressed in Renminbi Yuan)

	<i>Note</i>	2020	2019
Assets			
Current assets			
Cash at bank and on hand	V. 1	73,694,296,095	56,972,723,239
Financial assets held for trading	V. 2	4,367,201,833	5,809,184,994
Bills receivable	V. 3	215,994,373	331,145,492
Accounts receivable	V. 4	22,969,140,355	18,135,687,806
Prepayments	V. 5	1,119,595,984	626,985,706
Other receivables	V. 6	658,114,833	706,171,112
Inventories	V. 7	17,875,454,490	12,396,194,762
Contract assets	V. 8	49,897,395	-
Assets held for sale	V. 9	186,892,645	173,910,820
Other current assets	V. 10	7,848,869,252	9,296,637,067
		<u>128,985,457,255</u>	<u>104,448,640,998</u>
Total current assets		----- 128,985,457,255	----- 104,448,640,998

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated balance sheet
 as at 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Assets (continued)			
Non-current assets			
Long-term equity investments	V. 11	3,693,170,224	2,718,037,934
Investments in other equity instruments	V. 12	533,645,423	632,076,647
Investment properties	V. 13	1,196,168,511	1,241,242,850
Fixed assets	V. 14	224,866,586,069	125,786,241,938
Construction in progress	V. 15	42,575,849,952	87,376,782,527
Intangible assets	V. 16	11,875,926,448	7,416,416,829
Goodwill	V. 17	1,400,357,242	707,603,856
Long-term deferred expenses	V. 18	299,634,100	345,424,409
Deferred tax assets	V. 19	205,041,088	248,153,761
Other non-current assets	V. 20	8,624,970,019	9,491,581,559
		<hr/>	<hr/>
Total non-current assets		295,271,349,076	235,963,562,310
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
		<hr/>	<hr/>
Total assets		424,256,806,331	340,412,203,308
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated balance sheet
 as at 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans	V. 21	8,599,569,471	6,366,717,121
Bills payable	V. 22	1,231,533,895	2,028,917,980
Accounts payable	V. 23	27,164,171,682	21,183,567,553
Advance payments received	V. 24	124,040,749	1,260,732,785
Contract liabilities	V. 25	3,440,720,535	-
Employee benefits payable	V. 26	3,758,623,797	2,373,745,454
Taxes payable	V. 27	1,077,686,869	730,996,129
Other payables	V. 28	32,867,709,024	24,570,589,610
Non-current liabilities due within one year	V. 29	24,500,550,121	18,849,281,019
Other current liabilities	V. 30	<u>2,194,716,852</u>	<u>1,013,738,515</u>
Total current liabilities		<u>104,959,322,995</u>	<u>78,378,286,166</u>

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated balance sheet
 as at 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Liabilities and shareholders' equity (continued)			
Non-current liabilities			
Long-term loans	V. 31	132,452,767,135	107,730,595,615
Debentures payable	V. 32	398,971,739	387,878,384
Long-term payables	V. 33	2,114,175,683	984,520,824
Provisions	V. 34	-	16,457,010
Deferred income	V. 35	4,246,231,468	2,204,400,566
Deferred tax liabilities	V. 19	1,427,601,154	1,451,825,357
Other non-current liabilities	V. 36	<u>5,260,001,443</u>	<u>8,200,542,412</u>
Total non-current liabilities		<u>145,899,748,622</u>	<u>120,976,220,168</u>
Total liabilities		<u>250,859,071,617</u>	<u>199,354,506,334</u>

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated balance sheet
 as at 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	2020	2019
Liabilities and shareholders' equity (continued)			
Shareholders' equity			
Share capital	V. 37	34,798,398,763	34,798,398,763
Other equity instruments	V. 38	14,146,997,427	8,013,156,853
Capital reserve	V. 39	37,435,655,934	38,353,242,364
Less: Treasury shares	V. 40	1,036,298,508	-
Other comprehensive income	V. 41	(22,198,072)	(4,566,639)
Surplus reserve	V. 42	2,444,416,669	1,516,139,709
Retained earnings	V. 43	15,509,794,622	12,381,758,005
		<u>103,276,766,835</u>	<u>95,058,129,055</u>
Total equity attributable to shareholders of the Company		103,276,766,835	95,058,129,055
Non-controlling interests		<u>70,120,967,879</u>	<u>45,999,567,919</u>
Total shareholders' equity		<u>173,397,734,714</u>	<u>141,057,696,974</u>
Total liabilities and shareholders' equity		<u>424,256,806,331</u>	<u>340,412,203,308</u>

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

Chen Yanshun	Liu Xiaodong	Sun Yun	Yang Xiaoping	(Company stamp)
Chairman of the Board	Chief Executive Officer	Chief Financial Officer	The head of the accounting department	
(Signature and stamp)	(Signature and stamp)	(Signature stamp)	(Signature stamp)	

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company balance sheet
 as at 31 December 2020
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Assets			
Current assets			
Cash at bank and on hand	XV. 1	4,375,497,010	3,680,770,048
Bills receivable		-	84,230,531
Accounts receivable	XV. 2	3,974,212,308	646,533,115
Prepayments		12,185,651	77,682,682
Other receivables	XV. 3	16,345,474,583	4,827,398,094
Inventories		18,622,283	13,935,401
Other current assets	XV. 4	<u>177,761,718</u>	<u>109,497,897</u>
Total current assets		<u>24,903,753,553</u>	<u>9,440,047,768</u>

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company balance sheet
 as at 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Assets (continued)			
Non-current assets			
Long-term equity investments	XV. 5	182,135,057,208	159,389,864,760
Investments in other equity instruments		81,192,872	79,405,724
Investment properties		271,212,241	280,525,802
Fixed assets		1,009,178,229	949,104,308
Construction in progress		418,343,961	358,933,667
Intangible assets	XV. 6	1,380,069,827	1,493,632,264
Long-term deferred expenses		105,439,681	109,216,398
Deferred tax assets	XV. 7	-	360,268,466
Other non-current assets		2,611,437,988	162,516,190
		<hr/>	<hr/>
Total non-current assets		188,011,932,007	163,183,467,579
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
		<hr/>	<hr/>
Total assets		212,915,685,560	172,623,515,347
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company balance sheet
 as at 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans		-	1,220,000,000
Accounts payable		272,241,469	27,919,341
Advance payments received	XV. 8	18,286,458	2,117,568,995
Employee benefits payable	XV. 9	516,060,153	252,206,075
Taxes payable		87,179,892	107,287,957
Other payables	XV. 10	6,541,918,681	5,260,470,974
Non-current liabilities due within one year		7,847,210,073	5,490,440,787
Other current liabilities		1,977,977	1,423,133
		<u>15,284,874,703</u>	<u>14,477,317,262</u>
Total current liabilities		----- 15,284,874,703	----- 14,477,317,262
Non-current liabilities			
Long-term loans	XV. 11	38,360,714,121	33,310,701,574
Deferred income	XV. 12	3,633,342,446	4,627,393,256
Deferred tax liabilities	XV. 7	385,697,604	-
Other non-current liabilities		56,156,661,805	33,297,240,830
		<u>98,536,415,976</u>	<u>71,235,335,660</u>
Total non-current liabilities		----- 98,536,415,976	----- 71,235,335,660
Total liabilities		----- 113,821,290,679	----- 85,712,652,922

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company balance sheet
 as at 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Liabilities and shareholders' equity (continued)			
Shareholders' equity			
Share capital	V. 37	34,798,398,763	34,798,398,763
Other equity instruments	V. 38	14,146,997,427	8,013,156,853
Capital reserve	XV. 13	36,696,079,366	37,608,039,685
Less: Treasury shares	V. 40	1,036,298,508	-
Other comprehensive income	XV. 14	90,713,133	193,638,576
Surplus reserve	V. 42	2,444,416,669	1,516,139,709
Retained earnings	XV. 15	<u>11,954,088,031</u>	<u>4,781,488,839</u>
Total shareholders' equity		<u>99,094,394,881</u>	<u>86,910,862,425</u>
Total liabilities and shareholders' equity		<u>212,915,685,560</u>	<u>172,623,515,347</u>

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

Chen Yanshun	Liu Xiaodong	Sun Yun	Yang Xiaoping	
Chairman of the Board	Chief Executive Officer	Chief Financial Officer	The head of the accounting department	(Company stamp)
(Signature and stamp)	(Signature and stamp)	(Signature stamp)	(Signature stamp)	and

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
Consolidated income statement
for the year ended 31 December 2020
(Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
I. Operating income	V. 44	135,552,569,729	116,059,590,164
II. Less: Operating costs	V. 44	108,823,122,756	98,446,269,296
Taxes and surcharges	V. 45	1,078,900,085	861,100,605
Selling and distribution expenses	V. 46	3,137,719,001	2,917,865,380
General and administrative expenses	V. 47	6,203,600,521	5,214,948,027
Research and development expenses	V. 48	7,622,597,925	6,699,973,240
Financial expenses	V. 49	2,650,153,972	1,994,150,258
Including: Interest expenses		3,497,697,709	2,525,136,209
Interest income		873,376,712	840,190,118
Add: Other income	V. 50	2,337,705,817	2,605,658,711
Investment income	V. 51	897,891,109	342,620,691
Including: Income from investment in associates and joint ventures		444,407,986	200,020,686
Gains from changes in fair value	V. 52	31,936,339	137,473,077
Credit losses	V. 53	1,827,519	(28,262,627)
Impairment losses	V. 54	(3,280,425,399)	(2,584,183,258)
Gains from asset disposals	V. 55	19,061,846	79,029
III. Operating profit		6,044,472,700	398,668,981
Add: Non-operating income	V. 56	120,503,628	208,430,198
Less: Non-operating expenses	V. 56	72,139,666	103,349,078

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated income statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	2020	2019
IV. Profit before income tax		6,092,836,662	503,750,101
Less: Income tax expenses	V. 57	<u>1,564,566,246</u>	<u>979,991,504</u>
V. Net profit/(losses) for the year		----- 4,528,270,416	----- (476,241,403)
Attributable to:			
Shareholders of the Company		5,035,627,952	1,918,643,871
Non-controlling interests		(507,357,536)	(2,394,885,274)

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated income statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
VI. Other comprehensive income, net of tax	V. 41	165,945,656	228,445,653
Other comprehensive income (net of tax) attributable to owners of the Company		177,438,725	236,859,881
(1) Items that will not be reclassified to profit or loss			
a. Other comprehensive income recognised under equity method		136,381,254	366,930,596
b. Changes in fair value of investments in other equity instruments		(19,975,534)	(36,688,762)
(2) Items that may be reclassified to profit or loss			
a. Other comprehensive income recognised under equity method		11,835	-
b. Translation differences arising from translation of foreign currency financial statements		61,021,170	(93,381,953)
Other comprehensive income (net of tax) attributable to non-controlling interests		(11,493,069)	(8,414,228)

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated income statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
VII. Total comprehensive income for the year		<u>4,694,216,072</u>	<u>(247,795,750)</u>
Attributable to shareholders of the Company		5,213,066,677	2,155,503,752
Attributable to non-controlling interests		(518,850,605)	(2,403,299,502)
VIII. Earnings per share			
(1) Basic earnings per share	V. 58	0.13	0.05
(2) Diluted earnings per share	V. 58	0.13	0.05

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

Chen Yanshun Chairman of the Board	Liu Xiaodong Chief Executive Officer	Sun Yun Chief Financial Officer	Yang Xiaoping The head of the accounting department	
(Signature stamp) and	(Signature stamp) and	(Signature stamp) and	(Signature stamp) and	(Company stamp)

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
Company income statement
for the year ended 31 December 2020
(Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
I. Operating income	XV. 16	4,541,676,195	4,785,387,719
II. Less: Operating costs		22,304,841	29,852,957
Taxes and surcharges	XV. 17	40,889,596	41,488,521
General and administrative expenses		858,750,449	741,464,420
Research and development expenses	XV. 18	2,102,895,125	2,184,751,287
Financial expenses	XV. 19	916,538,545	903,880,632
Including: Interest expenses		970,259,855	934,776,554
Interest income		37,793,976	41,156,445
Add: Other income	XV. 20	970,989,167	945,400,212
Investment income	XV. 21	2,429,685,102	2,185,769,102
Including: Income from investment in associates and joint ventures		416,901,621	244,595,829
Credit losses		(5,376,889)	(62,558,750)
Impairment losses		-	(32,000,000)
III. Operating profit		3,995,595,019	3,920,560,466
Add: Non-operating income		6,879,087	4,120,515
Less: Non-operating expenses		11,908,850	8,305,483
IV. Profit before income tax		3,990,565,256	3,916,375,498
Less: Income tax expenses	XV. 22	251,373,672	230,811,042
V. Net profit		3,739,191,584	3,685,564,456

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company income statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	2020	2019
VI. Other comprehensive income, net of tax	XV. 14	136,131,965	389,401,782
(1) Items that will not be reclassified to profit or loss		-----	-----
a. Other comprehensive income recognised under equity method		136,381,254	366,930,596
b. Changes in fair value of investments in other equity instruments		(261,124)	22,471,186
(2) Items that may be reclassified to profit or loss		11,835	-
VII. Total comprehensive income for the year		<u>3,875,323,549</u>	<u>4,074,966,238</u>

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

Chen Yanshun	Liu Xiaodong	Sun Yun	Yang Xiaoping	
Chairman of the Board	Chief Executive Officer	Chief Financial Officer	The head of the accounting department	(Company stamp)
(Signature and stamp)	(Signature and stamp)	(Signature stamp)	(Signature and stamp)	

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated cash flow statement
 for the year ended 31 December 2020
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
I. Cash flows from operating activities:			
Proceeds from sale of goods and rendering of services		152,737,944,370	131,939,100,428
Refund of taxes		11,677,125,705	9,211,921,444
Proceeds from other operating activities		<u>5,178,686,102</u>	<u>4,372,301,569</u>
Sub-total of cash inflows		----- 169,593,756,177	----- 145,523,323,441
Payment for goods and services		(115,414,695,545)	(103,103,588,751)
Payment to and for employees		(10,375,043,429)	(11,274,232,340)
Payment of various taxes		(2,493,092,709)	(2,151,136,164)
Payment for other operating activities		<u>(2,059,151,036)</u>	<u>(2,911,286,992)</u>
Sub-total of cash outflows		----- (130,341,982,719)	----- (119,440,244,247)
Net cash inflow from operating activities	V. 59(1)	----- 39,251,773,458	----- 26,083,079,194

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated cash flow statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
II. Cash flows from investing activities:			
Proceeds from disposal of investments		23,039,182,987	33,515,656,910
Investment returns received		79,109,825	93,386,997
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets		177,874,045	19,822,394
Net amount received from subsidiaries	V. 59(2)	954,155,710	33,640,033
Net proceeds from disposal of subsidiaries		336,086,996	-
Proceeds from other investing activities		945,857,001	2,287,178,748
		<hr/>	<hr/>
Sub-total of cash inflows		25,532,266,564	35,949,685,082
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Payment for acquisition of fixed assets, intangible assets and other long-term assets		(44,215,334,543)	(49,415,897,698)
Payment for acquisition of investments		(20,725,326,161)	(33,949,914,820)
Net payment for acquisition of subsidiaries and other business units	V. 59(2)	(1,895,124,119)	-
Payment for other investing activities		(2,103,448,590)	-
		<hr/>	<hr/>
Sub-total of cash outflows		(68,939,233,413)	(83,365,812,518)
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Net cash outflow from investing activities		(43,406,966,849)	(47,416,127,436)
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated cash flow statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
III. Cash flows from financing activities:			
Proceeds from investors		10,377,793,629	14,066,343,889
Including: Proceeds from non-controlling shareholders of subsidiaries		10,377,793,629	14,066,343,889
Proceeds from issuance of debentures		5,966,660,000	8,075,977,975
Proceeds from borrowings		50,709,738,711	53,575,950,243
Net amount of monetary movements for pledging loans		2,927,370,511	-
Proceeds from other financing activities		920,016,046	6,000,000
		<hr/>	<hr/>
Sub-total of cash inflows		70,901,578,897	75,724,272,107
		-----	-----

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated cash flow statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	Note	2020	2019
III. Cash flows from financing activities (continued):			
Repayments of borrowings		(38,547,043,449)	(36,944,543,462)
Payment for dividends or interest		(6,520,054,957)	(6,746,163,635)
Including: Profits paid to non-controlling shareholders of subsidiaries		(88,810,446)	(10,911,242)
Net amount of monetary movements for pledging loans		-	(287,261,600)
Payment for other financing activities		<u>(2,016,750,534)</u>	<u>(3,967,658,080)</u>
Sub-total of cash outflows		<u>(47,083,848,940)</u>	<u>(47,945,626,777)</u>
Net cash inflow from financing activities		<u>23,817,729,957</u>	<u>27,778,645,330</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents		<u>(1,868,121,768)</u>	<u>474,027,965</u>
V. Net increase in cash and cash equivalents	V. 59(1)	17,794,414,798	6,919,625,053
Add: Cash and cash equivalents at the beginning of the year		<u>50,270,321,573</u>	<u>43,350,696,520</u>
VI. Cash and cash equivalents at the end of the year	V. 59(3)	<u><u>68,064,736,371</u></u>	<u><u>50,270,321,573</u></u>

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

Chen Yanshun	Liu Xiaodong	Sun Yun	Yang Xiaoping	(Company stamp)
Chairman of the Board	Chief Executive Officer	Chief Financial Officer	The head of the accounting department	
(Signature and stamp)	(Signature and stamp)	(Signature stamp)	(Signature and stamp)	

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company cash flow statement
 for the year ended 31 December 2020
 (Expressed in Renminbi Yuan)

	<i>Note</i>	2020	2019
I. Cash flows from operating activities:			
Proceeds from sale of goods and rendering of services		3,125,955,887	6,487,868,213
Proceeds from other operating activities		77,211,104	53,961,183
		<u>3,203,166,991</u>	<u>6,541,829,396</u>
Sub-total of cash inflows		----- 3,203,166,991	----- 6,541,829,396
Payment for goods and services		(952,364,398)	(1,576,266,273)
Payment to and for employees		(977,064,794)	(942,542,615)
Payment of various taxes		(513,631,723)	(528,982,127)
Payment for other operating activities		(644,659,863)	(1,042,770,921)
		<u>(3,087,720,778)</u>	<u>(4,090,561,936)</u>
Sub-total of cash outflows		----- (3,087,720,778)	----- (4,090,561,936)
Net cash inflow from operating activities	XV. 23(1)	----- 115,446,213	----- 2,451,267,460
II. Cash flows from investing activities:			
Proceeds from disposal of investments		931,412,417	191,270,404
Investment returns received		1,208,468,425	1,006,558,146
Net proceeds from disposal of fixed assets		303,987	2,791,799
Proceeds from other investing activities		470,877,944	3,334,425,767
		<u>2,611,062,773</u>	<u>4,535,046,116</u>
Sub-total of cash inflows		----- 2,611,062,773	----- 4,535,046,116

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company cash flow statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	2020	2019
II. Cash flows from investing activities (continued):			
Payment for acquisition of fixed assets, intangible assets and other long-term assets		(412,494,447)	(1,158,649,934)
Payment for acquisition of investments		(20,477,410,853)	(15,438,773,685)
Payment for other investing activities		(12,405,000,000)	(5,866,921,400)
		<u>(33,294,905,300)</u>	<u>(22,464,345,019)</u>
Sub-total of cash outflows		<u>(33,294,905,300)</u>	<u>(22,464,345,019)</u>
Net cash outflow from investing activities		----- (30,683,842,527)	----- (17,929,298,903)
III. Cash flows from financing activities:			
Proceeds from issuance of debentures		5,966,660,000	8,000,000,000
Proceeds from borrowings		21,867,000,000	19,341,142,361
Proceeds from other financing activities		23,967,730,377	14,869,430,596
		<u>51,801,390,377</u>	<u>42,210,572,957</u>
Sub-total of cash inflows		<u>51,801,390,377</u>	<u>42,210,572,957</u>
Repayments of borrowings		(15,767,047,454)	(17,830,000,000)
Payment for dividends and interest		(2,254,787,893)	(2,289,037,712)
Payment for other financing activities		(2,398,651,425)	(6,801,944,858)
		<u>(20,420,486,772)</u>	<u>(26,920,982,570)</u>
Sub-total of cash outflows		<u>(20,420,486,772)</u>	<u>(26,920,982,570)</u>
Net cash inflow from financing activities		----- 31,380,903,605	----- 15,289,590,387

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company cash flow statement
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>2020</i>	<i>2019</i>
IV. Effect of foreign exchange rate changes on cash and cash equivalents		(133,212,123)	39,397,054
V. Net (decrease)/increase in cash and cash equivalents	XV. 23(1)	679,295,168	(149,044,002)
Add: Cash and cash equivalents at the beginning of the year		3,680,770,048	3,829,814,050
VI. Cash and cash equivalents at the end of the year	XV. 23(2)	4,360,065,216	3,680,770,048

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

Chen Yanshun Chairman of the Board	Liu Xiaodong Chief Executive Officer	Sun Yun Chief Financial Officer	Yang Xiaoping The head of the accounting department	
(Signature and stamp)	(Signature and stamp)	(Signature stamp)	(Signature stamp)	(Company stamp)

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
Consolidated statement of changes in shareholders' equity
for the year ended 31 December 2020
(Expressed in Renminbi Yuan)

<i>Attributable to shareholders of the Company</i>											
	<i>Note</i>	<i>Share capital</i>	<i>Other equity instruments</i>	<i>Capital reserve</i>	<i>Less: Treasury shares</i>	<i>Other comprehensive income</i>	<i>Surplus reserve</i>	<i>Retained earnings</i>	<i>Sub-total</i>	<i>Non-controlling interests</i>	<i>Total</i>
I. Balance at the beginning of the year		34,798,398,763	8,013,156,853	38,353,242,364	-	(4,566,639)	1,516,139,709	12,381,758,005	95,058,129,055	45,999,567,919	141,057,696,974
Add: Changes in accounting policies	III. 35	-	-	-	-	-	533,906,114	(533,906,114)	-	-	-
Adjusted balance at the beginning of the year		34,798,398,763	8,013,156,853	38,353,242,364	-	(4,566,639)	2,050,045,823	11,847,851,891	95,058,129,055	45,999,567,919	141,057,696,974
II. Changes in equity during the year											
1. Total comprehensive income		-	-	-	-	177,438,725	-	5,035,627,952	5,213,066,677	(518,850,605)	4,694,216,072
2. Shareholders' contributions of capital											
(1) Contribution by non-controlling interests		-	-	-	-	-	-	-	-	10,663,566,927	10,663,566,927
(2) Contribution by holders of other equity instruments	V. 38	-	5,967,915,094	-	-	-	-	-	5,967,915,094	-	5,967,915,094
(3) Repurchase of treasury shares	V. 40	-	-	-	1,998,774,694	-	-	-	(1,998,774,694)	-	(1,998,774,694)
(4) Business combinations involving entities not under common control	VI. 1	-	-	-	-	-	-	-	-	14,293,193,400	14,293,193,400
(5) Changes in shareholding ratio of subsidiaries	V. 39	-	-	76,020,559	-	-	-	-	76,020,559	(76,020,559)	-
(6) Equity-settled share-based payments	XI	-	-	(946,466,251)	(962,476,186)	-	-	-	16,009,935	1,201,528	17,211,463
3. Appropriation of profits											
(1) Appropriation for surplus reserve	V. 42	-	-	-	-	-	373,919,158	(373,919,158)	-	-	-
(2) Accrued interest on holders of other equity instruments	V. 38	-	485,925,480	-	-	-	-	(485,925,480)	-	-	-
(3) Payment for interest on holders of other equity instruments	V. 38	-	(320,000,000)	-	-	-	-	-	(320,000,000)	-	(320,000,000)
(4) Distributions to shareholders	V. 43	-	-	-	-	-	-	(695,967,975)	(695,967,975)	(88,810,446)	(784,778,421)

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated statement of changes in shareholders' equity
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

<i>Attributable to shareholders of the Company</i>											
	<i>Note</i>	<i>Share capital</i>	<i>Other equity instruments</i>	<i>Capital reserve</i>	<i>Less: Treasury shares</i>	<i>Other comprehensive income</i>	<i>Surplus reserve</i>	<i>Retained earnings</i>	<i>Sub-total</i>	<i>Non-controlling interests</i>	<i>Total</i>
4. Transfers within equity											
(1) Transfer of other comprehensive income to retained earnings	V. 41/43	-	-	-	-	(195,070,158)	23,905,741	171,164,417	-	-	-
5. Others											
(1) Disposal of subsidiaries to equity method accounting	VI. 2	-	-	(46,470,087)	-	-	(3,454,053)	3,454,053	(46,470,087)	(146,654,227)	(193,124,314)
(2) Other movements in equity of associates	V. 11	-	-	7,011,400	-	-	-	-	7,011,400	-	7,011,400
(3) Others		-	-	(7,682,051)	-	-	-	7,508,922	(173,129)	(6,226,058)	(6,399,187)
III. Balance at the end of the year		34,798,398,763	14,146,997,427	37,435,655,934	1,036,298,508	(22,198,072)	2,444,416,669	15,509,794,622	103,276,766,835	70,120,967,879	173,397,734,714

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

Chen Yanshun	Liu Xiaodong	Sun Yun	Yang Xiaoping	
Chairman of the Board	Chief Executive Officer	Chief Financial Officer	The head of the accounting department	(Company stamp)
(Signature stamp) and	(Signature stamp) and	(Signature stamp) and	(Signature stamp) and	

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
Consolidated statement of changes in shareholders' equity
for the year ended 31 December 2019 (continued)
(Expressed in Renminbi Yuan)

<i>Attributable to shareholders of the Company</i>										
	<i>Note</i>	<i>Share capital</i>	<i>Other equity instruments</i>	<i>Capital reserve</i>	<i>Other comprehensive income</i>	<i>Surplus reserve</i>	<i>Retained earnings</i>	<i>Sub-total</i>	<i>Non-controlling interests</i>	<i>Total</i>
I. Balance at the beginning of the year		34,798,398,763	-	38,213,100,596	(291,856,968)	1,152,626,310	11,977,119,533	85,849,388,234	34,499,426,498	120,348,814,732
II. Changes in equity during the year										
1. Total comprehensive income		-	-	-	236,859,881	-	1,918,643,871	2,155,503,752	(2,403,299,502)	(247,795,750)
2. Shareholders' contributions of capital										
(1) Contributed by non-controlling interests		-	-	-	-	-	-	-	14,066,343,889	14,066,343,889
(2) Non-controlling interests' decrease of capital		-	-	-	-	-	-	-	(40,233,450)	(40,233,450)
(3) Contribution by holders of other equity instruments		-	7,957,047,264	-	-	-	-	7,957,047,264	-	7,957,047,264
(4) Business combinations involving entities not under common control		-	-	-	-	-	-	-	11,310,000	11,310,000
(5) Change in shareholding ratio of subsidiaries		-	-	123,068,274	-	-	-	123,068,274	(123,068,274)	-
3. Appropriation of profits										
(1) Appropriation for surplus reserve	V. 43	-	-	-	-	368,556,446	(368,556,446)	-	-	-
(2) Accrued interest on holders of other equity instruments		-	56,109,589	-	-	-	(56,109,589)	-	-	-
(3) Distributions to shareholders		-	-	-	-	-	(1,043,951,963)	(1,043,951,963)	(10,911,242)	(1,054,863,205)

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Consolidated statement of changes in shareholders' equity
 for the year ended 31 December 2019 (continued)
 (Expressed in Renminbi Yuan)

	Note	Attributable to shareholders of the Company							Non-controlling interests	Total
		Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	Retained earnings	Sub-total		
4. Transfers within equity										
(1) Transfer of other comprehensive income to retained earnings	V. 43	-	-	-	50,430,448	(5,043,047)	(45,387,401)	-	-	-
5. Others		-	-	17,073,494	-	-	-	17,073,494	-	17,073,494
III. Balance at the end of the year		34,798,398,763	8,013,156,853	38,353,242,364	(4,566,639)	1,516,139,709	12,381,758,005	95,058,129,055	45,999,567,919	141,057,696,974

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

Chen Yanshun	Liu Xiaodong	Sun Yun	Yang Xiaoping	(Company stamp)
Chairman of the Board	Chief Executive Officer	Chief Financial Officer	The head of the accounting department	
(Signature and stamp)	(Signature and stamp)	(Signature and stamp)	(Signature and stamp)	

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
Company statement of changes in shareholders' equity
for the year ended 31 December 2020
(Expressed in Renminbi Yuan)

	Note	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Surplus reserve	Retained earnings	Total
I. Balance at the beginning of the year		34,798,398,763	8,013,156,853	37,608,039,685	-	193,638,576	1,516,139,709	4,781,488,839	86,910,862,425
Add: Changes in accounting policies	III. 35	-	-	-	-	-	533,906,114	4,805,155,027	5,339,061,141
Adjusted balance at the beginning of the year		34,798,398,763	8,013,156,853	37,608,039,685	-	193,638,576	2,050,045,823	9,586,643,866	92,249,923,566
II. Changes in equity during the year									
1. Total comprehensive income		-	-	-	-	136,131,965	-	3,739,191,584	3,875,323,549
2. Shareholders' contributions of capital									
(1) Contribution by holders of other equity instruments	V. 38	-	5,967,915,094	-	-	-	-	-	5,967,915,094
(2) Repurchase of treasury shares	V. 40	-	-	-	1,998,774,694	-	-	-	(1,998,774,694)
(3) Equity-settled share-based payments	XI	-	-	(945,264,723)	(962,476,186)	-	-	-	17,211,463
3. Appropriation of profits									
(1) Appropriation for surplus reserve	V. 42	-	-	-	-	-	373,919,158	(373,919,158)	-
(2) Accrued interest on holders of other equity instruments	V. 38	-	485,925,480	-	-	-	-	(485,925,480)	-
(3) Payment for interest on holders of other equity instruments	V. 38	-	(320,000,000)	-	-	-	-	-	(320,000,000)
(4) Distributions to shareholders	V. 43	-	-	-	-	-	-	(695,967,975)	(695,967,975)

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company statement of changes in shareholders' equity
 for the year ended 31 December 2020 (continued)
 (Expressed in Renminbi Yuan)

	Note	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Surplus reserve	Retained earnings	Total
4. Transfers within equity									
(1) Transfer of other comprehensive income to retained earnings	XV. 14/15	-	-	-	-	(239,057,408)	23,905,741	215,151,667	-
5. Others									
(1) Disposal of subsidiaries to equity method accounting	VI. 2	-	-	-	-	-	(3,454,053)	(31,086,473)	(34,540,526)
(2) Other movements in equity of associates	XV. 5	-	-	33,304,404	-	-	-	-	33,304,404
III. Balance at the end of the year		34,798,398,763	14,146,997,427	36,696,079,366	1,036,298,508	90,713,133	2,444,416,669	11,954,088,031	99,094,394,881

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

_____ Chen Yanshun Chairman of the Board	_____ Liu Xiaodong Chief Executive Officer	_____ Sun Yun Chief Financial Officer	_____ Yang Xiaoping The head of the accounting department	(Company stamp)
(Signature stamp) and	(Signature stamp) and	(Signature stamp) and	(Signature stamp) and	

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company statement of changes in shareholders' equity
 for the year ended 31 December 2019 (continued)
 (Expressed in Renminbi Yuan)

	<i>Note</i>	<i>Share capital</i>	<i>Other equity instruments</i>	<i>Capital reserve</i>	<i>Other comprehensive income</i>	<i>Surplus reserve</i>	<i>Retained earnings</i>	<i>Total</i>
I. Balance at the beginning of the year		34,798,398,763	-	37,590,966,191	(246,193,654)	1,152,626,310	2,609,929,782	75,905,727,392
II. Changes in equity during the year								
1. Total comprehensive income		-	-	-	389,401,782	-	3,685,564,456	4,074,966,238
2. Shareholders' contributions of capital								
Contribution by holders of other equity instruments		-	7,957,047,264	-	-	-	-	7,957,047,264
3. Appropriation of profits								
(1) Appropriation for surplus reserve		-	-	-	-	368,556,446	(368,556,446)	-
(2) Accrued interest on holders of other equity instruments		-	56,109,589	-	-	-	(56,109,589)	-
(3) Distributions to shareholders		-	-	-	-	-	(1,043,951,963)	(1,043,951,963)

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
 Company statement of changes in shareholders' equity
 for the year ended 31 December 2019 (continued)
 (Expressed in Renminbi Yuan)

	<i>Share capital</i>	<i>Other equity instruments</i>	<i>Capital reserve</i>	<i>Other comprehensive income</i>	<i>Surplus reserve</i>	<i>Retained earnings</i>	<i>Total</i>
4. Transfers within equity							
(1) Transfer of other comprehensive income to retained earnings	-	-	-	50,430,448	(5,043,047)	(45,387,401)	-
5. Others	-	-	17,073,494	-	-	-	17,073,494
III. Balance at the end of the year	<u>34,798,398,763</u>	<u>8,013,156,853</u>	<u>37,608,039,685</u>	<u>193,638,576</u>	<u>1,516,139,709</u>	<u>4,781,488,839</u>	<u>86,910,862,425</u>

These financial statements were approved by the Board of Directors of the Company on 9 April 2021.

_____ Chen Yanshun Chairman of the Board	_____ Liu Xiaodong Chief Executive Officer	_____ Sun Yun Chief Financial Officer	_____ Yang Xiaoping The head of the accounting department	(Company stamp)
(Signature and stamp)	(Signature and stamp)	(Signature and stamp)	(Signature and stamp)	

The notes on pages 31 to 178 form part of these financial statements.

BOE Technology Group Co., Ltd.
Notes to the financial statements
(Expressed in Renminbi Yuan unless otherwise indicated)

I. Company status

BOE Technology Group Company Limited (the “Company”) is a company limited by shares established on 9 April 1993 in Beijing, with its head office located at Beijing. The parent of the Company and the Company’s ultimate holding company is Beijing Electronics Holdings Co., Ltd. (“Electronics Holdings”).

The Company and its subsidiaries (referred to as the “Group”) comprise five main business segments: display business, smart systems innovation business, smart medicine & engineering integration business, sensor and application solutions business and Mini-LED business. For information about the subsidiaries of the Company, refer to Note VII.

II. Basis of preparation

The financial statements have been prepared on the going concern basis.

The Group has adopted the revised “Accounting Standard for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement” and related new financial instruments standards, issued by the Ministry of Finance (“MOF”) of the People’s Republic of China in 2017, since 1 January 2019. In addition, it has adopted the revised “Accounting Standard for Business Enterprises No. 14 – Revenue” issued by the MOF in 2017 since 1 January 2020 (see Note III.35), and has not adopted the revised “Accounting Standard for Business Enterprises No. 21 – Leases” issued by the MOF in 2018.

Certain overseas subsidiaries of the Group have adopted the revised “Accounting Standard for Business Enterprises No. 21 – Leases”, issued by the MOF in 2018. The adoption of the above standards does not have a material impact on the Group’s consolidated financial position and consolidated financial performance.

III. Significant accounting policies and accounting estimates

1 Statement of compliance

The financial statements have been prepared in accordance with the requirements of Accounting Standards for Business Enterprises or referred to as China Accounting Standards (“CAS”) issued by the MOF. These financial statements present truly and completely the consolidated financial position and financial position of the Company as at 31 December 2020, and the consolidated financial performance and financial performance and the consolidated cash flows and cash flows of the Company for the year then ended.

These financial statements also comply with the disclosure requirements of “Regulation on the Preparation of Information Disclosures by Companies Issuing Securities, No. 15: General Requirements for Financial Reports” as revised by the China Securities Regulatory Commission (“CSRC”) in 2014.

2 Accounting period

The accounting period is from 1 January to 31 December.

3 Operating cycle

The Company takes the period from the acquisition of assets for processing to until the ultimate realisation of cash or cash equivalents as a normal operating cycle. The operating cycle of the Company is usually less than 12 months.

4 Functional currency

The Company's functional currency is Renminbi and these financial statements are presented in Renminbi. Functional currency is determined by the Company and its subsidiaries on the basis of the currency in which major income and costs are denominated and settled. Some of the Company's subsidiaries have functional currencies that are different from the Company's functional currency. Their financial statements have been translated based on the accounting policy set out in Note III.8.

5 Accounting treatments for business combinations involving entities under common control and not under common control

A transaction constitutes a business combination when the Group obtains control of one or more entities (or a group of assets or net assets). Business combination is classified as either business combinations involving enterprises under common control or business combinations not involving enterprises under common control.

For a transaction not involving enterprises under common control, the acquirer determines whether acquired set of assets constitute a business. The Group may elect to apply the simplified assessment method, the concentration test, to determine whether an acquired set of assets is not a business. If the concentration test is met and the set of assets is determined not to be a business, no further assessment is needed. If the concentration test is not met, the Group shall perform the assessment according to the guidance on the determination of a business.

When the set of assets the group acquired does not constitute a business, acquisition costs should be allocated to each identifiable assets and liabilities at their acquisition date fair values. It is not required to apply the accounting of business combination described as below.

(1) Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination (or the total par value of shares issued) is adjusted against share premium in the capital reserve, with any excess adjusted against retained earnings. Any costs directly attributable to the combination are recognised in profit or loss when incurred. The combination date is the date on which one combining entity obtains control of other combining entities.

(2) Business combinations involving entities not under common control

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination. Where (1) the aggregate of the acquisition-date fair value of assets transferred (including the acquirer's previously held equity interest in the acquiree), liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree, exceeds (2) the acquirer's interest in the acquisition-date fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill (see Note III.17). If (1) is less than (2), the difference is recognised in profit or loss for the current period. The costs of issuing equity or debt securities as a part of the consideration for the acquisition are included in the carrying amounts of these equity or debt securities upon initial recognition. Other acquisition-related costs are expensed when incurred. Any difference between the fair value and the carrying amount of the assets transferred as consideration is recognised in profit or loss. The acquiree's identifiable asset, liabilities and contingent liabilities, if the recognition criteria are met, are recognised by the Group at their acquisition-date fair value. The acquisition date is the date on which the acquirer obtains control of the acquiree.

For a business combination involving entities not under common control and achieved in stages, the Group remeasures its previously-held equity interest in the acquiree to its acquisition-date fair value and recognises any resulting difference between the fair value and the carrying amount as investment income or other comprehensive income for the current period. In addition, any amount recognised in other comprehensive income and other changes in the owners' equity under equity accounting in prior reporting periods relating to the previously-held equity interest that may be reclassified to profit or loss are transferred to investment income at the date of acquisition (see Note III.11(2)(b)); Any previously-held equity interest that is designated as equity investment at fair value through other comprehensive income, the other comprehensive income recognised in prior reporting periods is transferred to retained earnings and surplus reserve at the date of acquisition.

6 Consolidated financial statements

(1) General principles

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Company and its subsidiaries. Control exists when the investor has all of following: power over the investee; exposure, or rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. The financial position, financial performance and cash flows of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interests are presented separately in the consolidated balance sheet within shareholders' equity. Net profit or loss attributable to non-controlling shareholders is presented separately in the consolidated income statement below the net profit line item. Total comprehensive income attributable to non-controlling shareholders is presented separately in the consolidated income statement below the total comprehensive income line item.

When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' share of the opening owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

When the accounting period or accounting policies of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting period or accounting policies. Intra-group balances and transactions, and any unrealised profit or loss arising from intra-group transactions, are eliminated when preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, unless they represent impairment losses that are recognised in the financial statements.

(2) Subsidiaries acquired through a business combination

Where a subsidiary was acquired during the reporting period, through a business combination involving entities under common control, the financial statements of the subsidiary are included in the consolidated financial statements based on the carrying amounts of the assets and liabilities of the subsidiary in the financial statements of the ultimate controlling party as if the combination had occurred at the date that the ultimate controlling party first obtained control. The opening balances and the comparative figures of the consolidated financial statements are also restated.

Where a subsidiary was acquired during the reporting period, through a business combination involving entities not under common control, the identifiable assets and liabilities of the acquired subsidiaries are included in the scope of consolidation from the date that control commences, based on the fair value of those identifiable assets and liabilities at the acquisition date.

(3) Disposal of subsidiaries

When the Group loses control over a subsidiary, any resulting disposal gains or losses are recognised as investment income for the current period. The remaining equity interests is re-measured at its fair value at the date when control is lost, any resulting gains or losses are also recognised as investment income for the current period.

When the Group loses control of a subsidiary in multiple transactions in which it disposes of its long-term equity investment in the subsidiary in stages, the following are considered to determine whether the Group should account for the multiple transactions as a bundled transaction:

- arrangements are entered into at the same time or in contemplation of each other;
- arrangements work together to achieve an overall commercial effect;
- the occurrence of one arrangement is dependent on the occurrence of at least one other arrangement;
- one arrangement considered on its own is not economically justified, but it is economically justified when considered together with other arrangements.

If each of the multiple transactions does not form part of a bundled transaction, the transactions conducted before the loss of control of the subsidiary are accounted for in accordance with the accounting policy for partial disposal of equity investment in subsidiaries where control is retained (see Note III.6(4)).

If each of the multiple transactions forms part of a bundled transaction which eventually results in the loss of control in the subsidiary, these multiple transactions are accounted for as a single transaction. In the consolidated financial statements, the difference between the consideration received and the corresponding proportion of the subsidiary's net assets (calculated continuously from the acquisition date) in each transaction prior to the loss of control shall be recognised in other comprehensive income and transferred to profit or loss when the parent eventually loses control of the subsidiary.

(4) Changes in non-controlling interests

Where the Company acquires a non-controlling interest from a subsidiary's non-controlling shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserve (share premium) in the consolidated balance sheet, with any excess adjusted to retained earnings.

7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits that can be readily withdrawn on demand, and short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

8 Foreign currency transactions and translation of foreign currency financial statements

When the Group receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated to Renminbi at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognised in profit or loss, unless they arise from the re-translation of the principal and interest of specific borrowings for the acquisition and construction of qualifying assets (see Note III.15). Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss, except for the differences arising from the re-translation of equity investments at fair value through other comprehensive income, which are recognised in other comprehensive income.

In translating the financial statements of a foreign operation, assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance sheet date. Equity items, excluding retained earnings and the translation differences in other comprehensive income, are translated to Renminbi at the spot exchange rates at the transaction dates. Income and expenses of foreign operation are translated to Renminbi at the rates that approximate the spot exchange rates at the transaction dates. The resulting translation differences are recognised in other comprehensive income. The translation differences accumulated in shareholders' equity with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

9 Financial instruments

Financial instruments include cash at bank and on hand, investments in debt and equity securities other than those classified as long-term equity investments (see Note III.11), receivables, payables, loans and borrowings, debentures payable and share capital.

(1) Recognition and initial measurement of financial assets and financial liabilities

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of a financial instrument.

A financial asset or financial liability is measured initially at fair value. For financial assets and financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs. A trade receivable, without significant financing component or practical expedient applied for one year or less contracts, is initially measured at the transaction price in accordance with Note III.23.

(2) Classification and subsequent measurement of financial assets

(a) Classification of financial assets

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortised cost, at fair value through other comprehensive income ("FVOCI"), or at fair value through profit or loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. The instrument meets the definition of equity from the perspective of the issuer.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The business model refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Group determines the business model for managing the financial assets according to the facts and based on the specific business objective for managing the financial assets determined by the Group's key management personnel.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

(b) Subsequent measurement of financial assets

- Financial assets at FVTPL

These financial assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss unless the financial assets are part of a hedging relationship.

- Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. A gain or loss on a financial asset that is measured at amortised cost and is not part of a hedging relationship shall be recognised in profit or loss when the financial asset is derecognised, reclassified, through the amortisation process or in order to recognise impairment gains or losses.

- Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment and foreign exchange gains and losses are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

- Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

(3) Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at FVTPL or amortised cost.

- Financial liabilities at FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

Financial liabilities at FVTPL are subsequently measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss, unless the financial liabilities are part of a hedging relationship.

- Financial liabilities at amortised cost

These financial liabilities are subsequently measured at amortised cost using the effective interest method.

(4) Offsetting

Financial assets and financial liabilities are generally presented separately in the balance sheet, and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- The Group currently has a legally enforceable right to set off the recognised amounts;
- The Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

(5) Derecognition of financial assets and financial liabilities

Financial asset is derecognised when one of the following conditions is met:

- the Group's contractual rights to the cash flows from the financial asset expire;
- the financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset; or;
- the financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

Where a transfer of a financial asset in its entirety meets the criteria for derecognition, the difference between the two amounts below is recognised in profit or loss:

- the carrying amount of the financial asset transferred measured at the date of derecognition;
- the sum of the consideration received from the transfer and, when the transferred financial asset is a debt investment at FVOCI, any cumulative gain or loss that has been recognised directly in other comprehensive income for the part derecognised.

The Group derecognises a financial liability (or part of it) only when its contractual obligation (or part of it) is extinguished.

(6) Impairment

The Group recognises loss allowances for expected credit loss (ECL) on:

- financial assets measured at amortised cost;
- contract assets;
- Debt investments at FVOCI

Financial assets measured at fair value, including debt investments or equity securities at FVPL, equity securities designated at FVOCI and derivative financial assets, are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the Group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the balance sheet date (or a shorter period if the expected life of the instrument is less than 12 months).

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date.

Except for trade receivables and contract assets, the Group measures loss allowance at an amount equal to 12-month ECL for the following financial instruments, and at an amount equal to lifetime ECL for all other financial instruments.

- If the financial instrument is determined to have low credit risk at the balance sheet date;
- If the credit risk on a financial instrument has not increased significantly since initial recognition.

Financial instruments that have low credit risk

The credit risk on a financial instrument is considered low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort, including forward-looking information. In particular, the following information is taken into account:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Credit-impaired financial assets

At each balance sheet date, the Group assesses whether financial assets carried at amortised cost and debt investments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- for economic or contractual reasons relating to the borrower's financial difficulty, the Group having granted to the borrower a concession that would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Presentation of allowance for ECL

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for debt investments that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(7) Equity instrument

The consideration received from the issuance of equity instruments net of transaction costs is recognised in shareholders' equity. Consideration and transaction costs paid by the Company for repurchasing self-issued equity instruments are deducted from shareholders' equity.

When the Company repurchases its own shares, those shares are treated as treasury shares. All expenditure relating to the repurchase is recorded in the cost of the treasury shares, with the transaction recording in the share register. Treasury shares are excluded from profit distributions and are presented as a deduction under shareholders' equity in the balance sheet.

When treasury shares are cancelled, the share capital should be reduced to the extent of the total par value of the treasury shares cancelled. Where the cost of the treasury shares cancelled exceeds the total par value, the excess is deducted from capital reserve (share premium), surplus reserve and retained earnings sequentially. If the cost of treasury shares cancelled is less than the total par value, the difference is credited to the capital reserve (share premium).

When treasury shares are disposed of, any excess of proceeds above cost is recognised in capital reserve (share premium); otherwise, the shortfall is deducted against capital reserve (share premium), surplus reserve and retained earnings sequentially.

(8) Perpetual bonds

At initial recognition, the Group classifies the perpetual bonds issued or their components as financial assets, financial liabilities or equity instruments based on their contractual terms and their economic substance after considering the definition of financial assets, financial liabilities and equity instruments.

Perpetual bonds issued that should be classified as equity instruments are recognised in equity based on the actual amount received. Any distribution of dividends or interests during the instruments' duration is treated as profit appropriation. When the perpetual bonds are redeemed according to the contractual terms, the redemption price is charged to equity.

10 Inventories

(1) Classification and cost

Inventories include raw materials, work in progress, finished goods and reusable materials. Reusable materials include low-value consumables, packaging materials and other materials, which can be used repeatedly but do not meet the definition of fixed assets.

Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditure incurred in bringing the inventories to their present location and condition. In addition to the purchase cost of raw materials, work in progress and finished goods include direct labour costs and an appropriate allocation of production overheads.

(2) Measurement method of cost of inventories

Cost of inventories recognised is calculated using the weighted average method.

Consumables including low-value consumables and packaging materials are charged to profit or loss upon receipt. The amortisation charge is included in the cost of the related assets or recognised in profit or loss for the current period.

(3) Basis for determining the net realisable value and method for provision for obsolete inventories

At the balance sheet date, inventories are carried at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The net realisable value of materials held for use in the production is measured based on the net realisable value of the finished goods in which they will be incorporated. The net realisable value of the inventory held to satisfy sales or service contracts is measured based on the contract price, to the extent of the quantities specified in sales contracts, and the excess portion of inventories is measured based on general selling prices.

Any excess of the cost over the net realisable value of each category of inventories is recognised as a provision for obsolete inventories, and is recognised in profit or loss.

(4) Inventory count system

The Group maintains a perpetual inventory system.

11 Long-term equity investments

(1) Investment cost of long-term equity investments

(a) Long-term equity investments acquired through a business combination

- The initial cost of a long-term equity investment acquired through a business combination involving entities under common control is the Company's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the initial investment cost and the carrying amount of the consideration given is adjusted to the share premium in the capital reserve, with any excess adjusted to retained earnings. For a long-term equity investment in a subsidiary acquired through a business combination achieved in stages which do not form a bundled transaction and involving entities under common control, the Company determines the initial cost of the investment in accordance with the above policies. The difference between this initial cost and the sum of the carrying amount of previously-held investment and the consideration paid for the shares newly acquired is adjusted to capital premium in the capital reserve, with any excess adjusted to retained earnings.
- For a long-term equity investment obtained through a business combination not involving entities under common control, the initial cost comprises the aggregate of the fair value of assets transferred, liabilities incurred or assumed, and equity securities issued by the Company, in exchange for control of the acquiree. For a long-term equity investment obtained through a business combination not involving entities under common control and achieved through multiple transactions in stages which do not form a bundled transaction, the initial cost comprises the carrying amount of the previously-held equity investment in the acquiree immediately before the acquisition date, and the additional investment cost at the acquisition date.

(b) Long-term equity investments acquired other than through a business combination

- A long-term equity investment acquired other than through a business combination is initially recognised at the amount of cash paid if the Group acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities.

(2) Subsequent measurement of long-term equity investment

(a) Investments in subsidiaries

In the Company's separate financial statements, long-term equity investments in subsidiaries are accounted for using the cost method for subsequent measurement unless the investment is classified as held for sale (see Note III.29). Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Company recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period.

The investments in subsidiaries are stated in the balance sheet at cost less accumulated impairment losses.

For the impairment of the investments in subsidiaries, refer to Note III.19.

In the Group's consolidated financial statements, investments in subsidiaries are accounted for in accordance with the policies described in Note III.6.

(b) Investment in joint ventures and associates

A joint venture is an arrangement whereby the Group and other parties have joint control (see Note III.11(3)) and rights to the net assets of the arrangement.

An associate is an entity over which the Group has significant influence (see Note III.11(3)).

An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement, unless the investment is classified as held for sale (see Note III.29).

The accounting treatments under the equity method adopted by the Group are as follows:

- Where the initial cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.
- After the acquisition of the investment, the Group recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Group. Changes in the Group's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution (referred to as "other changes in owners' equity"), is recognised directly in the Group's equity, and the carrying amount of the investment is adjusted accordingly.
- In calculating its share of the investee's net profits or losses, other comprehensive income and other changes in owners' equity, the Group recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition. Unrealised profits and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses resulting from transactions between the Group and its associates or joint ventures are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.
- The Group discontinues recognising its share of further losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group's net investment in the joint venture or associate is reduced to zero, except to the extent that the Group has an obligation to assume additional losses. If the joint venture or associate subsequently reports net profits, the Group resumes recognising its share of those profits only after its share of the profits has fully covered the share of losses not recognised.

For the impairment of the investments in joint ventures and associates, refer to Note III.19.

(3) Criteria for determining the existence of joint control or significant influence over an investee

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (activities with significant impact on the returns of the arrangement) require the unanimous consent of the parties sharing control.

The following factors are usually considered when assessing whether the Group can exercise joint control over an investee:

- Whether no single participant party is in a position to control the investee's related activities unilaterally;
- Whether strategic decisions relating to the investee's related activities require the unanimous consent of all participant parties that sharing of control.

Significant influence is the power to participate in the financial and operating policy decisions of an investee but does not have control or joint control over those policies.

12 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are accounted for using the cost model and stated in the balance sheet at cost less accumulated depreciation, amortisation and impairment losses. The cost of investment property, less its estimated residual value and accumulated impairment losses, is depreciated or amortised using the straight-line method over its estimated useful life, unless the investment property is classified as held for sale (see Note III.29). For the impairment of the investment properties, refer to Note III.19.

The estimated useful lives, residual value rates and depreciation rates of each class of investment properties are as follows:

	<i>Estimated useful life (years)</i>	<i>Residual value rate (%)</i>	<i>Depreciation rate (%)</i>
Land use rights	32 - 50 years	0.0%	2.0% - 3.1%
Buildings	20 - 40 years	0% - 10.0%	2.3% - 5.0%

13 Fixed assets

(1) Recognition of fixed assets

Fixed assets represent the tangible assets held by the Group for use in production of goods, for use in supply of services, for rental or for administrative purposes with useful lives over one accounting year.

The cost of a purchased fixed asset comprises the purchase price, related taxes, and any directly attributable expenditure for bringing the asset to working condition for its intended use. The cost of self-constructed assets is measured in accordance with the policy set out in Note III.14.

Where the parts of an item of fixed assets have different useful lives or provide benefits to the Group in a different pattern, thus necessitating use of different depreciation rates or methods, each part is recognised as a separate fixed asset.

Any subsequent costs including the cost of replacing part of an item of fixed assets are recognised as assets when it is probable that the economic benefits associated with the costs will flow to the Group, and the carrying amount of the replaced part is derecognised. The costs of the day-to-day maintenance of fixed assets are recognised in profit or loss as incurred.

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses.

(2) Depreciation of fixed assets

The cost of a fixed asset, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its estimated useful life, unless the fixed asset is classified as held for sale (see Note III.29).

The estimated useful lives, residual value rates and depreciation rates of each class of fixed assets are as follows:

<i>Class</i>	<i>Estimated useful life (years)</i>	<i>Residual value rate (%)</i>	<i>Depreciation rate (%)</i>
Plant & buildings	10 - 50 years	3% - 10%	1.8% - 9.7%
Equipment	2 - 25 years	0 - 10%	3.6% - 50%
Others	2 - 10 years	0 - 10%	9.0% - 50%

Useful lives, estimated residual values and depreciation methods are reviewed at least at each year-end.

(3) For the impairment of the fixed assets, refer to Note III.19.

(4) For the recognition, measurement and depreciation of fixed assets acquired under finance leases, refer to Note III. 28(3).

(5) Disposal of fixed assets

The carrying amount of a fixed asset is derecognised:

- when the fixed asset is holding for disposal; or
- when no future economic benefit is expected to be generated from its use or disposal.

Gains or losses arising from the retirement or disposal of an item of fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the item, and are recognised in profit or loss on the date of retirement or disposal.

14 Construction in progress

The cost of self-constructed assets includes the cost of materials, direct labour, capitalised borrowing costs (see Note III.15), and any other costs directly attributable to bringing the asset to working condition for its intended use.

A self-constructed asset is classified as construction in progress and transferred to fixed asset when it is ready for its intended use. No depreciation is provided against construction in progress.

Construction in progress is stated in the balance sheet at cost less accumulated impairment losses (see Note III.19).

15 Borrowing costs

Borrowing costs incurred directly attributable to the acquisition and construction of a qualifying asset are capitalised as part of the cost of the asset. Other borrowing costs are recognised as financial expenses when incurred.

During the capitalisation period, the amount of interest (including amortisation of any discount or premium on borrowing) to be capitalised in each accounting period is determined as follows:

- Where funds are borrowed specifically for the acquisition and construction of a qualifying asset, the amount of interest to be capitalised is the interest expense calculated using effective interest rates during the period less any interest income earned from depositing the borrowed funds or any investment income on the temporary investment of those funds before being used on the asset.
- To the extent that the Group borrows funds generally and uses them for the acquisition and construction of a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the weighted average of the excess amounts of cumulative expenditure on the asset over the above amounts of specific borrowings. The capitalisation rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

The effective interest rate is determined as the rate that exactly discounts estimated future cash flow through the expected life of the borrowing or, when appropriate, a shorter period to the initially recognised amount of the borrowings.

During the capitalisation period, exchange differences related to the principal and interest on a specific-purpose borrowing denominated in foreign currency are capitalised as part of the cost of the qualifying asset. The exchange differences related to the principal and interest on foreign currency borrowings other than a specific-purpose borrowing are recognised as a financial expense when incurred.

The capitalisation period is the period from the date of commencement of capitalisation of borrowing costs to the date of cessation of capitalisation, excluding any period over which capitalisation is suspended. Capitalisation of borrowing costs commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities of acquisition and construction that are necessary to prepare the asset for its intended use are in progress, and ceases when the assets become ready for their intended use. When the parts of the qualifying assets acquired or constructed that are eligible for capitalisation are completed separately, and each part is available for use in other parts of the construction process or can be sold externally, and for the purpose of making the parts of the assets ready for use or necessary for the sales status, the acquisition or construction activities have been substantially completed, the Group ceases the capitalisation of the borrowing costs related to the parts of the assets. Capitalisation of borrowing costs is suspended when the acquisition and construction activities are interrupted abnormally for a period of more than three months.

16 Intangible assets

Intangible assets are stated in the balance sheet at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note III.19). For an intangible asset with finite useful life, its cost less estimated residual value and accumulated impairment losses is amortised using the straight-line method over its estimated useful life, unless the intangible asset is classified as held for sale (see Note III.29).

The respective amortisation periods for intangible assets are as follows:

<i>Item</i>	<i>Amortisation period (years)</i>
Land use rights	20 - 50 years
Patent and proprietary technology	5 - 20 years
Computer software	3 - 10 years
Others	5 - 20 years

Useful lives and amortisation methods of intangible asset with finite useful life are reviewed at least at each year-end. An intangible asset is regarded as having an indefinite useful life and is not amortised when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group. At the balance sheet date, the Group does not have any intangible assets with indefinite useful lives.

Expenditure on an internal research and development project is classified into expenditure incurred during the research phase and expenditure incurred during the development phase.

Expenditure during the research phase is expensed when incurred. Expenditure during the development phase is capitalised if development costs can be measured reliably, the product or process is technically and commercially feasible, and the Group intends to and has sufficient resources to complete the development. Capitalised development costs are stated in the balance sheet at cost less impairment losses (see Note III.19). Other development expenditure is recognised as an expense in the period in which it is incurred.

17 Goodwill

The initial cost of goodwill represents the excess of cost of acquisition over the acquirer's interest in the fair value of the identifiable net assets of the acquiree under a business combination not involving entities under common control.

Goodwill is not amortised and is stated in the balance sheet at cost less accumulated impairment losses (see Note III.19). On disposal of an asset group or a set of asset groups, any attributable goodwill is written off and included in the calculation of the profit or loss on disposal.

18 Long-term deferred expenses

Long-term deferred expenses are amortised using a straight-line method within the benefit period. The respective amortisation periods for such expenses are as follows:

<i>Item</i>	<i>Amortisation period (years)</i>
Payment for public facilities construction and use	10 - 15 years
Cost of operating lease assets improvement	2 - 10 years
Others	2 - 10 years

19 Impairment of assets other than inventories and financial assets

The carrying amounts of the following assets are reviewed at each balance sheet date based on internal and external sources of information to determine whether there is any indication of impairment:

- fixed assets
- construction in progress
- intangible assets
- investment properties measured using a cost model
- long-term equity investments
- goodwill
- long-term deferred expenses, etc.

If any indication exists, the recoverable amount of the asset is estimated. In addition, the Group estimates the recoverable amounts of goodwill at each year-end, irrespective of whether there is any indication of impairment. Goodwill is allocated to each asset group or set of asset groups, which is expected to benefit from the synergies of the combination for the purpose of impairment testing.

The recoverable amount of an asset (or asset group, set of asset groups) is the higher of its fair value (see Note III.20) less costs to sell and its present value of expected future cash flows.

An asset group is composed of assets directly related to cash generation and is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

The present value of expected future cash flows of an asset is determined by discounting the future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using an appropriate pre-tax discount rate.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognised accordingly. Impairment losses related to an asset group or a set of asset groups are allocated first to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then to reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, such allocation would not reduce the carrying amount of an asset below the highest of its fair value less costs to sell (if measurable), its present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognised, it is not reversed in a subsequent period.

20 Fair value measurement

Unless otherwise specified, the Group measures fair value as follows:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the Group takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

21 Provisions

A provision is recognised for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where there is a continuous range of possible outcomes for the expenditure required, and each possible outcome in that range is as likely as any other, the best estimate is the mid-point of that range. In other cases, the best estimate is determined according to the following circumstances:

- Where the contingency involves a single item, the best estimate is the most likely outcome.
- Where the contingency involves a large population of items, the best estimate is determined by weighting all possible outcomes by their associated probabilities.

The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

22 Share-based payments

(1) Classification of share-based payments

Share-based payment transactions in the Group are equity-settled share-based payments.

(2) Accounting treatment of share-based payments

- Equity-settled share-based payments

Where the Group uses shares or other equity instruments as consideration for services received from the employees, the payment is measured at the fair value of the equity instruments granted to the employees at the grant date. If the equity instruments granted do not vest until the completion of services for a period, or until the achievement of a specified performance condition, the Group recognises an amount at each balance sheet date during the vesting period based on the best estimate of the number of equity instruments expected to vest according to the newly obtained subsequent information of the changes of the number of the employees expected to vest the equity instruments. The Group measures the services received at the grant-date fair value of the equity instruments and recognises the costs or expenses as the services are received, with a corresponding increase in capital reserve.

Revenue is the gross inflow of economic benefits arising in the course of the Group's ordinary activities when the inflows result in increase in shareholders' equity, other than increase relating to contributions from shareholders.

Revenue is recognised when the Group satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers.

Where a contract has two or more performance obligations, the Group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. The Group recognises as revenue the amount of the transaction price that is allocated to each performance obligation. The stand-alone selling price is the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group considers all information that is reasonably available to the entity, maximises the use of observable inputs to estimate the stand-alone selling price.

For the contract which the Group grants a customer the option to acquire additional goods or services (such as, loyalty points, discount coupons for future purchase, etc.), the Group assesses whether the option provides a material right to the customer. If the option provides a material right, the Group recognises the option as a performance obligation, and recognises revenue when those future goods or services are transferred or when the option expires. If the stand-alone selling price for a customer's option to acquire additional goods or services is not directly observable, the Group estimates it, taking into account all relevant information, including the difference in the discount that the customer would receive when exercising the option or without exercising the option, and the likelihood that the option will be exercised.

For the contract with a warranty, the Group analyses the nature of the warranty provided, if the warranty provides the customer with a distinct service in addition to the assurance that the product complies with agreed-upon specifications, the Group recognises for the promised warranty as a performance obligation. Otherwise, the Group accounts for the warranty in accordance with the requirements of CAS No.13 – Contingencies.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. To determine the transaction price for contracts in which a customer promises consideration in a form other than cash, the Group measures the non-cash consideration at fair value. If the Group cannot reasonably estimate the fair value of the non-cash consideration, the Group measures the consideration indirectly by reference to the stand-alone selling price of the goods or services promised to the customer in exchange for the consideration. Where the contract contains a significant financing component, the Group recognises the transaction price at an amount that reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer. The difference between the amount of promised consideration and the cash selling price is amortised using an effective interest method over the contract term. The Group does not adjust the consideration for any effects of a significant financing component if it expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group satisfies a performance obligation over time if one of the following criteria is met; or otherwise, a performance obligation is satisfied at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the customer can control the asset created or enhanced during the Group's performance; or
- the Group's performance does not create an asset with an alternative use to it and the Group has an enforceable right to payment for performance completed to date.

For performance obligation satisfied over time, the Group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. When the outcome of that performance obligation cannot be measured reasonably, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

For performance obligation satisfied at a point in time, the Group recognises revenue at the point in time at which the customer obtains control of relevant goods or services. To determine whether a customer has obtained control of goods or services, the Group considers the following indicators:

- the Group has a present right to payment for the goods or services;
- the Group has transferred physical possession of the goods to the customer;
- the Group has transferred the legal title of the goods or the significant risks and rewards of ownership of the goods to the customer; and
- the customer has accepted the goods or services.

The Group determines whether it is a principal or an agent, depending on whether it obtains control of the specified good or service before that good or service is transferred to a customer. The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer, and recognises revenue in the gross amount of consideration to which it has received (or receivable). Otherwise, the Group is an agent, and recognises revenue in the amount of any fee or commission to which it expects to be entitled. The fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration, or is the established amount or proportion.

For the sale of a product with a right of return, the Group recognises revenue when the Group obtains control of that product, in the amount of consideration to which the Group expects to be entitled in exchange for the product transferred (i.e. excluding the amount of which expected to be returned), and recognises a refund liability for the products expected to be returned. Meanwhile, an asset is recognised in the amount of carrying amount of the product expected to be returned less any expected costs to recover those products (including potential decreases in the value of returned products), and carry forward to cost in the amount of carrying amount of the transferred products less the above costs. At the end of each reporting period, the Group updates its assessment of future sales return. If there is any change, it is accounted for as a change in accounting estimate.

The Group determines whether the licence transfers to a customer either at a point in time or over time. If all of the following criteria are met, revenue is recognised for performance obligations satisfied over time. Otherwise, revenue is recognised for performance obligations satisfied at a point in time.

- the contract requires, or the customer reasonably expects, that the Group will undertake activities that significantly affect the intellectual property to which the customer has rights;
- the rights granted by the licence directly expose the customer to any positive or negative effects of the Group's activities; and
- those activities do not result in the transfer of a good or a service to the customer as those activities occur.

The Group recognises revenue for a sales-based or usage-based royalty promised in exchange for a licence of intellectual property only when (or as) the later of the following events occurs:

- the subsequent sale or usage occurs; and
- the performance obligation has been satisfied (or partially satisfied).

For a change in the scope or price of a contract that is approved by the parties to the contract, the Group accounts for the contract modification according to the following situations:

- The addition of promised goods or services are distinct and the price of the contract increases by an amount of consideration reflects stand-alone selling prices of the additional promised goods or services, the Group shall account for a contract modification as a separate contract.
- If the above criteria are not met, and the remaining goods or services are distinct from the goods or services transferred on the date of the contract modification, the Group accounts for the contract modification as if it were a termination of the existing contract and the creation of a new contract.
- If the above criteria are not met, and the remaining goods or services are not distinct from the goods or services transferred on the date of the contract modification, the Group accounts for the contract modification as if it were a part of the existing contract. The effect that the contract modification has on the revenue is recognised as an adjustment to revenue in the reporting period.

A contract asset is the Group's right to consideration in exchange for goods or services that it has transferred to a customer when that right is conditional on something other than the passage of time. The Group recognises loss allowances for expected credit loss on contract assets (see Note III.9(6)). Accounts receivable is the Group's right to consideration that is unconditional (only the passage of time is required). A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

The following is the description of accounting policies regarding revenue from the Group's principal activities:

(1) Sale of goods

The sales contracts/orders signed between the Group and its customers usually contain various trading terms. Depending on the trading terms, customers obtain control of the goods when the goods are delivered and received, or when they are received by the carrier. Revenue of sale of goods is recognised at that point in time.

For the transfer of goods with a right of return, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for the amount expected to be returned, which are estimated based on the historical data. The Group recognises a refund liability based on the amount expected to be returned. An asset is initially measured by reference to the former carrying amount of the product expected to be returned less any expected costs to recover those products (including potential decreases in the value to the Group of returned products). At each balance sheet date, the Group updates the measurement of the refund liability for changes in expectations about the amount of funds. The above asset and liability are adjusted accordingly.

(2) Rendering of services

The Group recognises the revenue from rendering of services within a certain period of time according to the progress of the performance as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Otherwise, for performance obligation satisfied at a point in time, the Group recognises revenue at the point in time at which the customer obtains control of relevant services.

24 Contract costs

Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer.

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. The Group recognises as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. Other costs of obtaining a contract are expensed when incurred.

If the costs to fulfil a contract with a customer are not within the scope of inventories or other accounting standards, the Group recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to an existing contract or to a specifically identifiable anticipated contract, including direct labour, direct materials, allocations of overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract
- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

Assets recognised for the incremental costs of obtaining a contract and assets recognised for the costs to fulfil a contract (the “assets related to contract costs”) are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate and recognised in profit or loss for the current period.

The Group recognises an impairment loss in profit or loss to the extent that the carrying amount of an asset related to contract costs exceeds:

- remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- the costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

25 Employee benefits

(1) Short-term employee benefits

Employee wages or salaries, bonuses, social security contributions such as medical insurance, work injury insurance, maternity insurance and housing fund, measured at the amount incurred or accrued at the applicable benchmarks and rates, are recognised as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

(2) Post-employment benefits – defined contribution plans

Pursuant to the relevant laws and regulations of the People’s Republic of China, the Group participated in a defined contribution basic pension insurance plan and unemployment insurance plan in the social insurance system established and managed by government organisations, and annuity plan established by the Group in compliance with the national policy of the corporation annuity. The Group makes contributions to basic pension insurance plan and unemployment insurance based on the applicable benchmarks and rates stipulated by the government. Annuity is accrued based on the gross salaries of the employees. Basic pension insurance contributions payable are recognised as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

(3) Post-employment benefits - defined benefit plans

During the reporting period, the Group did not have defined benefit plans.

(4) Termination benefits

When the Group terminates the employment with employees before the employment contracts expire, or provides compensation under an offer to encourage employees to accept voluntary redundancy, a provision is recognised with a corresponding expense in profit or loss at the earlier of the following dates:

- When the Group cannot unilaterally withdraw the offer of termination benefits because of an employee termination plan or a curtailment proposal;
- When the Group has a formal detailed restructuring plan involving the payment of termination benefits and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Government grants

Government grants are non-reciprocal transfers of monetary or non-monetary assets from the government to the Group except for capital contributions from the government in the capacity as an investor in the Group.

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value.

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets.

Those related to daily activities of the Company are included in other income or used to write off related cost based on the nature of economic businesses, or included in non-operating income and expense in respect of those not related to daily activities of the Company.

With respect to the government grants related to assets, if the Group first obtains government grants related to assets and then recognises the long-term assets purchased and constructed, deferred income is included in profit and loss based on a reasonable and systematic approach by stages when related assets are initially depreciated or amortised; or the deferred income is written off against the carrying amount of the asset when the asset becomes ready for its intended status or intended use. If the Group obtains government grants related to the assets after relevant long-term assets are put into use, deferred income is included in profit and loss based on a reasonable and systematic approach by stages within the remaining useful life of relevant assets, or the deferred income is written off against the carrying amount of relevant asset when the grants are obtained; the assets shall be depreciated or amortised based on the carrying amount after being offset and the remaining useful life of relevant assets.

For the government grants related to income which are used to compensate for related costs or losses of the Group in the future period, it shall be recognised as deferred income, and included in profit and loss or used to offset related costs; otherwise it shall be directly included in profit and loss or used to offset related costs.

In respect of the policy-based preferential loan interest subsidy obtained by the Group, if the interest subsidy is appropriated to the lending bank which shall provide loans to the Group at the policy-based preferential interest rate, the actual loan amount is used as the entry value and relevant borrowing costs are calculated on the basis of the loan principal and the preferential interest rate. If the interest subsidy is directly appropriated to the Group, relevant borrowing costs shall be offset by corresponding interest subsidy. If borrowing costs are capitalised as part of the cost of the asset (see Note III.15), the interest subsidy shall be used to offset relevant asset costs.

Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination or items recognised directly in equity (including other comprehensive income).

Current tax is the expected tax payable calculated at the applicable tax rate on taxable income for the year, plus any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets and liabilities are offset only if the Group has a legally enforceable right to set them off and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and deferred tax liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, which include the deductible losses and tax credits carried forward to subsequent periods. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is not recognised for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss). Deferred tax is not recognised for taxable temporary differences arising from the initial recognition of goodwill.

At the balance sheet date, deferred tax is measured based on the tax consequences that would follow from the expected manner of recovery or settlement of the carrying amounts of the assets and liabilities, using tax rates enacted at the balance sheet date that are expected to be applied in the period when the asset is recovered or the liability is settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date, and is reduced to the extent that it is no longer probable that the related tax benefits will be utilised. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

At the balance sheet date, deferred tax assets and deferred tax liabilities are offset if all of the following conditions are met:

- the taxable entity has a legally enforceable right to offset current tax liabilities and current tax assets;
- they relate to income taxes levied by the same tax authority on either:
 - the same taxable entity; or
 - different taxable entities which intend either to settle the current tax liabilities and current tax assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or deferred tax assets are expected to be settled or recovered.

28 Operating leases and finance leases

A lease is classified as either a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

(1) Operating lease charges

Rental payments under operating leases are recognised as part of the cost of another related asset or as expenses on a straight-line basis over the lease term.

(2) Assets leased out under operating leases

Fixed assets leased out under operating leases, except for investment properties (see Note III.12), are depreciated in accordance with the Group's depreciation policies described in Note III.13(2). Impairment losses are recognised in accordance with the accounting policy described in Note III.19. Income derived from operating leases is recognised in profit or loss using the straight-line method over the lease term. If initial direct costs incurred in respect of the assets leased out are material, the costs are initially capitalised and subsequently amortised in profit or loss over the lease term on the same basis as the lease income. Otherwise, the costs are charged to profit or loss immediately.

(3) Assets acquired under finance leases

At the commencement of the lease term, the minimum lease payments are recorded as long-term payables. The difference between the carrying amount of the leased assets and the minimum lease payments is accounted for as unrecognised finance charges. Initial direct costs attributable to a finance lease that are incurred by the Group are added to the carrying amount of the leased asset. Depreciation and impairment losses are accounted for in accordance with the accounting policies described in Notes III.13(2) and III.19, respectively.

If there is reasonable certainty that the Group will obtain ownership of a leased asset at the end of the lease term, the leased asset is depreciated over its estimated useful life. Otherwise, the leased asset is depreciated over the shorter of the lease term and its estimated useful life.

Unrecognised finance charges arising from a finance lease are recognised using an effective interest method over the lease term. The amortisation is accounted for in accordance with the principles of borrowing costs (see Note III.15).

At the balance sheet date, the long-term payables arising from finance leases, net of the unrecognised finance charges, are analysed and separately presented as long-term payables or non-current liabilities due within one year.

29 Assets held for sale

The Group classified a non-current asset or disposal group as held for sale when the carrying amount of a non-current asset or disposal group will be recovered through a sale transaction rather than through continuing use.

A disposal group refers to a group of assets to be disposed of, by sale or otherwise, together as a whole in a single transaction and liabilities directly associated with those assets that will be transferred in the transaction.

A non-current asset or disposal group is classified as held for sale when all the following criteria are met:

- According to the customary practices of selling such asset or disposal group in similar transactions, the non-current asset or disposal group must be available for immediate sale in their present condition subject to terms that are usual and customary for sales of such assets or disposal groups;
- Its sale is highly probable, that is, the Group has made a resolution on a sale plan and has obtained a firm purchase commitment. The sale is to be completed within one year.

Non-current assets or disposal groups held for sale are stated at the lower of carrying amount and fair value (see Note III.20) less costs to sell (except financial assets (see Note III.9) and deferred tax assets (see Note III.27)) initially and subsequently. Any excess of the carrying amount over the fair value (see Note III.20) less costs to sell is recognised as an impairment loss in profit or loss.

30 Hedge accounting

Hedge accounting is a method which recognises in profit or loss (or other comprehensive income) the gain or loss on the hedging instrument and the hedged item in the same accounting period(s) to represent the effect of risk management.

Hedged items are items that expose the Group to risks of changes in fair value or cash flows and that are designated as being hedged and can be reliably measured. The Group's hedged items include fixed-rate borrowings that expose the Group to the risk of changes in fair value, a firm commitment that is settled with a fixed amount of foreign currency and that exposes the Group to foreign currency risk.

A hedging instrument is a designated financial instrument whose changes in fair value or cash flows are expected to offset changes in the fair value or cash flows of the hedged item. For a hedge of foreign currency risk, the foreign currency risk component of a non-derivative financial asset or non-derivative financial liability may also be designated as a hedging instrument provided that it is not an investment in an equity instrument for which an entity has elected to present changes in the fair value in other comprehensive income.

The Group assesses at the inception of a hedging relationship, and on an ongoing basis, whether the hedging relationship meets the hedge effectiveness requirements. A hedging relationship is regarded as having met the hedge effectiveness requirements if all of the following conditions are satisfied:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from the economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of the hedged item.

When a hedging relationship no longer meets the hedge effectiveness requirements due to the hedge ratio, but the risk management objective of the designated hedging relationship remains unchanged, the Group rebalances the hedging relationship. Rebalancing refers to the adjustments made to the designated quantities of the hedged item or the hedging instrument of an already existing hedging relationship for the purpose of maintaining a hedge ratio that complies with the hedge effectiveness requirements.

The Group discontinues applying hedge accounting in any of the following circumstances:

- The hedging relationship no longer meets the risk management objective on the basis of which it qualified for hedge accounting.
- The hedging instrument expires or is sold, terminated or exercised.
- There is no longer an economic relationship between the hedged item and the hedging instrument or the effect of credit risk starts to dominate the value changes that result from that economic relationship.
- The hedging relationship no longer meets other criteria for applying hedge accounting.

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows. The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income as a cash flow hedge reserve. The amount of the cash flow hedge reserve is adjusted to the lower of the following (in absolute amounts):

- the cumulative gain or loss on the hedging instrument from inception of the hedge;
- the cumulative change in present value of the expected future cash flows on the hedged item from inception of the hedge.

The change in the amount of the cash flow hedge reserve is recognised in other comprehensive income in each period.

The portion of the gain or loss on the hedging instrument that is determined to be ineffectiveness is recognised in profit or loss.

If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Group removes that amount from the cash flow hedge reserve and includes it in the initial cost or other carrying amount of the asset or liability.

For cash flow hedges other than those covered above, that amount is reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.

When the Group discontinues hedge accounting for a cash flow hedge, the amount of the accumulated cash flow hedge reserve recognised in other comprehensive income is accounted for as follows:

- If the hedged future cash flows are still expected to occur, that amount will remain in the cash flow hedge reserve, and be accounted for in accordance with the above policy.
- If the hedged future cash flows are no longer expected to occur, that amount is immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

31 Profit distributions

Dividends or profit distributions proposed in the profit appropriation plan, which will be approved after the balance sheet date, are not recognised as a liability at the balance sheet date but are disclosed in the notes separately.

32 Related parties

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control or joint control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties.

In addition to the related parties stated above, the Company determines related parties based on the disclosure requirements of Administrative Procedures on the Information Disclosures of Listed Companies issued by the CSRC.

33 Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organisation, management requirements and internal reporting system after taking the materiality principle into account. Two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics and are same or similar in respect of the nature of products and services, the nature of production processes, the types or classes of customers for the products and services, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Reportable segments are identified based on operating segments taking into account of materiality principle.

Inter-segment revenues are measured on the basis of the actual transaction prices for such transactions for segment reporting. Segment accounting policies are consistent with those for the consolidated financial statements.

34 Significant accounting estimates and judgements

The preparation of the financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates as well as underlying assumptions and uncertainties involved are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Except for accounting estimates relating to depreciation and amortisation of assets such as fixed assets and intangible assets (see Notes III.13 and 16) and provision for impairment of various types of assets (see Notes V.4, 6, 7, 8, 11, 14, 15, 16 and 17 and Notes XV.2, 3, 5 and 6). Other significant accounting estimates are as follows:

- (i) Note V.19: – Recognition of deferred tax assets;
- (ii) Note V.30 – Warranty provisions;
- (iii) Note IX – Valuation of fair value of financial instruments; and
- (iv) Note XI: – Share-based payments.

Significant judgements made by the Group in the application of accounting policies are as follows:

- (i) Note VII.1(1) – Significant judgements and assumptions in determining control over other entity.

(1) Description and reasons of changes in accounting policies

In 2020, the Group has adopted the following accounting standards issued by the MOF recently:

- CAS No.14 - Revenue (Revised) (“new revenue standard”)
- CAS Bulletin No.13 (Caikuai [2019] No.21)
- The Accounting Treatment of COVID-19-Related Rent Concessions (Caikuai [2020] No. 10)

(a) New revenue standard

New revenue standard replaces CAS No.14 – Revenue and CAS No.15 - Construction Contracts issued by the MOF in 2006 (“previous revenue standard”).

Under previous revenue standard, the Group recognised revenue when the risks and rewards had passed to the customers. The Group's revenue from sales of goods was recognised when the following conditions were met: the significant risks and rewards of ownership of the goods had been transferred to the customer, the amount of revenue and related costs could be reliably measured, the relevant economic benefits would probably flow to the Group and the Group retained neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from rendering of services and revenue from construction contracts were recognised by reference to the stage of completion of the transaction at the balance sheet date.

Under new revenue standard, revenue is recognised when the customer obtains control of the promised goods or services in the contract:

- Revenue is recognised when the Group satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers. The Group satisfies a performance obligation over time if certain criteria is met; or otherwise, a performance obligation is satisfied at a point in time. Where a contract has two or more performance obligations, the Group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. The Group recognises as revenue the amount of the transaction price that is allocated to each performance obligation. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Where the contract contains a significant financing component, the Group recognises the transaction price at an amount that reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer. The difference between the amount of promised consideration and the cash selling price is amortised using an effective interest method over the contract term.

- The Group have adjusted the relevant accounting policies in accordance with the specific provisions on specific matters or transactions under new revenue standard, such as contract costs, warranties, principal versus agent considerations, sale with a right of return, customer options for additional goods or services, licensing, repurchase agreements, advance receipts, non-refundable upfront fee, etc.
- Under new revenue standard, the Group presents a contract asset or a contract liability in the balance sheet based on the relationship between the Group's performance and the customer's payment. At the same time, the Group provides more disclosures on revenue and related information based on the disclosure requirements under new revenue standard, such as relevant accounting policies, significant judgements (measurement of variable consideration, the method used to allocate the transaction price to each performance obligation, the assumption used for estimating stand-alone selling price of each performance obligation, etc.), information of contracts with customers (revenue recognised in current period, contract balance, performance obligation, etc.), information of assets related to contract costs, etc.

The effect of adopting new revenue standard on the Group's accounting policies are as follows:

- When there is a third party participating in sales of goods to customers, under previous revenue standard, the Group determines whether it is a principal or an agent by comprehensively taking into account whether it has pricing rights and assumes any inventory risk and credit risk and other factors. Under new revenue standard, the Group determines according to the following conditions: 1) the entity transfers to the customer after having obtained the control of the goods or other assets from a third party; 2) the entity can engage a third party to provide services to the customer on its behalf; 3) after obtaining control of the goods from a third party, the entity integrates the goods with other goods by providing a significant service to form a compound output to transfer to the customer.
- The transportation costs related to sales contract assumed by the Group are presented as selling expenses under previous revenue standard. According to the accounting requirements of new revenue standard, transportation is a necessary activity when the Group is fulfilling the sales contract, and therefore the related costs are the costs to fulfil a contract, which will be adjusted to be presented under operating costs after the adoption of new revenue standard.
- For advance from customers for transfer of goods (or rendering of services), under previous revenue standard, the Group will include it in "Advance from customers". Under new revenue standard, the Group presents its obligation to transfer goods for which the Group has received consideration from the customer in the balance sheet as a "contract liability" since 1 January 2020, depending on the relationship between the entity's performance and the customer's payment. Comparative figures are not restated.
- For the transfer of products with a right of return, under previous revenue standard the Group made a reasonable estimation of the return based on experience, then adjusted revenue and corresponding cost for the amount expected to be returned and recognised the difference as a liability. Under new revenue standard, the Group recognises a refund liability based on the amount expected to be returned. The product expected to be returned is initially recognised as an asset for the right to recover returned goods.

- For the revenue from granting of a licence of intellectual property to subsidiaries of the Group, under previous revenue standard, the company recognises revenue according to the period and method of charging as stipulated in the relevant contracts or agreements. Under new revenue standard, if all of the following criteria are met, revenue is recognised for performance obligations satisfied over time. Otherwise, revenue is recognised for performance obligations satisfied at a point in time: 1) the contract requires, or the customer reasonably expects, that the Group will undertake activities that significantly affect the intellectual property to which the customer has rights; 2) the rights granted by the licence directly expose the customer to any positive or negative effects of the Group's activities; and 3) those activities do not result in the transfer of a good or a service to the customer as those activities occur. When the Company grants a licence of intellectual property to subsidiaries, the revenue shall be recognised at a point in time.

The Group has recognised the cumulative effect of initial application as an adjustment to the opening balance of retained earnings and the amount of other relevant items in the financial statements at 1 January 2020, and comparative information has not been restated. The Group only adjusted the cumulative effect of contracts that were not completed before 1 January 2020 to the opening balance of retained earnings and the amount of other relevant items in the financial statements at 1 January 2020.

The following tables provide information of the impact on each of the line items in the consolidated income statement and company income statement, and the consolidated balance sheet and company balance sheet, as well as the consolidated cash flow statement and company cash flow statement for the year ended 31 December 2020 had the previous policies still been applied in the year.

- The effects on each of the line items in the consolidated income statement and company income statement for the year ended 31 December 2020 are analysed as follows:

	<i>Decrease in the line items for the year as a result of applying new accounting policies</i>	
	<i>The Group</i>	<i>The Company</i>
Operating income from principal activities	(9,117,107,992)	(1,200,000,000)
Operating cost of principal activities	(8,446,207,600)	-
Selling and distribution expenses	(670,900,392)	-
Profit before income tax	-	(1,200,000,000)
Income tax expenses	-	(180,000,000)
Net profit for the year	-	(1,020,000,000)

- The effects on each of the line items in the consolidated balance sheet and company balance sheet as at 31 December 2020 are analysed as follows:

	<i>Decrease/(increase) in the line items as a result of applying new accounting policies</i>	
	<i>The Group</i>	<i>The Company</i>
Assets		
Accounts receivable	(49,897,395)	1,723,155,949
Contract assets	49,897,395	-
Other current assets	131,986,424	-
Deferred tax assets	-	(315,937,260)
Other non-current assets	-	2,250,000,000
Liabilities		
Advance from customers	(3,719,511,537)	(1,108,092,452)
Contract liabilities	3,440,720,535	-
Other current liabilities	410,777,426	-
Deferred tax liabilities	-	(446,250,000)
Shareholders' equity		
Surplus reserve	-	431,906,114
Retained earnings	-	3,887,155,027

The impact of the adoption of new revenue standard on each of the line items in the consolidated balance sheet and company balance sheet as at 1 January 2020 are analysed as follows:

	<i>The Group</i>		
	<i>31 December 2019</i>	<i>1 January 2020</i>	<i>Adjustments</i>
Assets			
Current assets			
Cash at bank and on hand	56,972,723,239	56,972,723,239	-
Financial assets held for trading	5,809,184,994	5,809,184,994	-
Bills receivable	331,145,492	331,145,492	-
Accounts receivable	18,135,687,806	18,107,976,861	(27,710,945)
Contract assets	-	27,710,945	27,710,945
Prepayments	626,985,706	626,985,706	-
Other receivables	706,171,112	706,171,112	-
Inventories	12,396,194,762	12,396,194,762	-
Assets held for sale	173,910,820	173,910,820	-
Other current assets	9,296,637,067	9,375,901,777	79,264,710
Total current assets	104,448,640,998	104,527,905,708	79,264,710
Non-current assets			
Long-term equity investments	2,718,037,934	2,718,037,934	-
Investments in other equity instruments	632,076,647	632,076,647	-
Investment properties	1,241,242,850	1,241,242,850	-
Fixed assets	125,786,241,938	125,786,241,938	-

Construction in progress	87,376,782,527	87,376,782,527	-
Intangible assets	7,416,416,829	7,416,416,829	-
Goodwill	707,603,856	707,603,856	-
Long-term deferred expenses	345,424,409	345,424,409	-
Deferred tax assets	248,153,761	248,153,761	-
Other non-current assets	9,491,581,559	9,491,581,559	-
Total non-current assets	<u>235,963,562,310</u>	<u>235,963,562,310</u>	<u>-</u>
Total assets	<u>340,412,203,308</u>	<u>340,491,468,018</u>	<u>79,264,710</u>

	<i>The Group</i>		
	<i>31 December 2019</i>	<i>1 January 2020</i>	<i>Adjustments</i>
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans	6,366,717,121	6,366,717,121	-
Bills payable	2,028,917,980	2,028,917,980	-
Accounts payable	21,183,567,553	21,183,567,553	-
Advance payments received	1,260,732,785	123,152,835	(1,137,579,950)
Contract liabilities	-	1,083,074,827	1,083,074,827
Employee benefits payable	2,373,745,454	2,373,745,454	-
Taxes payable	730,996,129	730,996,129	-
Other payables	24,570,589,610	24,570,589,610	-
Non-current liabilities due within one year	18,849,281,019	18,849,281,019	-
Other current liabilities	1,013,738,515	1,147,508,348	133,769,833
Total current liabilities	78,378,286,166	78,457,550,876	79,264,710
Non-current liabilities			
Long-term loans	107,730,595,615	107,730,595,615	-
Debentures payable	387,878,384	387,878,384	-
Long-term payables	984,520,824	984,520,824	-
Provisions	16,457,010	16,457,010	-
Deferred income	2,204,400,566	2,204,400,566	-
Deferred tax liabilities	1,451,825,357	1,451,825,357	-
Other non-current liabilities	8,200,542,412	8,200,542,412	-
Total non-current liabilities	120,976,220,168	120,976,220,168	-
Total liabilities	199,354,506,334	199,433,771,044	79,264,710
Shareholders' equity			
Share capital	34,798,398,763	34,798,398,763	-
Other equity instruments	8,013,156,853	8,013,156,853	-
Capital reserve	38,353,242,364	38,353,242,364	-
Other comprehensive income	(4,566,639)	(4,566,639)	-
Surplus reserve	1,516,139,709	2,050,045,823	533,906,114
Retained earnings	12,381,758,005	11,847,851,891	(533,906,114)
Total equity attributable to shareholders of the Company	95,058,129,055	95,058,129,055	-
Non-controlling interests	45,999,567,919	45,999,567,919	-
Total shareholders' equity	141,057,696,974	141,057,696,974	-
Total liabilities and shareholders' equity	340,412,203,308	340,491,468,018	79,264,710

	<i>The Company</i>		
	<i>31 December 2019</i>	<i>1 January 2020</i>	<i>Adjustments</i>
Assets			
Current assets			
Cash at bank and on hand	3,680,770,048	3,680,770,048	-
Bills receivable	84,230,531	84,230,531	-
Accounts receivable	646,533,115	1,698,906,221	1,052,373,106
Prepayments	77,682,682	77,682,682	-
Other receivables	4,827,398,094	4,827,398,094	-
Inventories	13,935,401	13,935,401	-
Other current assets	109,497,897	109,497,897	-
Total current assets	9,440,047,768	10,492,420,874	1,052,373,106
Non-current assets			
Long-term equity investments	159,389,864,760	159,389,864,760	-
Investments in other equity instruments	79,405,724	79,405,724	-
Investment properties	280,525,802	280,525,802	-
Fixed assets	949,104,308	949,104,308	-
Construction in progress	358,933,667	358,933,667	-
Intangible assets	1,493,632,264	1,493,632,264	-
Long-term deferred expenses	109,216,398	109,216,398	-
Deferred tax assets	360,268,466	-	(360,268,466)
Other non-current assets	162,516,190	3,337,516,190	3,175,000,000
Total non-current assets	163,183,467,579	165,998,199,113	2,814,731,534
Total assets	172,623,515,347	176,490,619,987	3,867,104,640

	<i>The Company</i>		
	<i>31 December 2019</i>	<i>1 January 2020</i>	<i>Adjustments</i>
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans	1,220,000,000	1,220,000,000	-
Accounts payable	27,919,341	27,919,341	-
Advance payments received	2,117,568,995	9,476,543	(2,108,092,452)
Contract liabilities	-	51,148,261	51,148,261
Employee benefits payable	252,206,075	252,206,075	-
Taxes payable	107,287,957	107,287,957	-
Other payables	5,260,470,974	5,260,470,974	-
Non-current liabilities due within one year	5,490,440,787	5,490,440,787	-
Other current liabilities	1,423,133	4,492,029	3,068,896
Total current liabilities	<u>14,477,317,262</u>	<u>12,423,441,967</u>	<u>(2,053,875,295)</u>
Non-current liabilities			
Long-term loans	33,310,701,574	33,310,701,574	-
Deferred income	4,627,393,256	4,627,393,256	-
Deferred tax liabilities	-	581,918,794	581,918,794
Other non-current liabilities	33,297,240,830	33,297,240,830	-
Total non-current liabilities	<u>71,235,335,660</u>	<u>71,817,254,454</u>	<u>581,918,794</u>
Total liabilities	<u>85,712,652,922</u>	<u>84,240,696,421</u>	<u>(1,471,956,501)</u>
Shareholders' equity			
Share capital	34,798,398,763	34,798,398,763	-
Other equity instruments	8,013,156,853	8,013,156,853	-
Capital reserve	37,608,039,685	37,608,039,685	-
Other comprehensive income	193,638,576	193,638,576	-
Surplus reserve	1,516,139,709	2,050,045,823	533,906,114
Retained earnings	4,781,488,839	9,586,643,866	4,805,155,027
Total shareholders' equity	<u>86,910,862,425</u>	<u>92,249,923,566</u>	<u>5,339,061,141</u>
Total liabilities and shareholders' equity	<u>172,623,515,347</u>	<u>176,490,619,987</u>	<u>3,867,104,640</u>

(b) CAS Bulletin No.13

CAS Bulletin No.13 amends the three elements that constitute a business, provides specific guidance on the determination of a business, and introduces an optional concentration test when the acquirer determines whether the acquired operating activities or asset portfolios not involving enterprises under common control constitute a business.

In addition, CAS Bulletin No.13 has further clarified that related parties of an entity also include the joint venture(s) or associate(s) of the other members (including the parent and subsidiaries) in the same group that includes the entity, and the other joint venture(s) or associate(s) of the investors who exercise joint control over the entity, etc.

CAS Bulletin No.13 takes effect on 1 January 2020. The Group has adopted the accounting policy change prospectively. The adoption of CAS Bulletin No.13 does not have any significant effect on the financial position, financial performance or related party disclosures of the Group.

(c) Caikuai [2020] No.10

Caikuai [2020] No.10 provides a practical expedient under certain conditions for rent concessions occurring as a direct consequence of the Covid-19 pandemic. If an entity elects to apply the practical expedient, the entity does not need to assess whether a lease modification has occurred or to reassess the lease classification.

Caikuai [2020] No.10 takes effect on 24 June 2020 (the implementation date). The entity is allowed to adjust the related rent concessions that occurred between 1 January 2020 and the implementation date. The adoption of Caikuai [2020] No.10 does not have any significant effect on the financial position or financial performance of the Group.

IV. Taxation

1 Main types of taxes and corresponding tax rates

<i>Tax type</i>	<i>Tax basis</i>	<i>Tax rate</i>
Value-added tax (VAT)	Output VAT is calculated on product sales and taxable services revenue. The basis for VAT payable is to deduct input VAT from the output VAT for the period	6%, 9%, 10%, 13%, 16%
City maintenance and construction tax	Based on VAT paid, VAT exemption and offset for the period	7%, 5%
Education surcharges and local education surcharges	Based on VAT paid, VAT exemption and offset for the period	3%, 2%
Corporate income tax	Based on taxable profits	15% - 33%

2 Corporate income tax

The income tax rate applicable to the Company for the year is 15% (2019: 15%).

Pursuant to the Corporate Income Tax Law of the People's Republic of China treatment No. 28, corporate income tax for key advanced and high-tech enterprises supported by the State is applicable to a preferential tax rate of 15%.

On 2 December 2020, the Company renewed the High-tech Enterprise Certificate No. GR202011004594, which was entitled jointly by Beijing Municipal Science and Technology Commission, Beijing Municipal Financial Bureau, Beijing Municipal State Administration of Taxation and Beijing Municipal Local Administration of Taxation. The Company is subject to corporate income tax rate of 15% since the date of certification with the valid period of three years.

The income tax rate applicable to other subsidiaries of the Group is 25% other than the following subsidiaries and the overseas subsidiaries which subject to the local income tax rate.

The subsidiaries that are entitled to preferential tax treatments are as follows:

<i>Company name</i>	<i>Preferential rate</i>	<i>Reason</i>
Beijing BOE Optoelectronics Technology Co., Ltd. (BOE OT)	15%	High-tech Enterprise
Chengdu BOE Optoelectronics Technology Co., Ltd. (Chengdu Optoelectronics)	15%	High-tech Enterprise
Hefei BOE Optoelectronics Technology Co., Ltd.(Hefei BOE)	15%	High-tech Enterprise
Beijing BOE Display Technology Co., Ltd. (BOE Display)	15%	High-tech Enterprise
Hefei Xinsheng Optoelectronics Technology Co., Ltd. (Hefei Xinsheng)	15%	High-tech Enterprise
Ordos Yuansheng Optoelectronics Co., Ltd. (Yuansheng Optoelectronics)	15%	Encouraged enterprise in Western Regions
Chongqing BOE Optoelectronics Co., Ltd. (Chongqing BOE)	15%	Encouraged enterprise in Western Regions
BOE (Hebei) Mobile Technology Co., Ltd. (BOE Hebei)	15%	High-tech Enterprise
BOE Optical Science and technology Co., Ltd. (Optical Technology)	15%	High-tech Enterprise
Beijing BOE CHATANI Electronics Co., Ltd. (Beijing CHATANI)	15%	High-tech Enterprise
Hefei BOE Display Lighting Co., Ltd. (Hefei Display Lighting)	15%	High-tech Enterprise
Chongqing BOE Display Lighting Co., Ltd. (Chongqing Display Lighting)	15%	High-tech Enterprise
Hefei BOE Semiconductor Co., Ltd. (Hefei Semiconductor)	15%	High-tech Enterprise
Beijing BOE Special Display Technology Co., Ltd. (Special Display)	15%	High-tech Enterprise
Beijing BOE Vacuum Electronics Co., Ltd. (Vacuum Electronics)	15%	High-tech Enterprise
Beijing BOE Vacuum Technology Co., Ltd. (Vacuum Technology)	15%	High-tech Enterprise
Beijing BOE Energy Technology Co., Ltd. (BOE Energy)	15%	High-tech Enterprise
Fuzhou BOE Optoelectronics Technology Co., Ltd. (Fuzhou BOE)	15%	High-tech Enterprise
Hefei BOE Vision-Electronic Technology Co., Ltd. (Hefei Technology)	15%	High-tech Enterprise
Mianyang BOE Optoelectronics Technology Co., Ltd. (Mianyang BOE)	15%	Encouraged enterprise in Western Regions
BOE Wisdom IOT Technology Co., Ltd. (Wisdom IOT)	15%	High-tech Enterprise
K-Tronics (Suzhou) Technology Co., Ltd. (Suzhou K-Tronics)	15%	High-tech Enterprise
Beijing BOE Sensing Technology Co., Ltd. (Sensing Technology)	15%	High-tech Enterprise
Chongqing BOE Smart Electronic System Co., Ltd. (Chongqing Smart Electronic)	15%	Encouraged enterprise in Western Regions
Beijing BOE Health Technology Co., Ltd. (Health Technology)	15%	High-tech Enterprise
Chongqing BOE Electronic Technology Co., Ltd. (Chongqing Electronic Technology)	15%	Encouraged enterprise in Western Regions
Wuhan BOE Optoelectronics Technology Co., Ltd. (Wuhan BOE)	15%	High-tech Enterprise
Nanjing CEC Panda FPD Technology Co., Ltd. (Nanjing CEC Panda)	15%	High-tech Enterprise
Chengdu CEC Panda Display Technology Co., Ltd. (Chengdu CEC Panda)	15%	Encouraged enterprise in Western Regions

V. Notes to the consolidated financial statements

1 Cash at bank and on hand

	2020			2019		
	Amount in original currency	Exchange rate	RMB/RMB equivalents	Amount in original currency	Exchange rate	RMB/RMB equivalents
Cash on hand						
RMB			277,055			352,736
USD	1,493	6.5249	9,741	1,927	6.9762	13,443
HKD	55,494	0.8416	46,706	96,829	0.8958	86,739
JPY	58,474	0.0632	3,698	51,485	0.0641	3,300
KRW	490,445	0.0060	2,941	490,690	0.0060	2,944
Other foreign currencies			60,900			79,176
Sub-total			401,041			538,338
Bank deposits						
RMB			39,618,620,160			22,108,949,641
USD	4,051,241,539	6.5249	26,433,945,919	3,793,451,398	6.9762	26,463,875,643
HKD	21,037,675	0.8416	17,706,149	17,880,803	0.8958	16,017,623
JPY	15,628,343,064	0.0632	988,273,902	11,996,438,527	0.0641	768,971,710
KRW	521,128,601	0.0060	3,125,209	700,598,718	0.0060	4,203,592
EUR	136,705,809	8.0250	1,097,064,115	110,515,896	7.8155	863,736,985
Other foreign currencies			46,443,965			43,452,413
Sub-total			68,205,179,419			50,269,207,607
Other monetary funds						
RMB			3,949,848,676			3,728,439,717
USD	218,704,451	6.5249	1,427,024,669	421,172,173	6.9762	2,938,181,313
HKD	15	0.8416	13	3,156	0.8958	2,827
JPY	1,769,656,282	0.0632	111,842,277	567,260,199	0.0641	36,353,437
Sub-total			5,488,715,635			6,702,977,294
Total			73,694,296,095			56,972,723,239

Including: Total overseas deposits were equivalent to RMB 7,025,632,935 (2019: RMB 5,864,466,250).

As at 31 December 2020, other monetary funds were pledged by the Group amounting to RMB 99,133,679 for long-term loans, and USD 152,091,672 were pledged for short-term loans. The rest of other restricted monetary funds, amounting to RMB 4,396,583,003, were the deposits in commercial banks as security.

As at 31 December 2019, other monetary funds were pledged by the Group amounting to USD 342,000,000 for short-term loans, and RMB 151,840,291 and USD 7,500,000 were pledged for long-term loans. The rest of other restricted monetary funds, amounting to RMB 4,112,379,475, were the deposits in commercial banks as security.

2 Financial assets held for trading

Item

31 December 2020

31 December 2019

Financial assets at fair value through profit or loss		
- Structured deposit and wealth management products	4,367,201,833	5,809,184,994

3 Bills receivable

(1) Classification of bills receivable

<i>Item</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Bank acceptance bills	215,994,373	331,145,492
Total	215,994,373	331,145,492

All of the above bills are due within one year.

(2) The pledged bills receivable of the Group at the end of the year

As at 31 December 2020, there is no pledged bills for the Group (2019: Nil).

(3) Outstanding endorsed or discounted bills that have not matured at the end of the year

<i>Item</i>	<i>Amount derecognised as at 31 December 2020</i>	<i>Amount not derecognised as at 31 December 2020</i>
Bank acceptance bills	4,370,824	60,214,157
Total	4,370,824	60,214,157

For the year ended 31 December 2020, there was no amount transferred to accounts receivable from bills receivable due to non-performance of the issuers of the Group (2019: Nil).

4 Accounts receivable

(1) The Group's accounts receivable by customer type:

<i>Item</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Amounts due from related parties	38,773,536	1,960,247
Amounts due from other customers	22,988,229,841	18,481,732,857
Sub-total	23,027,003,377	18,483,693,104
Less: Provision for bad and doubtful debts	57,863,022	348,005,298
Total	22,969,140,355	18,135,687,806

(2) The Group's accounts receivable by currency type:

	2020			2019		
	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>
RMB			8,322,396,079			8,041,480,485
USD	2,136,679,897	6.5249	13,941,622,660	1,438,995,152	6.9762	10,038,717,980
JPY	36,855,786	0.0632	2,329,286	25,172,988	0.0641	1,613,589
Other foreign currencies			760,655,352			401,881,050
Sub-total			23,027,003,377			18,483,693,104
Less: Provision for bad and doubtful debts			57,863,022			348,005,298
Total			22,969,140,355			18,135,687,806

(3) The ageing analysis of accounts receivable is as follows:

	31 December 2020	31 December 2019
Within 1 year (inclusive)	22,515,188,628	17,872,807,760
Over 1 year but within 2 years (inclusive)	256,800,012	233,485,656
Over 2 years but within 3 years (inclusive)	172,351,904	68,549,411
Over 3 years	82,662,833	308,850,277
Sub-total	23,027,003,377	18,483,693,104
Less: Provision for bad and doubtful debts	57,863,022	348,005,298
Total	22,969,140,355	18,135,687,806

The ageing is counted starting from the date when accounts receivable are recognised.

(4) Accounts receivable by provisioning method

Category	31 December 2020				
	Book value		Provision for impairment		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Individual assessment					
- Customers with high credit risk	60,093,972	0%	41,752,588	69%	18,341,384
- Customers with low credit risk	1,036,981,635	5%	-	0%	1,036,981,635
Collective assessment					
- Customers with moderate credit risk	21,929,927,770	95%	16,110,434	0%	21,913,817,336
Total	23,027,003,377	100%	57,863,022	0%	22,969,140,355

31 December 2019

<i>Category</i>	<i>Book value</i>		<i>Provision for impairment</i>		<i>Carrying amount</i>
	<i>Amount</i>	<i>Percentage (%)</i>	<i>Amount</i>	<i>Percentage (%)</i>	
Individual assessment					
- Customers with high credit risk	334,464,437	2%	334,419,437	100%	45,000
- Customers with low credit risk	1,398,318,800	7%	38,734	0%	1,398,280,066
Collective assessment					
- Customers with moderate credit risk	16,750,909,867	91%	13,547,127	0%	16,737,362,740
Total	18,483,693,104	100%	348,005,298	2%	18,135,687,806

(a) Criteria for collective assessment in 2020 and details:

<i>Customer group</i>	<i>Basis</i>
Customers with high credit risk	With special matters, litigations or the deterioration of customers' credit status
Customers with low credit risk	Banks, insurance companies, large state-owned enterprises and public institutions
Customers with moderate credit risk	Customers not included in Groups above

(b) Assessment of ECLs on accounts receivable in 2020:

At all times the Group measures the impairment loss for accounts receivable at an amount equal to lifetime ECLs, and the ECLs are based on the number of overdue days and the expected loss rate. According to the Group's historical experience, different loss models are applicable to different customer groups.

(5) Movements of provisions for bad and doubtful debts:

	<i>31 December 2020</i>	<i>31 December 2019</i>
Balance at the beginning of the year	348,005,298	325,211,590
Charge during the year	13,048,035	23,510,271
Recoveries during the year	(15,387,358)	(1,493,365)
Written-off during the year	(285,159,459)	(4,211,814)
Translation differences	(2,643,494)	4,988,616
	<u>57,863,022</u>	<u>348,005,298</u>

(6) Five largest accounts receivable by debtor at the end of the year

The total of five largest accounts receivable of the Group at the end of the year was RMB 7,874,647,846, representing 34% of the total accounts receivable, and no provision was made for bad and doubtful debts after assessment.

5 Prepayments

(1) The Group's prepayments by category:

	<i>31 December 2020</i>	<i>31 December 2019</i>
Prepayment for inventory	617,801,035	107,673,472
Prepayment for electricity and water	230,580,992	271,295,136
Others	271,213,957	248,017,098
	<u>1,119,595,984</u>	<u>626,985,706</u>

(2) The ageing analysis of prepayments is as follows:

<i>Ageing</i>	<i>31 December 2020</i>		<i>31 December 2019</i>	
	<i>Amount</i>	<i>Percentage (%)</i>	<i>Amount</i>	<i>Percentage (%)</i>
Within 1 year (inclusive)	1,008,648,097	90%	459,763,565	73%
Over 1 year but within 2 years (inclusive)	18,143,348	2%	148,351,079	24%
Over 2 years but within 3 years (inclusive)	84,733,056	8%	17,719,439	3%
Over 3 years	8,071,483	-	1,151,623	-
Total	1,119,595,984	100%	626,985,706	100%

The ageing is counted starting from the date when prepayments are recognised.

The total of five largest prepayments of the Group at the end of the year is RMB 712,385,803, representing 64% of the total prepayments.

6 Other receivables

	<i>Note</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Interest receivable		2,037,452	215,977,831
Dividends receivable		1,842,137	-
Others	(1)	654,235,244	490,193,281
Total		658,114,833	706,171,112

(1) Others

(a) The Group's other receivable by customer type:

<i>Customer type</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Amounts due from related parties	14,062,445	603,515
Amounts due from other customers	649,216,811	498,225,877
Sub-total	663,279,256	498,829,392
Less: Provision for bad and doubtful debts	9,044,012	8,636,111
Total	654,235,244	490,193,281

(b) The Group's other receivable by currency type:

	31 December 2020			31 December 2019		
	Amount in original currency	Exchange rate	RMB/RMB equivalents	Amount in original currency	Exchange rate	RMB/RMB equivalents
RMB			577,989,243			457,159,067
USD	7,746,274	6.5249	50,543,663	3,966,373	6.9762	27,670,211
JPY	35,289,875	0.0632	2,230,320	42,000,525	0.0641	2,692,234
Other foreign currencies			32,516,030			11,307,880
Sub-total			663,279,256			498,829,392
Less: Provision for bad and doubtful debts			9,044,012			8,636,111
Total			654,235,244			490,193,281

(c) The ageing analysis of the Group's other receivables is as follows:

	31 December 2020	31 December 2019
Within 1 year (inclusive)	336,023,652	209,994,098
Over 1 year but within 2 years (inclusive)	65,883,117	25,165,256
Over 2 years but within 3 years (inclusive)	18,983,553	14,546,942
Over 3 years	242,388,934	249,123,096
Sub-total	663,279,256	498,829,392
Less: Provision for bad and doubtful debts	9,044,012	8,636,111
Total	654,235,244	490,193,281

The ageing is counted starting from the date when other receivables are recognised.

(d) Other receivables by provisioning method

Category	31 December 2020				
	Book value		Provision for impairment		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Individual assessment	9,044,012	1%	9,044,012	100%	-
Collective assessment	654,235,244	99%	-	0%	654,235,244
Total	663,279,256	100%	9,044,012	1%	654,235,244

31 December 2019					
Book value		Provision for impairment		Carrying amount	
Amount	Percentage (%)	Amount	Percentage (%)		
Individual assessment	9,044,012	1%	9,044,012	100%	-
Collective assessment	654,235,244	99%	-	0%	654,235,244
Total	663,279,256	100%	9,044,012	1%	654,235,244

<i>Category</i>	<i>Amount</i>	<i>Percentage (%)</i>	<i>Amount</i>	<i>Percentage (%)</i>	<i>Carrying amount</i>
Individual assessment	8,636,111	2%	8,636,111	100%	-
Collective assessment	<u>490,193,281</u>	<u>98%</u>	<u>-</u>	<u>-</u>	<u>490,193,281</u>
Total	<u><u>498,829,392</u></u>	<u><u>100%</u></u>	<u><u>8,636,111</u></u>	<u><u>2%</u></u>	<u><u>490,193,281</u></u>

(e) Movements of provisions for bad and doubtful debts

	<i>31 December 2020</i>	<i>31 December 2019</i>
Balance at the beginning of the year	8,636,111	2,933,581
Charge during the year	572,266	6,251,161
Recoveries during the year	(60,462)	(5,440)
Written-off during the year	(103,903)	(543,191)
	<u>9,044,012</u>	<u>8,636,111</u>
Balance at the end of the year	<u>9,044,012</u>	<u>8,636,111</u>

(f) The Group's other receivables categorised by nature

<i>Nature</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
VAT refunds and export tax rebate	41,149,236	10,648,330
Amount due from equity transfer	200,000,000	200,000,000
Surety and deposits	171,340,282	178,899,557
Others	250,789,738	109,281,505
	<u>663,279,256</u>	<u>498,829,392</u>
Sub-total	663,279,256	498,829,392
Less: Provision for bad and doubtful debts	<u>9,044,012</u>	<u>8,636,111</u>
Total	<u>654,235,244</u>	<u>490,193,281</u>

(g) Five largest other receivables by debtor at the end of the year

The total of five largest other receivables of the Group at the end of the year was RMB 359,386,051, most of which are amount due from equity transfer and deposits. No provision is made for bad and doubtful debts after assessment.

7 Inventories

(1) The Group's inventories by category:

	<i>31 December 2020</i>			<i>1 January 2020/31 December 2019</i>		
	<i>Book value</i>	<i>Provision for impairment of inventories/Provision for impairment of costs to fulfil a contract with a customer</i>	<i>Carrying amount</i>	<i>Book value</i>	<i>Provision for impairment of inventories</i>	<i>Carrying amount</i>
Raw materials	8,068,822,655	933,491,391	7,135,331,264	4,663,835,151	288,351,560	4,375,483,591
Work in progress	2,811,789,420	583,885,537	2,227,903,883	1,750,768,537	372,043,796	1,378,724,741
Finished goods	10,074,715,347	1,767,518,826	8,307,196,521	7,671,273,928	1,152,223,633	6,519,050,295
Consumables	162,817,575	-	162,817,575	122,936,135	-	122,936,135
Costs to fulfil a contract with a customer	42,205,247	-	42,205,247	-	-	-
Total	21,160,350,244	3,284,895,754	17,875,454,490	14,208,813,751	1,812,618,989	12,396,194,762

As at 31 December 2020, there was no amount of capitalised borrowing cost in the Group's closing balance of inventories (2019: Nil).

As at 31 December 2020, the Group had no inventory used as collateral (2019: Nil).

(2) An analysis of provision for impairment of inventories of the Group is as follows:

	<i>Balance at the beginning of the year</i>	<i>Charge during the year</i>	<i>Decrease during the year</i>		<i>Balance at the end of the year</i>
			<i>Reversals</i>	<i>Write-off</i>	
Raw materials	288,351,560	843,256,105	(143,418,140)	(54,698,134)	933,491,391
Work in progress	372,043,796	462,312,355	(204,781,587)	(45,689,027)	583,885,537
Finished goods	1,152,223,633	2,521,348,291	(969,342,859)	(936,710,239)	1,767,518,826
Total	1,812,618,989	3,826,916,751	(1,317,542,586)	(1,037,097,400)	3,284,895,754

8 Contract assets

(1) The Group's contract assets by customer type:

A contract asset is the Group's right to consideration in exchange for goods or services that it has transferred to a customer when that right is conditional on something other than the passage of time.

(2) Significant changes in the contract assets during the year:

Significant changes in the contract assets of the Group are as follows:

	2020
	RMB
Balance under previous revenue standard	-
Adjustment on initial application of the new revenue standard	27,710,945
	<hr/>
Balance at the beginning of the year after adjustment	27,710,945
	<hr style="border-top: 1px dashed black;"/>
Transfers from contract assets recognised receivables	(24,932,485)
Increase in contract assets resulting from no unconditional right obtained	47,118,935
	<hr/>
Balance at 31 December 2020	49,897,395
	<hr style="border-top: 3px double black;"/>

(3) Additions, recoveries or reversals of provision for contract asset during the year:

	2020
Balance at the beginning of the year	-
Additions during the year	207,800
Recoveries during the year	-
Written-off during the year	-
	<hr/>
Balance at the end of the year	207,800
	<hr style="border-top: 3px double black;"/>

9 Assets held for sale

2020

	<i>Non-current assets held for sale</i>	
	<i>Carrying amount</i>	<i>Fair value</i>
Fixed assets	157,662,559	328,796,100
Intangible assets	29,230,086	55,251,000
	<hr/>	<hr/>
Total of assets held for sale	186,892,645	384,047,100
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

In March 2018, K-Tronics (Suzhou) Technology Co., Ltd., a subsidiary of the Company, entered into the Recovery Agreement of Land and Properties with Management Committee of Wujiang Economic and Technological Development Zone to sell properties and other attachments located in Wujiang Economic and Technological Development Zone. As at 31 December 2020, the carrying amount of the assets held for sale above is RMB 186,892,645. K-Tronics (Suzhou) Technology Co., Ltd. and the Management Committee of Wujiang Economic and Technological Development Zone agreed that the recovery price of the subject matter is RMB 384,047,100, which is determined according to the evaluation report. The disposal of relevant assets was completed in March 2021.

10 Other current assets

	<i>31 December 2020</i>	<i>1 January 2020</i>	<i>31 December 2019</i>
VAT on tax credits	6,447,432,350	5,979,120,265	5,979,120,265
Input tax to be verified or deducted	1,068,285,033	1,984,055,118	1,984,055,118
Prepaid income taxes	23,710,045	45,154,225	45,154,225
Wealth management products	2,611,572	1,162,273,445	1,162,273,445
Costs receivables for recovering products from a customer	131,986,424	79,264,710	-
Others	<u>174,843,828</u>	<u>126,034,014</u>	<u>126,034,014</u>
Total	<u>7,848,869,252</u>	<u>9,375,901,777</u>	<u>9,296,637,067</u>

11 Long-term equity investments

(1) The Group's long-term equity investments by category:

	<i>2020</i>	<i>2019</i>
Investments in associates	<u>4,722,215,043</u>	<u>3,495,896,246</u>
Sub-total	4,722,215,043	3,495,896,246
Less: Provision for impairment	<u>1,029,044,819</u>	<u>777,858,312</u>
Total	<u>3,693,170,224</u>	<u>2,718,037,934</u>

(2) Movements of long-term equity investments during the year are as follows:

Investee	Movements during the year								Balance at the end of the year
	Balance at the beginning of the year	Increase in capital	Decrease in capital	Investment income recognised under equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Translation differences arising from translation of foreign currency financial statements	
Beijing Nissin Electronics Precision Component Co., Ltd.	483,248	-	-	(219,390)	-	-	-	-	263,858
Beijing Nittan Electronic Co., Ltd.	64,808,755	-	-	8,588,066	-	-	(2,000,000)	-	71,396,821
Erdos BOE Energy Investment Co., Ltd.	907,348,226	-	-	(1,185,089)	-	-	-	-	906,163,137
Beijing Infi-Hailin Venture Investment Co., Ltd.	663,215	-	-	503,309	-	-	-	-	1,166,524
Beijing Infi-Hailin Venture Investment (Limited Partnership)	74,384,952	-	(79,000,000)	(210,320)	5,702,455	(877,087)	-	-	-
TPV Display Technology (China) Limited	24,545,664	-	-	282,600	-	-	-	-	24,828,264
Beijing Xindongneng Investment Fund (Limited Partnership)	1,944,514,849	-	(427,412,416)	410,089,641	130,950,251	-	-	-	2,058,142,325
Beijing Xindongneng Investment Management Co., Ltd.	7,410,061	-	-	2,511,565	-	-	(2,000,000)	-	7,921,626
Shenzhen Yunyinggu Technology Co., Ltd.	12,715,084	-	-	(5,368,560)	60,150	14,504,213	-	-	21,910,887
Beijing Xloong Technologies Co., Ltd.	22,237,044	-	-	(2,470,104)	-	-	-	-	19,766,940
Beijing Innovation Industry Investment Co., Ltd.	100,363,345	100,000,000	-	3,699,909	-	-	-	-	204,063,254
Beijing Electric Control Industry Investment Co., Ltd.	16,841,609	183,000,000	-	679,994	(319,767)	81,278	-	-	200,283,114
Hunan BOE Yiyun Science & Technology Co., Ltd.	-	253,630,000	-	-	-	-	-	-	253,630,000
New on Technology Co., Ltd.	2,727,606	-	-	(366,860)	-	-	-	39,292	2,400,038
Cnoga Medical Co., Ltd.	307,506,903	-	-	(15,779,857)	-	(6,697,004)	-	(18,509,718)	266,520,324
Beijing Zhonglianhe Ultra HD Collaborative Technology Centre Co., Ltd.	2,715,260	-	-	(288,351)	-	-	-	-	2,426,909
Shenzhen Jiangcheng Technology Co., Ltd.	6,630,425	-	-	(1,278,128)	-	-	-	(340,836)	5,011,461
BOE Houji Technology (Beijing) Co., Ltd.	-	1,200,000	-	(282,367)	-	-	-	-	917,633
Tianjin Xianzhilian Investment Centre (Limited Partnership)	-	429,000,000	-	45,207,278	-	-	-	-	474,207,278
BioChain (Beijing) Science & Technology, Inc.	-	200,000,000	-	203,487	-	-	-	-	200,203,487
Tianjin Xianzhilian Investment Management	-	900,000	-	91,163	-	-	-	-	991,163

Centre (Limited Partnership)

Sub-total	<u>3,495,896,246</u>	<u>1,167,730,000</u>	<u>(506,412,416)</u>	<u>444,407,986</u>	<u>136,393,089</u>	<u>7,011,400</u>	<u>(4,000,000)</u>	<u>(18,811,262)</u>	<u>4,722,215,043</u>
Less: Provision for impairment	<u>777,858,312</u>								<u>1,029,044,819</u>
Total	<u><u>2,718,037,934</u></u>								<u><u>3,693,170,224</u></u>

As at 31 December 2020, Hefei Xin Jing Yuan Electronic Materials Co., Ltd. suffered continuous loss and the Group does not have an obligation to assume additional losses. Therefore, the Company discontinues recognising its share of further losses after the carrying amount of long-term equity investment is reduced to zero. As at 31 December 2020, the accumulated unrecognised investment losses were RMB 18,207,308 (2019: RMB 17,817,673).

12 Investments in other equity instruments

<i>Item</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Listed equity instruments investment		
- Beijing Electronic City High Tech Group Co., Ltd.	74,372,840	72,585,692
- Bank of Chongqing Co., Ltd.	102,845,668	105,407,103
- CSC Securities Co., Ltd.	-	68,545,920
- New Century Medical Holding Co., Ltd.	36,995,513	53,586,259
Unlisted equity instruments investment		
- Teralane Semiconductor Inc.	-	-
- Zhejiang BOE Display Technology Co., Ltd.	321,256	321,256
- Zhejiang Qiusheng Photoelectric Technology Co., Ltd.	248,776	248,776
- National Engineering Laboratory of Digital Television (Beijing) Co., Ltd.	6,250,000	6,250,000
- Danhua Capital, L. P.	32,624,500	26,160,750
- Danhua Capital II, L.P.	65,249,007	64,529,850
- Kateeva Inc.	77,939,931	83,330,709
- DEPICT INC.	-	-
- Meta Company	-	-
- MOOV INC.	26,207,585	28,020,288
- ZGLUE INC.	-	10,464,288
- Nanosys INC.	48,936,750	52,321,500
- Ceribell INC.	8,482,363	9,069,052
- Baebies INC.	28,668,368	30,651,239
- Illumina Fund I, L.P.	21,320,235	17,181,203
- ACQIS Technology, Inc.	1,304,980	1,395,242
- KA IMAGING INC.	1,877,651	2,007,520
- Beijing Dongfang Electronic Industry Co., Ltd.	-	-
Total	<u>533,645,423</u>	<u>632,076,647</u>

Note*: In 2020, the Company disposed of its shares in CSC Securities Co., Ltd. and derecognised its investments in Teralane Semiconductor Inc., DEPICT INC. and Meta Company, with gains and or losses accumulated in other comprehensive income reclassified to retained earnings, totalling RMB 55,855,250. See Note V.41.

(1) Investments in other equity instruments:

<i>Item</i>	<i>Reason for being designated at fair value through other comprehensive income</i>	<i>Dividend income recognised for the year</i>	<i>Accumulated gains or losses recognised in other comprehensive income ("-" for losses)</i>	<i>Amount transferred from other comprehensive income to retained earnings</i>	<i>Reason for transferring from other comprehensive income to retained earnings</i>
Listed equity instruments investment					
- Beijing Electronic City High Tech Group Co., Ltd.	With the intention of establishing or maintaining a long-term investment for strategic reasons	1,842,137	(15,787,588)	-	Not applicable
- Bank of Chongqing Co., Ltd.	With the intention of establishing or maintaining a long-term investment for strategic reasons	5,804,204	(17,238,707)	-	Not applicable
- CSC Securities Co., Ltd.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	-	1,768,891	Disposals
- New Century Medical Holding Co., Ltd.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(103,853,337)	-	Not applicable
Unlisted equity instruments investment					
- Teralane Semiconductor Inc.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	-	11,868,000	Disposals
- Zhejiang BOE Display Technology Co., Ltd.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	-	-	Not applicable
- Zhejiang Qiusheng Photoelectric Technology Co., Ltd.	With the intention of establishing or maintaining a long-term investment for strategic reasons	1,410,307	-	-	Not applicable
- National Engineering Laboratory of Digital Television (Beijing) Co., Ltd.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	-	-	Not applicable
- Danhua Capital, L. P.	With the intention of establishing or maintaining a long-term investment for strategic reasons	2,544,309	(1,901,875)	-	Not applicable
- Danhua Capital II, L.P.	With the intention of establishing or maintaining a long-term investment for strategic reasons	13,800,800	(2,398,744)	-	Not applicable
- Kateeva Inc.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(4,922,536)	-	Not applicable
- DEPICT INC.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	-	13,049,800	Disposals
- Meta Company	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	-	29,168,559	Disposals
- MOOV INC.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(1,655,254)	-	Not applicable
- ZGLUE INC.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(10,405,488)	-	Not applicable
- Nanosys INC.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(1,412,250)	-	Not applicable
- Ceribell INC.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(179,920)	-	Not applicable
- Baebies INC.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(455,186)	-	Not applicable
- Illumina Fund I.L.P.	With the intention of establishing or maintaining a long-term investment for strategic reasons	974,930	(831,445)	-	Not applicable
- ACQIS Technology, Inc.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(258,980)	-	Not applicable
- KA IMAGING INC.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(129,869)	-	Not applicable
- Beijing Dongfang Electronic Industry Co., Ltd.	With the intention of establishing or maintaining a long-term investment for strategic reasons	-	(180,000)	-	Not applicable
Total		26,376,687	(161,611,179)	55,855,250	

13 Investment properties

	<i>Land use rights</i>	<i>Buildings</i>	<i>Total</i>
Cost			
Balance at the beginning of the year	687,434,677	1,015,816,127	1,703,250,804
Additions during the year	<u>-</u>	<u>362,715</u>	<u>362,715</u>
Balance at the end of the year687,434,6771,016,178,8421,703,613,519
Less: Accumulated depreciation or amortisation			
Balance at the beginning of the year	140,772,403	321,235,551	462,007,954
Additions during the year	<u>13,878,768</u>	<u>31,558,286</u>	<u>45,437,054</u>
Balance at the end of the year154,651,171352,793,837507,445,008
Carrying amounts			
At the end of the year	<u>532,783,506</u>	<u>663,385,005</u>	<u>1,196,168,511</u>
At the beginning of the year	<u>546,662,274</u>	<u>694,580,576</u>	<u>1,241,242,850</u>

14 Fixed assets

(1) Analysis of the Group's fixed assets are as follows:

<i>Item</i>	<i>Plant & buildings</i>	<i>Equipment</i>	<i>Others</i>	<i>Total</i>
Cost				
Balance at the beginning of the year	39,066,346,904	164,514,903,439	5,055,062,392	208,636,312,735
Additions during the year				
- Purchases	106,424,539	251,499,388	1,147,743,024	1,505,666,951
- Transfers from construction in progress	11,166,278,131	70,039,183,590	714,148,657	81,919,610,378
- Additions due to business combinations involving entities not under common control	12,057,991,192	26,025,800,334	147,032,752	38,230,824,278
Disposals or written-offs during the year	(18,533,992)	(631,239,330)	(123,488,328)	(773,261,650)
Translation differences	(480,626)	(23,703,787)	(1,990,617)	(26,175,030)
Balance at the end of the year	<u>62,378,026,148</u>	<u>260,176,443,634</u>	<u>6,938,507,880</u>	<u>329,492,977,662</u>
Less: Accumulated depreciation				
Balance at the beginning of the year	5,124,055,712	74,655,780,434	2,278,538,681	82,058,374,827
Charge during the year	1,189,328,945	19,439,177,557	1,249,871,496	21,878,377,998
Disposals or written-offs during the year	(9,053,218)	(468,884,836)	(87,743,009)	(565,681,063)
Translation differences	(468,222)	(2,345,666)	(3,312,810)	(6,126,698)
Balance at the end of the year	<u>6,303,863,217</u>	<u>93,623,727,489</u>	<u>3,437,354,358</u>	<u>103,364,945,064</u>
Less: Provision for impairment				
Balance at the beginning of the year	1,073,381	784,836,694	5,785,895	791,695,970
Charge during the year	-	432,986,334	72,215,116	505,201,450
Disposals or written-offs during the year	-	(35,236,905)	(213,986)	(35,450,891)
Balance at the end of the year	<u>1,073,381</u>	<u>1,182,586,123</u>	<u>77,787,025</u>	<u>1,261,446,529</u>
Carrying amounts				
At the end of the year	<u>56,073,089,550</u>	<u>165,370,130,022</u>	<u>3,423,366,497</u>	<u>224,866,586,069</u>
At the beginning of the year	<u>33,941,217,811</u>	<u>89,074,286,311</u>	<u>2,770,737,816</u>	<u>125,786,241,938</u>

In 2020, some of the equipment of the Group is idle and there is no clear use plan. The Group evaluated the recoverable amount of these equipment and made a full provision for impairment of RMB 505,201,450 based on the evaluation results.

(2) Fixed assets acquired under finance leases

Item	31 December 2020				31 December 2019			
	Original book value	Accumulated depreciation	Provision for impairment	Carrying amount	Original book value	Accumulated depreciation	Provision for impairment	Carrying amount
Plant & buildings	11,291,665	4,864,383	-	6,427,282	11,291,665	4,610,694	-	6,680,971
Machinery & equipment	3,234,619,899	16,817,720	-	3,217,802,179	111,358,145	10,816,754	-	100,541,391
Total	3,245,911,564	21,682,103	-	3,224,229,461	122,649,810	15,427,448	-	107,222,362

The Group's fixed assets under finance leases represented a youth apartment under finance lease for the Company, which is used for the purposes of the staff dormitory; and machinery and equipment under finance leases.

(3) Fixed assets pending certificates of ownership

As at 31 December 2020, fixed assets pending certificates of ownership totalled RMB 20,426,632,149 (31 December 2019: RMB 8,208,580,798) and certificates of ownership is still being processed.

15 Construction in progress

(1) Analysis of the Group's construction in progress is as follows:

Item	2020			2019		
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount
The 6th generation AMOLED project - Mianyang	10,195,964,634	-	10,195,964,634	34,753,609,842	-	34,753,609,842
The 6th generation LTPS/AMOLED project - Chengdu	1,609,674,328	-	1,609,674,328	19,490,899,526	-	19,490,899,526
The 6th generation AMOLED project - Chongqing	11,920,916,965	-	11,920,916,965	1,462,975,936	-	1,462,975,936
The 10.5th generation TFT-LCD project - Wuhan	10,551,056,190	-	10,551,056,190	24,749,508,699	-	24,749,508,699
Others	8,298,237,835	-	8,298,237,835	6,919,788,524	-	6,919,788,524
Total	42,575,849,952	-	42,575,849,952	87,376,782,527	-	87,376,782,527

(2) Movements of major construction projects in progress during the year

<i>Item</i>	<i>Budget</i>	<i>Balance at the beginning of the year</i>	<i>Additions during the year</i>	<i>Transfers to fixed assets</i>	<i>Transfer to intangible assets</i>	<i>Balance at the end of the year</i>	<i>Percentage of actual cost to budget (%)</i>	<i>Accumulated capitalised interest at the end of the year</i>	<i>Interest capitalised in 2020</i>	<i>Interest rate for capitalisation in 2020 (%)</i>	<i>Sources of funding</i>
The 6th generation AMOLED project - Mianyang	46,500,000,000	34,753,609,842	5,358,315,087	(29,648,604,321)	(267,355,974)	10,195,964,634	89.04%	1,198,529,778	585,397,750	3.42%	Self-raised funds and borrowings
The 6th generation LTPS/AMOLED project - Chengdu	46,500,000,000	19,490,899,526	4,552,866,676	(22,409,432,296)	(24,659,578)	1,609,674,328	91.85%	-	367,526,893	1.77%	Self-raised funds and borrowings
The 6th generation AMOLED project - Chongqing	46,500,000,000	1,462,975,936	10,460,532,891	(2,591,862)	-	11,920,916,965	26.05%	1,242,708	1,242,708	2.04%	Self-raised funds and borrowings
The 10.5th generation TFT-LCD project - Wuhan	46,000,000,000	24,749,508,699	9,659,161,031	(23,848,967,181)	(8,646,359)	10,551,056,190	77.36%	115,596,222	317,760,483	3.81%	Self-raised funds and borrowings

16 Intangible assets

(1) Intangible assets

	<i>Land use rights</i>	<i>Patent and proprietary technology</i>	<i>Computer software</i>	<i>Others</i>	<i>Total</i>
Original book value					
Balance at the beginning of the year	4,091,243,669	3,718,555,116	1,042,610,560	1,305,739,329	10,158,148,674
Additions during the year					
- Purchases	299,431,151	248,991,522	27,684,102	2,383,123	578,489,898
- Transfers from construction in progress	62,430,272	-	413,899,417	-	476,329,689
- Non-controlling shareholders' contribution of capital	-	-	-	285,773,298	285,773,298
- Additions due to business combinations involving entities not under common control	804,621,761	2,978,191,033	56,802,736	-	3,839,615,530
Disposals during the year	(5,002,886)	(2,768,601)	(2,000,735)	(42,887,739)	(52,659,961)
Balance at the end of the year	<u>5,252,723,967</u>	<u>6,942,969,070</u>	<u>1,538,996,080</u>	<u>1,551,008,011</u>	<u>15,285,697,128</u>
Less: Accumulated amortisation					
Balance at the beginning of the year	303,706,213	1,601,698,094	652,198,832	184,128,706	2,741,731,845
Charge during the year	95,749,974	350,459,099	158,475,804	86,677,458	691,362,335
Disposals during the year	(1,400,083)	(1,387,324)	(2,000,735)	(18,535,358)	(23,323,500)
Balance at the end of the year	<u>398,056,104</u>	<u>1,950,769,869</u>	<u>808,673,901</u>	<u>252,270,806</u>	<u>3,409,770,680</u>
Carrying amounts					
At the end of the year	<u>4,854,667,863</u>	<u>4,992,199,201</u>	<u>730,322,179</u>	<u>1,298,737,205</u>	<u>11,875,926,448</u>
At the beginning of the year	<u>3,787,537,456</u>	<u>2,116,857,022</u>	<u>390,411,728</u>	<u>1,121,610,623</u>	<u>7,416,416,829</u>

(2) Land use rights pending certificates of ownership

As at 31 December 2020, intangible assets pending certificates of ownership totalled RMB 4,694,121 (31 December 2019: RMB 614,842,056).

17 Goodwill

(1) Changes in goodwill

<i>Name of investee</i>	<i>Note</i>	<i>Balance at the beginning of the year</i>	<i>Additions during the year</i>	<i>Balance at the end of the year</i>
Book value				
Beijing Yinghe Century Co., Ltd.		42,940,434	-	42,940,434
K-Tronics (Suzhou) technology Co., Ltd.		8,562,464	-	8,562,464
Beijing BOE Optoelectronics Technology Co., Ltd.		4,423,876	-	4,423,876
BOE Healthcare Investment & Management Co., Ltd.		146,460,790	-	146,460,790
SES Imagetag SA Co., Ltd.		706,406,821	-	706,406,821
Chengdu CEC Panda Display Technology Co., Ltd.	(a)	-	537,038,971	537,038,971
Nanjing CEC Panda FPD Technology Co., Ltd.	(b)	-	155,714,415	155,714,415
Sub-total		<u>908,794,385</u>	<u>692,753,386</u>	<u>1,601,547,771</u>
Provision for impairment				
Beijing BOE Optoelectronics Technology Co., Ltd.		(4,423,876)	-	(4,423,876)
SES Imagetag SA Co., Ltd.		<u>(196,766,653)</u>	<u>-</u>	<u>(196,766,653)</u>
Sub-total		<u>(201,190,529)</u>	<u>-</u>	<u>(201,190,529)</u>
Carrying amount		<u><u>707,603,856</u></u>	<u><u>692,753,386</u></u>	<u><u>1,400,357,242</u></u>

(a) As disclosed in Note VI.1, the Group obtained the control of Chengdu CEC Panda on 17 December 2020. The excess of the combination cost over the Group's interest in the fair value of Chengdu CEC Panda's identifiable assets and liabilities, amounting to RMB 537,038,971, was recognised as goodwill attributable to Chengdu CEC Panda.

(b) As disclosed in Note VI.1, the Group obtained the control of Nanjing CEC Panda on 24 December 2020. The excess of the combination cost over the Group's interest in the fair value of Nanjing CEC Panda's identifiable assets and liabilities, amounting to RMB 155,714,415, was recognised as goodwill attributable to Nanjing CEC Panda.

(2) Provision for impairment of goodwill

The recoverable amount of Beijing Yinghe Century Co., Ltd. ("Yinghe Century"), Suzhou K-Tronics, BOE Healthcare Investment & Management Co., Ltd. ("Health Investment") and SES Imagetag SA Co., Ltd., Nanjing CEC Panda and Chengdu CEC Panda is determined based on the present value of expected future cash flows. When predicting the present value of cash flow, the cash flow in the next 5 years is determined based on the financial budget approved by the management. The cash flow in the years after the 5-year financial budget will remain stable. The pre-tax discount rate is determined with reference to comparable companies and related capital structures.

18 Long-term deferred expenses

	<i>Balance at the beginning of the year</i>	<i>Additions during the year</i>	<i>Decrease during the year</i>	<i>Balance at the end of the year</i>
Payment for public facilities construction and use	82,702,566	-	(15,370,224)	67,332,342
Cost of operating lease assets improvement	28,066,255	5,227,728	(19,121,157)	14,172,826
Others	234,655,588	84,706,547	(101,233,203)	218,128,932
	<u>345,424,409</u>	<u>89,934,275</u>	<u>(135,724,584)</u>	<u>299,634,100</u>

19 Deferred tax assets/deferred tax liabilities

(1) Deferred tax assets and liabilities

<i>Item</i>	<u>2020</u>		<u>2019</u>	
	<i>Deductible/ (taxable) temporary differences</i>	<i>Deferred tax assets/(liabilities)</i>	<i>Deductible/ (taxable) temporary differences</i>	<i>Deferred tax assets/(liabilities)</i>
Deferred tax assets:				
Provision for impairment of assets	122,139,756	27,180,254	131,848,265	29,587,380
Changes in fair value of investments in other equity instruments	121,789,193	18,268,379	135,444,338	20,316,651
Depreciation of fixed assets	179,801,722	30,341,276	147,798,525	25,764,520
Assessed value added by investing real estate in subsidiaries	131,003,100	32,750,775	136,556,956	34,139,239
Accumulated losses	424,212,759	132,565,377	361,764,556	111,182,956
Others	64,633,800	14,628,946	214,882,405	40,237,079
Sub-total	<u>1,043,580,330</u>	<u>255,735,007</u>	<u>1,128,295,045</u>	<u>261,227,825</u>
Amount offset		<u>(50,693,919)</u>		<u>(13,074,064)</u>
Balance after offsetting		<u>205,041,088</u>		<u>248,153,761</u>
Deferred tax liabilities:				
Revaluation due to business combinations involving entities not under common control	(2,395,173,489)	(713,559,149)	(2,594,143,798)	(772,597,483)
Depreciation of fixed assets	(4,622,699,062)	(721,371,438)	(4,178,779,443)	(643,417,497)
Long-term equity investments	(120,141,687)	(18,021,253)	(120,141,687)	(18,021,253)
Others	(142,029,410)	(25,343,233)	(161,910,113)	(30,863,188)
Sub-total	<u>(7,280,043,648)</u>	<u>(1,478,295,073)</u>	<u>(7,054,975,041)</u>	<u>(1,464,899,421)</u>
Amount offset		<u>50,693,919</u>		<u>13,074,064</u>
Balance after offsetting		<u>(1,427,601,154)</u>		<u>(1,451,825,357)</u>

(2) Details of unrecognised deferred tax assets

	2020	2019
Deductible temporary differences	16,442,282,572	9,708,406,691
Deductible tax losses	<u>25,680,094,343</u>	<u>15,354,248,296</u>
Total	<u><u>42,122,376,915</u></u>	<u><u>25,062,654,987</u></u>

As at 31 December 2020, the deductible temporary differences are mainly provisions for the subsidiaries' impairment of assets. Due to the uncertainty that there will be sufficient taxable income to cover these deductible differences in future periods, the deferred income tax assets were not recognised in consideration of prudence. The change of unrecognised deferred tax assets for the year was mainly due to consideration of RMB 8,253,348,675 generated by the acquisition of Nanjing CEC Panda and Chengdu CEC Panda.

(3) Expiration of deductible tax losses for unrecognised deferred tax assets

<i>Year</i>	<i>Note</i>	2020	2019
2020		-	58,901,625
2021		78,927,101	80,449,618
2022		416,996,721	435,146,446
2023		518,668,889	605,118,016
2024		1,129,623,213	1,028,882,595
2025		2,987,078,958	494,894,618
2026		848,779,232	227,711,720
2027		128,972,134	133,673,301
2028		5,149,658,963	4,215,818,107
2029		10,575,127,795	7,359,029,807
2030		2,846,283,820	-
Others	(a)	<u>999,977,517</u>	<u>714,622,443</u>
Total		<u><u>25,680,094,343</u></u>	<u><u>15,354,248,296</u></u>

(a) According to the applicable local tax laws, loss of some overseas subsidiaries of the Group has indefinite carry-over period to deduct the future taxable income.

20 Other non-current assets

	<i>Note</i>	<i>31 December 2020</i>	<i>1 January 2020/31 December 2019</i>
VAT on tax credits		3,720,414,204	2,482,410,097
Deferred VAT for imported equipment		2,444,720,228	5,027,130,119
Prepayment for fixed assets		1,476,495,591	1,159,943,991
Gains from transfer of exploration right	(a)	512,802,600	512,802,600
Prepayments for construction		130,568,100	43,162,425
Others		339,969,296	266,132,327
		<u>8,624,970,019</u>	<u>9,491,581,559</u>
Total		<u>8,624,970,019</u>	<u>9,491,581,559</u>

(a) On 31 December 2020, gains from transfer of exploration right are amount for the transfer of exploration paid by the Group through Erdos BOE Energy Investment Co., Ltd. to Ministry of Natural Resources of Inner Mongolia.

21 Short-term loans

<i>31 December 2020</i>				
	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>	<i>Credited/ collateralised guaranteed/ pledged</i>
Bank loans				
- RMB			600,623,333	Collateralised
- RMB			1,853,305,416	Guaranteed
- RMB			2,872,713,095	Credited
Sub-total			<u>5,326,641,844</u>	
Foreign currency bank loans				
- USD	346,986,252	6.5249	2,264,050,596	Guaranteed
- USD	132,229,237	6.5249	862,782,549	Credited
- JPY	2,310,305,559	0.0632	146,094,482	Credited
Sub-total			<u>3,272,927,627</u>	
Total			<u>8,599,569,471</u>	

2019

	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>	<i>Credited/ collateralised guaranteed/ pledged</i>
Bank loans				
- RMB			1,706,000,000	Pledged
- RMB			<u>3,570,500,000</u>	Credited
Sub-total			<u>5,276,500,000</u>	
Foreign currency bank loans				
- USD	75,000,000	6.9762	523,215,000	Pledged
- USD	74,983,524	6.9762	523,100,057	Credited
- JPY	685,049,220	0.0641	<u>43,902,064</u>	Credited
Sub-total			<u>1,090,217,121</u>	
Total			<u>6,366,717,121</u>	

The interest rate of short-term loans for the Group ranged from 0.50% to 5.90% in 2020 (2019: 0.40% to 4.35%).

As at 31 December 2020, no short-term loan was past due (2019: Nil).

22 Bills payable

	<i>31 December 2020</i>	<i>31 December 2019</i>
Bank acceptance bills	1,130,824,139	1,812,309,507
Commercial acceptance bills	<u>100,709,756</u>	<u>216,608,473</u>
Total	<u>1,231,533,895</u>	<u>2,028,917,980</u>

There is no due but unpaid bill payable at the end of the year. The bills above are all due within one year.

23 Accounts payable

(1) The Group's accounts payable by category are as follows:

	<i>31 December 2020</i>	<i>31 December 2019</i>
Payables to related parties	108,759,439	77,847,042
Payables to third parties	<u>27,055,412,243</u>	<u>21,105,720,511</u>
Total	<u>27,164,171,682</u>	<u>21,183,567,553</u>

(2) The Group's accounts payable by currency are as follows:

	<i>2020</i>			<i>2019</i>		
	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>
- RMB			18,877,719,728	-		14,353,247,507
- USD	1,065,301,852	6.5249	6,950,988,054	869,901,566	6.9762	6,068,607,305
- JPY	7,851,845,994	0.0632	496,236,667	10,667,212,793	0.0641	683,768,340
- Other foreign currencies			<u>839,227,233</u>	-		<u>77,944,401</u>
Total			<u>27,164,171,682</u>			<u>21,183,567,553</u>

As at 31 December 2020, the Group had no individually significant accounts payable ageing more than one year.

24 Advance payments received

<i>Item</i>	<i>31 December 2020</i>	<i>1 January 2020</i>	<i>31 December 2019</i>
Advances from related parties	6,018,519	60,990	60,990
Advances from third parties	<u>1180,022,230</u>	<u>123,091,845</u>	<u>1,260,671,795</u>
Total	<u>124,040,749</u>	<u>123,152,835</u>	<u>1,260,732,785</u>

25 Contract liabilities

<i>Item</i>	<i>31 December 2020</i>	<i>1 January 2020</i>	<i>31 December 2019</i>
Sale of goods	<u>3,440,720,535</u>	<u>1,083,074,827</u>	<u>-</u>

Contract liabilities primarily relate to the Group's advances from goods purchase and sale contracts. The Group receives a certain proportion of advances as agreed in contract when entering into the contract with customers. The revenue related to the contracts will be recognised until the Group satisfies its performance obligation.

Significant changes in the contract liabilities of the Group are as follows:

	<i>2020</i>
	<i>RMB</i>
Balance under previous revenue standard	-
Adjustment on initial application of the new revenue standard	<u>1,083,074,827</u>
Balance at the beginning of the year after adjustment	<u>1,083,074,827</u>
Revenue recognised that was included in the contract liability balance at the beginning of year	(985,358,861)
Increase of contract liabilities due to cash received at the end of the year	<u>3,343,004,569</u>
Balance at 31 December 2020	<u>3,440,720,535</u>

26 Employee benefits payable

(1) Employee benefits payable:

	<i>Note</i>	<i>Balance at 1 January 2020</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2020</i>
Short-term employee benefits	(2)	2,317,952,892	14,505,206,045	(13,089,586,475)	3,733,572,462
Post-employment benefits					
- defined contribution plans	(3)	30,809,715	603,373,645	(612,555,327)	21,628,033
Termination benefits		<u>24,982,847</u>	<u>6,049,760</u>	<u>(27,609,305)</u>	<u>3,423,302</u>
Total		<u>2,373,745,454</u>	<u>15,114,629,450</u>	<u>(13,729,751,107)</u>	<u>3,758,623,797</u>

	<i>Note</i>	<i>Balance at 1 January 2019</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2019</i>
Short-term employee benefits	(2)	2,175,807,665	11,808,187,563	(11,666,042,336)	2,317,952,892
Post-employment benefits					
- defined contribution plans	(3)	34,353,845	892,704,459	(896,248,589)	30,809,715
Termination benefits		14,769,661	21,224,469	(11,011,283)	24,982,847
Total		2,224,931,171	12,722,116,491	(12,573,302,208)	2,373,745,454

(2) Short-term employee benefits

		<i>Balance at 1 January 2020</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2020</i>
Salaries, bonuses, allowances		1,884,102,804	12,377,361,943	(11,076,670,492)	3,184,794,255
Staff welfare		-	813,811,158	(813,811,158)	-
Social insurance		32,323,849	428,892,729	(428,549,166)	32,667,412
Medical insurance		28,537,074	397,973,661	(396,959,327)	29,551,408
Work-related injury insurance		1,592,189	17,318,426	(17,296,483)	1,614,132
Maternity insurance		2,194,586	13,600,642	(14,293,356)	1,501,872
Housing fund		27,503,744	572,216,189	(572,578,874)	27,141,059
Labour union fee, staff and workers' education fee		345,146,487	294,743,728	(172,165,296)	467,724,919
Staff bonus and welfare fund		7,282,591	13,270,618	-	20,553,209
Other short-term employee benefits		21,593,417	4,909,680	(25,811,489)	691,608
Total		2,317,952,892	14,505,206,045	(13,089,586,475)	3,733,572,462

		<i>Balance at 1 January 2019</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2019</i>
Salaries, bonuses, allowances		1,817,946,511	9,760,123,875	(9,693,967,582)	1,884,102,804
Staff welfare		-	726,894,238	(726,894,238)	-
Social insurance		31,310,324	506,406,607	(505,393,082)	32,323,849
Medical insurance		27,150,184	458,152,049	(456,765,159)	28,537,074
Work-related injury insurance		2,048,914	24,547,049	(25,003,774)	1,592,189
Maternity insurance		2,111,226	23,707,509	(23,624,149)	2,194,586
Housing fund		22,081,660	534,751,562	(529,329,478)	27,503,744
Labour union fee, staff and workers' education fee		274,477,650	258,158,151	(187,489,314)	345,146,487
Staff bonus and welfare fund		7,282,591	-	-	7,282,591
Other short-term employee benefits		22,708,929	21,853,130	(22,968,642)	21,593,417
Total		2,175,807,665	11,808,187,563	(11,666,042,336)	2,317,952,892

(3) Post-employment benefits - defined contribution plans

	<i>Balance at 1 January 2020</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2020</i>
Basic pension insurance	26,271,958	547,052,137	(554,271,266)	19,052,829
Unemployment insurance	1,072,077	23,115,986	(23,077,129)	1,110,934
Annuity	3,465,680	33,205,522	(35,206,932)	1,464,270
Total	<u>30,809,715</u>	<u>603,373,645</u>	<u>(612,555,327)</u>	<u>21,628,033</u>

	<i>Balance at 1 January 2019</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2019</i>
Basic pension insurance	29,206,273	835,731,675	(838,665,990)	26,271,958
Unemployment insurance	964,893	30,896,288	(30,789,104)	1,072,077
Annuity	4,182,679	26,076,496	(26,793,495)	3,465,680
Total	<u>34,353,845</u>	<u>892,704,459</u>	<u>(896,248,589)</u>	<u>30,809,715</u>

27 Taxes payable

	2020	2019
Value-added tax	40,678,414	104,968,721
Corporate income tax	442,103,385	225,781,442
Individual income tax	60,823,097	46,299,098
City construction tax	239,633,339	159,162,466
Education surcharges and local education surcharges	171,225,887	114,515,524
Others	<u>123,222,747</u>	<u>80,268,878</u>
Total	<u>1,077,686,869</u>	<u>730,996,129</u>

28 Other payables

	<i>Note</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Interest payable		1,946,267	721,325,540
Dividends payable		6,451,171	14,568,242
Others	(1)	<u>32,859,311,586</u>	<u>23,834,695,828</u>
Total		<u><u>32,867,709,024</u></u>	<u><u>24,570,589,610</u></u>

(1) Others

(a) The Group's other payables by category are as follows:

	<i>Note</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Projects and equipment		22,081,009,426	19,265,984,958
Fund transaction (Note)		3,044,729,475	25,236,605
Equity acquisition	VI. 1	2,236,488,561	338,596
Deferred VAT for imported equipment		1,920,558,529	2,277,269,457
Repurchase obligation of restricted shares	V. 40	875,333,536	-
Accrued water and electricity charges and freight		711,995,694	475,398,269
Security deposits		576,740,323	565,971,653
External agency fee		95,378,987	95,525,591
Others		<u>1,317,077,055</u>	<u>1,128,970,699</u>
Total		<u><u>32,859,311,586</u></u>	<u><u>23,834,695,828</u></u>

The Group's significant other payables aged over one year are payables of projects and equipment.

Note: The other payables by the Group to CEC Panda as at 31 December 2020 are amounts and interests due to original controlling shareholders of Nanjing CEC Panda and Chengdu CEC Panda acquired this year, with interest rates of 2.175% and 0%.

(c) The Group's other payables by currency are as follows:

	31 December 2020			31 December 2019		
	Amount in original currency	Exchange rate	RMB/RMB equivalents	Amount in original currency	Exchange rate	RMB/RMB equivalents
RMB			25,021,226,671			14,900,017,469
USD	834,593,184	6.5249	5,445,637,067	939,445,424	6.9762	6,553,759,167
JPY	36,887,427,437	0.0632	2,331,285,414	36,516,333,058	0.0641	2,340,696,949
Other foreign currencies			61,162,434			40,222,243
Total			<u>32,859,311,586</u>			<u>23,834,695,828</u>

29 Non-current liabilities due within one year

As at 31 December, the non-current liabilities due within one year for the Group were long-term loans and long-term payables due within one year.

	Note	31 December 2020			Credited /collateralised
		Amount in original currency	Exchange rate	RMB/RMB equivalents	
Bank loans					
- RMB				28,108,784	Pledged
- RMB				5,654,665,718	Collateralised
- RMB				1,562,733	Guaranteed
- RMB				8,650,207,807	Credited
- USD		1,397,735,847	6.5249	9,120,086,628	Collateralised
- EUR		415,746	8.0250	3,336,362	Credited
- EUR		7,920,370	8.0250	63,560,969	Pledged
Sub-total	V. 31			<u>23,521,529,001</u>	
Long-term payables	V. 33			<u>979,021,120</u>	
Total				<u><u>24,500,550,121</u></u>	

31 December 2019

	<i>Note</i>	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>	<i>Credited/ collateralised guaranteed/ pledged</i>
Bank loans					
- RMB				3,548,760,000	Collateralised
- RMB				5,660,431,884	Credited
- RMB				27,187,500	Pledged
- USD		1,192,400,000	6.9762	8,318,420,880	Collateralised
- EUR		144,950,000	7.8155	1,132,856,725	Pledged
- EUR		415,746	7.8155	3,249,263	Credited
Sub-total	V. 31			18,690,906,252	
Long-term payables	V. 33			158,374,767	
Total				18,849,281,019	

The interest rate of RMB long-term loans due within one year for the Group ranged from 0% to 5.88% in 2020 (2019: from 0% to 5.64%).

30 Other current liabilities

<i>Item</i>	<i>31 December 2020</i>	<i>1 January 2020</i>	<i>31 December 2019</i>
Warranty provisions	1,615,534,790	940,668,393	940,668,393
Refund liability	144,834,876	79,264,710	-
Pending output VAT	278,791,002	64,391,101	9,885,978
Others	155,556,184	63,184,144	63,184,144
Total	2,194,716,852	1,147,508,348	1,013,738,515

The other current liabilities of the Group were warranty provision accrued. The warranty provision mainly relates to the expected after-sales repair warranty to the customers. The provision is estimated by the management, based on historical claim experience and current actual sales outcomes.

<i>31 December 2020</i>					
	<i>Note</i>	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>	<i>Credited/ collateralised guaranteed/ pledged</i>
Bank loans					
- RMB				564,470,036	Pledged
- RMB				58,205,922,053	Collateralised
- RMB				3,245,238,880	Guaranteed
- RMB				48,593,938,457	Credited
- USD		6,647,918,240	6.5249	43,377,001,724	Collateralised
- EUR		67,323,142	8.0250	540,268,215	Pledged
- EUR		180,368,445	8.0250	1,447,456,771	Credited
Less: Long-term loans due within one year	V. 29			<u>23,521,529,001</u>	
Total				<u>132,452,767,135</u>	

<i>31 December 2019</i>					
	<i>Note</i>	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>	<i>Credited/ collateralised guaranteed/ pledged</i>
Bank loans					
- RMB				590,727,344	Pledged
- RMB				45,290,913,200	Collateralised
- RMB				760,000,000	Guaranteed
- RMB				38,988,142,361	Credited
- USD		5,603,270,000	6.9762	39,089,532,174	Collateralised
- EUR		3,721,275	7.8155	29,083,625	Credited
- EUR		214,075,000	7.8155	1,673,103,163	Pledged
Less: Long-term loans due within one year	V. 29			<u>18,690,906,252</u>	
Total				<u>107,730,595,615</u>	

The interest rate of RMB long-term loans for the Group ranged from 0% to 5.90% in 2020 (2019: from 0% to 5.64%). The increase in the upper limit of the interest rate of RMB long-term loans in 2020 is mainly due to the higher interest rate of Nanjing CEC Panda, which is newly included in the scope of consolidated financial statements.

32 Debentures payable

(1) Debentures payable

<i>Item</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Debentures payable	398,971,739	387,878,384
Less: Debentures payable due within one year	<u>-</u>	<u>-</u>
Total	<u>398,971,739</u>	<u>387,878,384</u>

(2) The movements of debentures payable:

<i>Debenture</i>	<i>Face value</i>	<i>Issuance date</i>	<i>Maturity period</i>	<i>Issuance amount</i>	<i>Balance at the beginning of the year</i>	<i>Increase during the year</i>	<i>Interest at face value</i>	<i>Amortisation of discounts or premium</i>	<i>Repayment during the period</i>	<i>Translation differences</i>	<i>Balance at the end of the year</i>
Euro PP	EUR 10,000,000	2016.12.29	7 years	EUR 10,000,000	77,674,350	-	2,764,825	108,611	(2,764,825)	2,083,842	79,866,803
Euro PP	EUR 30,000,000	2017.03.29	6 years	EUR 30,000,000	233,145,481	-	8,294,475	401,058	(8,294,475)	6,256,001	239,802,540
Euro PP	EUR 10,000,000	2019.07.22	6 years	EUR 10,000,000	77,058,553	-	3,594,273	175,447	(3,594,273)	2,068,396	79,302,396
Total					<u>387,878,384</u>	<u>-</u>	<u>14,653,573</u>	<u>685,116</u>	<u>(14,653,573)</u>	<u>10,408,239</u>	<u>398,971,739</u>

SES Imagotag SA Co., Ltd. issued two private placement bonds with a total face value of Euro 40 million to institutional investors on 29 December 2016 and 29 March 2017. The coupon rate of the bonds is 3.50% and the maturity date is 29 December 2023. Interest payments are made annually and the principle amount will be paid when the bonds become due.

SES Imagotag SA Co., Ltd. issued a private placement bond with a total face value of Euro 10 million to institutional investors on 22 July 2019. The coupon rate of the bond is 4.55% and the maturity date is 22 July 2025. Interest payments are made annually, and the principle amount will be paid when the bond becomes due.

33 Long-term payables

<i>Item</i>	<i>Note</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Obligations under finance leases	(1)	3,093,196,803	1,142,895,591
Less: Obligations under finance leases due within one year		<u>979,021,120</u>	<u>158,374,767</u>
Total		<u>2,114,175,683</u>	<u>984,520,824</u>

(1) Details of obligations under finance leases included in long-term payables

As at 31 December, the total future minimum lease payments under finance leases were as follows:

<i>Minimum lease payments</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Within 1 year (inclusive)	1,175,045,108	240,790,871
After 1 year but within 2 years (inclusive)	1,061,063,290	211,473,668
After 2 years but within 3 years (inclusive)	559,312,651	198,335,280
After 3 years	<u>840,557,857</u>	<u>866,709,073</u>
Sub-total	3,635,978,906	1,517,308,892
Less: Unrecognised finance charges	<u>542,782,103</u>	<u>374,413,301</u>
Total	<u>3,093,196,803</u>	<u>1,142,895,591</u>

The Group leased back some of its sold machinery, equipment and constructions in progress. The sales of the assets are related to the leases, and the Group basically can ensure to buy back the asset after lease term. Therefore, the Group adopts the accounting treatment of collateral loans.

34 Provisions

<u>Name of investee</u>	<i>31 December 2020</i>	<i>31 December 2019</i>
Pending implementation of the agreement	-	16,457,010

In 2009, the Group ceased producing several products and stopped fulfilling the purchase contract related to production. Due to the indemnity incurred accordingly, the Group accrued provisions according to reasonable estimation of loss.

35 Deferred income

<i>Item</i>	<i>Balance at the beginning of the year</i>	<i>Additions during the year</i>	<i>Amounts recognised in other income</i>	<i>Other changes</i>	<i>Balance at the end of the year</i>
Related to assets	1,959,522,274	1,420,632,945	(310,532,631)	(222,882,969)	2,846,739,619
Related to income	244,878,292	1,628,055,408	(471,110,335)	(2,331,516)	1,399,491,849
Total	2,204,400,566	3,048,688,353	(781,642,966)	(225,214,485)	4,246,231,468

36 Other non-current liabilities

<i>Item</i>	<i>Note</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Contribution of non-controlling interests with redemption provisions	(1)	3,710,474,960	3,699,127,228
Deferred VAT for imported equipment		1,472,958,998	4,409,269,015
Others		76,567,485	92,146,169
Total		5,260,001,443	8,200,542,412

(1) Contribution of non-controlling interests with redemption provisions

The contribution of non-controlling interests with redemption provisions is mainly due to the redemption obligation of the Company to the non-controlling interests of Fuzhou BOE and BOE Smart Retail (Hong Kong) Co., Ltd. The Company recognises the above non-controlling interests contribution as a financial liability which is subsequently measured at the cost of amortisation. The carrying amount as at 31 December 2020 is RMB 3,710,474,960.

37 Share capital

	<i>Balance at the beginning of the year</i>	<i>Balance at the end of the year</i>
Total shares	<u>34,798,398,763</u>	<u>34,798,398,763</u>

38 Other equity instruments

(1) Financial instruments (including perpetual bonds) that remain outstanding at the end of the year are set out as follows:

<i>Outstanding financial instruments</i>	<i>Issuance date</i>	<i>Accounting classification</i>	<i>Interest rate</i>	<i>Issuance price</i>	<i>Quantity</i>	<i>Amount</i>	<i>Maturity date or renewal status</i>	<i>Conditions for conversion</i>	<i>Conversion status</i>
19BOEY1	29 October 2019	Equity instrument	4.0%	RMB 100/bond	80 million	RMB 8 billion	3+N years	Not Applicable	Not Applicable
20BOEY1	28 February 2020	Equity instrument	3.6%	RMB 100/bond	20 million	RMB 2 billion	3+N years	Not Applicable	Not Applicable
20BOEY2	19 March 2020	Equity instrument	3.5%	RMB 100/bond	20 million	RMB 2 billion	3+N years	Not Applicable	Not Applicable
20BOEY3	27 April 2020	Equity instrument	3.5%	RMB 100/bond	20 million	RMB 2 billion	3+N years	Not Applicable	Not Applicable
Total					<u>140 million</u>	<u>RMB 14 billion</u>			

(2) Major terms

On 29 October 2019, with the approval document No. 1801 [2019] of the China Securities Regulatory Commission (“CSRC”), the Company successfully issued a renewable corporate bond to qualified investors. The full name of the bond was Renewable Corporate Bond Publicly Issued by BOE Technology Group Co., Ltd. (to qualified investors) in 2019 (the First Phase), which referred to as 19BOEY1 (“2019 bond”); on 28 February 2020, 19 March 2020 and 27 April 2020, the Company issued renewable corporate bonds to qualified investors. The full name of these bonds was Renewable Corporate Bond Publicly Issued by BOE Technology Group Co., Ltd. (to qualified investors) in 2020, which referred to as 20BOEY1、20BOEY2、20BOEY3 respectively (“2020 bond”).

Both 2019 bond and 2020 bond have a base term of 3 years and take every three interest-bearing years as a period. The Company is entitled to choose to extend the maturity by 1 period at the end of the agreed base term or at the end of each extended period, or choose to fully redeem the 2019 bond and 2020 bond at the end of the period. The nominal interest rate of the 2019 bond and 2020 bond is fixed during the first period, and then is reset once every period. The nominal interest rate in the first period is the initial benchmark interest rate plus the initial spread, and the nominal interest rate in the subsequent period is adjusted to the current benchmark interest rate plus the initial spread and 300 basis points. Therefore, when the Company exercises the renewal option, the nominal interest rate will significantly increase, and the corresponding nominal interest will also increase sharply. The 2019 bond and 2020 bond have an issuer’s right to defer the payment of interest. Unless a mandatory interest payment event occurs (including distributions to ordinary shareholders and decrease of registered capital). At each interest payment date of the bonds, the Company may choose at its discretion whether to defer the payment of the current interest as well as all the deferred interests and the yields under this term until the next interest payment date without being subjected to any limit on the number of interest deferring attempts.

The actual issuance of the 2019 bond and 2020 bond amounted to RMB 14,000,000,000 in total, and the Company considers that the renewable corporate bonds do not meet the definition of financial liabilities, and therefore will charge the total amount of the issue to other equity instruments after deducting underwriting fees and other transaction costs.

(3) Movement of the financial instruments (including and perpetual bonds) that remain outstanding at the end of the year:

	At the beginning of the year		Additions during the year		Accumulated interest		At the end of the year	
	Quantity	Carrying amount	Quantity	Carrying amount	Charge for the year	Paid during the year	Quantity	Carrying amount
19BOEY1	80,000,000	8,013,156,853	-	-	320,876,712	(320,000,000)	80,000,000	8,014,033,565
20BOEY1	-	-	20,000,000	1,989,179,245	61,431,233	-	20,000,000	2,050,610,478
20BOEY2	-	-	20,000,000	1,989,320,755	55,864,110	-	20,000,000	2,045,184,865
20BOEY3	-	-	20,000,000	1,989,415,094	47,753,425	-	20,000,000	2,037,168,519
Total	80,000,000	8,013,156,853	60,000,000	5,967,915,094	485,925,480	(320,000,000)	140,000,000	14,146,997,427

(4) Relevant information of amounts attributable to holders of equity instruments

	31 December 2020	31 December 2019
Attributable to shareholders of the Company	103,276,766,835	95,058,129,055
- Equity attributable to ordinary shareholders of the Company	89,129,769,408	87,044,972,202
- Equity attributable to holders of the Company's other equity instruments	14,146,997,427	8,013,156,853
Equity attributable to non-controlling shareholders	70,120,967,879	45,999,567,919
- Equity attributable to non-controlling ordinary shareholders	70,120,967,879	45,999,567,919
- Equity attributable to non-controlling shareholders of other equity instruments	-	-

(5) Accrued interest on holders of other equity instruments

In 2020, as the above-mentioned issued renewable corporate bonds are cumulative other equity instruments, the Company accrued interest of RMB 485,925,480 on renewable corporate bonds from undistributed profits and paid interest of RMB 320,000,000 on renewable corporate bonds.

39 Capital reserve

<i>Item</i>	<i>Note</i>	<i>Share premiums</i>	<i>Other capital reserves</i>	<i>Total</i>
Balance at the beginning of the year		37,546,517,053	806,725,311	38,353,242,364
Add: Change in shareholding ratio of subsidiaries		-	76,020,559	76,020,559
Equity-settled share-based payments	XI	-	(946,466,251)	(946,466,251)
Other movements in equity of associates	V. 11	-	7,011,400	7,011,400
Less: Disposal of subsidiaries to equity method accounting		-	46,470,087	46,470,087
Others		-	7,682,051	7,682,051
Balance at the end of the year		<u>37,546,517,053</u>	<u>(110,861,119)</u>	<u>37,435,655,934</u>

40 Treasury shares

<i>Item</i>	<i>At the beginning of the year</i>	<i>Additions during the year</i>	<i>Reductions during the year</i>	<i>At the end of the year</i>
Treasury shares	-	1,998,774,694	(962,476,186)	1,036,298,508
Total	-	1,998,774,694	(962,476,186)	1,036,298,508

According to the Proposal of Repurchase of Certain Public Shares by the Company deliberated and adopted in the fifteenth meeting of the ninth session of the Board of Directors meeting held on 27 August 2020, the Company completed repurchase of shares through centralised price bidding before 3 September 2020. The Company repurchased 349,999,933 A shares in total by paying total consideration of RMB 1,998,774,694.

The repurchased shares are placed with the designated securities account for the use of Company's repurchase, during which the Company is not entitled to have voting rights at the shareholders' general meeting, or rights of profit appropriations, increasing share capital by transfer of reserves, allotment of share and pledge etc. The repurchased shares will be used for implementing incentive plan. For shares failed to be used in this way within 36 months after being repurchased, the shares will be cancelled by performing related procedures.

As disclosed in Note XI, there is a vesting period for the restricted share incentive plans granted by the Group in 2020. If the incentive object resigns during the vesting period, the Company will repurchase the unlocked restricted shares at the exercise price. Therefore, the Company recognized a total of RMB 875,333,536 in restricted share subscription funds from restricted share incentive objects as other payables—the Repurchased obligation of restricted shares (Note V. 28 (1)) and Treasury Shares. The difference of RMB 962,476,186 between the amount paid by the Company to repurchase the above-mentioned Treasury Shares from the public market and the repurchase obligation is transferred to the Capital reserve-Other capital reserve.

Other comprehensive income

<i>Item</i>	<i>Balance at the end of previous year attributable to shareholders of the Company</i>	<i>Movements during the year</i>					<i>Balance at the end of the year attributable to shareholders of the Company</i>
		<i>Before-tax amount</i>	<i>Less: Income tax expenses</i>	<i>Net-of-tax amount attributable to shareholders of the Company</i>	<i>Net-of-tax amount attributable to non-controlling interests</i>	<i>Less: Transfer of other comprehensive income to retained earnings</i>	
Items that will not be reclassified to profit or loss	140,076,335	118,453,992	2,048,272	116,405,720	-	(195,070,158)	61,411,897
Including: Other comprehensive income recognised under equity method	308,546,648	136,381,254	-	136,381,254	-	(250,925,408)	194,002,494
Changes in fair value of investments in other equity instruments	(168,470,313)	(17,927,262)	2,048,272	(19,975,534)	-	55,855,250	(132,590,597)
Items that may be reclassified to profit or loss	(144,642,974)	49,539,936	-	61,033,005	(11,493,069)	-	(83,609,969)
Including: Other comprehensive income recognised under equity method	-	11,835	-	11,835	-	-	11,835
Translation differences arising from translation of foreign currency financial statements	(144,642,974)	49,528,101	-	61,021,170	(11,493,069)	-	(83,621,804)
Total	(4,566,639)	167,993,928	2,048,272	177,438,725	(11,493,069)	(195,070,158)	(22,198,072)

42 Surplus reserve

<i>Item</i>	<i>Balance at the beginning of the year</i>	<i>Add: Changes in accounting policies</i>	<i>Balance at the beginning of the year after adjustment</i>	<i>Additions during the year</i>	<i>Other changes during the year</i>	<i>Balance at the end of the year</i>
Statutory surplus reserve	1,226,468,400	533,906,114	1,760,374,514	373,919,158	20,451,688	2,154,745,360
Discretionary surplus reserve	289,671,309		289,671,309	-	-	289,671,309
Total	1,516,139,709	533,906,114	2,050,045,823	373,919,158	20,451,688	2,444,416,669

43 Retained earnings

<i>Item</i>	<i>Note</i>	<i>2020</i>	<i>2019</i>
Retained earnings at the beginning of the year (before adjustment)		12,381,758,005	N/A
Add: Changes in accounting policies		(533,906,114)	N/A
Retained earnings at the beginning of the year (after adjustment)		11,847,851,891	11,977,119,533
Add: Net profits for the year attributable to shareholders of the Company		5,035,627,952	1,918,643,871
Less: Appropriation for statutory surplus reserve		373,919,158	368,556,446
Interest on holders of other equity instruments	V. 38	485,925,480	56,109,589
Dividends to ordinary shares		695,967,975	1,043,951,963
Transfer of other comprehensive income to retained earnings	(a)	(171,164,417)	45,387,401
Effect of accounting for disposal of subsidiaries to equity method		(3,454,053)	-
Others		(7,508,922)	-
Retained earnings at the end of the year		15,509,794,622	12,381,758,005

According to the Annual Shareholders' Meeting for 2019 held on 29 May 2020, the Company distributed cash dividends to all shareholders on 3 July 2020, with RMB 0.2 every 10 shares (2019: RMB 0.3) and a total dividend of RMB 695,967,975 (2019: RMB 1,043,951,963) distributed.

As at 31 December 2020, the consolidated retained earnings attributable to the Company included appropriation to surplus reserves made by the Company's subsidiaries amounting to RMB 2,958,648,210 (2019: RMB 2,197,635,471).

- (a) The amounts transferred from other comprehensive income to retained earnings in 2020 includes RMB 225,832,867 of associates' gains from disposal of other equity instrument investments included in retained earnings and RMB 54,668,450 of the Group losses from disposals of other equity instrument investments included in retained earnings.

44 Operating income and operating costs

<i>Item</i>	<i>2020</i>		<i>2019</i>	
	<i>Income</i>	<i>Cost</i>	<i>Income</i>	<i>Cost</i>
Principal activities	131,839,051,171	107,017,283,266	112,869,129,027	96,547,463,221
Other operating activities	3,713,518,558	1,805,839,490	3,190,461,137	1,898,806,075
Total	135,552,569,729	108,823,122,756	116,059,590,164	98,446,269,296
Including: Income related to the new revenue standard	134,406,942,755	108,402,500,151	Not applicable	Not applicable
Revenue related to the lease standard	1,145,626,974	420,622,605	Not applicable	Not applicable

Details of operating income:

	<i>2019</i>
Operating income from principal activities	
- Sale of goods	112,869,129,027
Other operating income	
- Sales of raw materials	1,049,219,352
- Rental income of investment properties	1,164,355,875
- Others	976,885,910
Total	116,059,590,164

Information on income of principal activities has been included in Note XIV.

45 Taxes and surcharges

	<i>2020</i>	<i>2019</i>
Property tax	401,351,553	352,251,436
City maintenance and construction tax	266,845,054	190,993,833
Education surcharges and local education surcharges	192,450,398	136,854,543
Stamp duty	136,589,158	108,178,185
Land use tax	45,748,963	43,676,217
Others	35,914,959	29,146,391
Total	1,078,900,085	861,100,605

46 Selling and distribution expenses

	2020	2019
Warranty provisions	1,616,634,833	927,748,774
Staff costs	965,992,069	698,586,373
Logistics	73,934,798	589,504,713
Others	481,157,301	702,025,520
	<u>3,137,719,001</u>	<u>2,917,865,380</u>
Total	<u>3,137,719,001</u>	<u>2,917,865,380</u>

47 General and administrative expenses

	2020	2019
Staff cost	2,869,736,815	2,456,007,113
Repair expense	1,658,988,344	1,221,489,432
Depreciation and amortisation	726,690,746	586,695,417
Others	948,184,616	950,756,065
	<u>6,203,600,521</u>	<u>5,214,948,027</u>
Total	<u>6,203,600,521</u>	<u>5,214,948,027</u>

48 Research and development expenses

	2020	2019
Staff cost	3,621,724,397	2,764,095,983
Material expenses	1,395,642,077	1,517,000,923
Depreciation and amortisation	1,501,402,837	1,234,104,120
Others	1,103,828,614	1,184,772,214
	<u>7,622,597,925</u>	<u>6,699,973,240</u>
Total	<u>7,622,597,925</u>	<u>6,699,973,240</u>

49 Financial expenses

	2020	2019
Interest expenses from loans	4,807,347,590	3,651,979,758
Less: Borrowing costs capitalised	1,309,649,881	1,126,843,549
Interest income from bank deposits	(873,376,712)	(840,190,118)
Net exchange (gains)/losses	(73,110,352)	226,570,667
Other financial expenses	98,943,327	82,633,500
	<u>2,650,153,972</u>	<u>1,994,150,258</u>
Total	<u>2,650,153,972</u>	<u>1,994,150,258</u>

The capitalization rate used by the Group to determine the capitalization amount of borrowing costs was 1.77% - 3.81% (2019: 3.73% - 4.84%) for the year.

50 Other income

	2020	2019
Government grants related to assets	310,532,631	316,744,767
Government grants related to income	2,016,628,502	2,287,022,704
Others	10,544,684	1,891,240
	<u>2,337,705,817</u>	<u>2,605,658,711</u>
Total	<u>2,337,705,817</u>	<u>2,605,658,711</u>

The amount of government subsidies received by the Group in 2020 and directly included in other income was RMB 1,545,518,167.

51 Investment income

	<i>Note</i>	2020	2019
Income from long-term equity investments accounted for using the equity method	V. 11	444,407,986	200,020,686
Investment income from disposal of long-term equity investments		280,374,469	48,846,682
Dividend income from investments in other equity instruments	V. 12	26,376,687	9,984,205
Including: Dividend income from investments in other equity instruments derecognised during the year		-	471,354
Dividend income from investments in other equity instruments held at the balance sheet date		26,376,687	9,512,851
Investment income from disposal of financial assets held for trading		18,157,931	46,195,167
Interest income from debt investments		22,213,061	19,869,375
Investment income from disposal of debt investments		10,391,153	17,704,576
Gain from remeasurement of remaining equity interests to fair value upon the loss of control	VI. 2	95,969,822	-
		<u>897,891,109</u>	<u>342,620,691</u>
Total		<u>897,891,109</u>	<u>342,620,691</u>

52	Gains from changes in fair value			
	<i>Item</i>	2020	2019	
	Financial assets held for trading	31,936,339	66,473,077	
	Gains from changes in fair value of derivative financial liabilities	-	71,000,000	
	Total	<u>31,936,339</u>	<u>137,473,077</u>	
53	Credit losses			
	<i>Item</i>	2020	2019	
	Accounts receivable	(2,339,323)	22,016,906	
	Other receivables	511,804	6,245,721	
	Total	<u>(1,827,519)</u>	<u>28,262,627</u>	
54	Impairment losses			
		2020	2019	
	Impairment losses of inventories	2,509,374,165	1,986,350,231	
	Impairment losses of fixed assets	505,201,450	160,345,034	
	Impairment losses of long-term equity investments	265,641,984	240,721,340	
	Impairment losses of goodwill	-	196,766,653	
	Impairment losses of contract assets	207,800	-	
	Total	<u>3,280,425,399</u>	<u>2,584,183,258</u>	
55	Gains from asset disposals			
	<i>Item</i>	2020	2019	<i>Amount recognised in extraordinary gain and loss in 2020</i>
	Gains from disposal of fixed assets	11,403,591	79,029	11,403,591
	Gains from disposal of intangible assets	7,658,255	-	7,658,255
	Total	<u>19,061,846</u>	<u>79,029</u>	<u>19,061,846</u>

56 Non-operating income and non-operating expenses

(1) Non-operating income by item is as follows:

<i>Item</i>	2020	2019	<i>Amount recognised in extraordinary gain and loss in 2020</i>
Government grants	4,946,559	36,867,390	4,946,559
Others	<u>115,557,069</u>	<u>171,562,808</u>	<u>115,557,069</u>
Total	<u>120,503,628</u>	<u>208,430,198</u>	<u>120,503,628</u>

Government grants recognised in profit or loss for the current period

<i>Item</i>	2020	2019
Policy incentives and others	<u>4,946,559</u>	<u>36,867,390</u>

(2) Non-operating expenses

	2020	2019	<i>Amount recognised in extraordinary gain and loss in 2020</i>
Donations provided	13,324,588	9,985,603	13,324,588
Losses from scrapping of non-current assets	22,698,482	31,048,028	22,698,482
Others	<u>36,116,596</u>	<u>62,315,447</u>	<u>36,116,596</u>
Total	<u>72,139,666</u>	<u>103,349,078</u>	<u>72,139,666</u>

57 Income tax expenses

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Current tax expense for the period based on tax law and regulations		1,547,783,003	956,184,825
Changes in deferred tax assets/liabilities	(1)	<u>16,783,243</u>	<u>23,806,679</u>
Total		<u>1,564,566,246</u>	<u>979,991,504</u>
 (1) The analysis of changes in deferred tax assets/liabilities is set out below:			
		<i>2020</i>	<i>2019</i>
Origination and reversal of temporary differences		<u>16,783,243</u>	<u>23,806,679</u>
 (2) Reconciliation between income tax expenses and accounting profit:			
		<i>2020</i>	<i>2019</i>
Profit before taxation		6,092,836,662	503,750,101
Expected income tax expense at tax rate of 15%		913,925,499	75,562,515
Add: Effect of different tax rates applied by subsidiaries		(26,770,857)	7,640,088
Effect of non-deductible costs, expense and losses		89,724,266	58,923,605
Effect of weighted pre-tax deduction and tax preference		(643,677,261)	(590,392,743)
Utilisation of prior year tax losses		(95,546,933)	(20,942,179)
Effect of deductible losses of deferred tax assets not recognised		515,687,922	1,358,934,997
Effect of deductible temporary differences of deferred tax assets not recognised		811,223,610	106,073,260
Effect of tax rates changes on deferred tax		<u>-</u>	<u>(15,808,039)</u>
Income tax expenses		<u>1,564,566,246</u>	<u>979,991,504</u>

According to Notice on Increasing the Pre-tax Deduction Ratio of Research and Development Expenses (Caishui [2018] No. 99) issued by the Ministry of Finance, the State Administration of Taxation and the Ministry of Science and Technology Finance and Taxation, in order to further encourage enterprises to increase investment in research and development, support scientific and technological innovation, the research and development expenses incurred from the research and development activities carried out by enterprises, which do not form intangible assets and are included in the current profits and losses, can be deducted in accordance with provisions, with 75% of the actual amount is deducted before tax additionally during the period from 1 January 2018 to 31 December 2020.

58 Basic earnings per share and diluted earnings per share

Basic earnings per share is calculated as dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding. The Group does not have any potential dilutive ordinary shares for the listed years.

	2020	2019
Net profit attributable to the Company's shareholders	5,035,627,952	1,918,643,871
Less: Current interest of other equity instruments	485,925,480	56,109,589
Consolidated net profit attributable to ordinary shareholders of the Company	4,549,702,472	1,862,534,282
Weighted average number of ordinary shares outstanding (share)	34,684,107,122	34,798,398,763
Basic earnings per share (RMB/share)	0.13	0.05

Weighted average number of ordinary shares is calculated as follows:

	2020	2019
Issued ordinary shares at the beginning of the year	34,798,398,763	34,798,398,763
Less: Weighted average number of ordinary shares for the period	114,291,641	-
Weighted average number of ordinary shares at the end of the year	<u>34,684,107,122</u>	<u>34,798,398,763</u>

59 Supplementary information on cash flow statement

(1) Supplement to cash flow statement

	2020	2019
(a) Reconciliation of net profit to cash flows from operating activities:		
Net profits/(losses)	4,528,270,416	(476,241,403)
Add: Credit losses	(1,827,519)	28,262,627
Impairment losses	3,280,425,399	2,584,183,258
Depreciation of fixed assets and investment properties	21,680,555,167	18,357,209,097
Amortisation of intangible assets	758,817,609	505,881,147
Amortisation of long-term deferred expenses	123,440,347	123,883,157
Gains from disposal of fixed assets, intangible assets, and other long-term assets	(19,786,363)	(79,029)
Losses from scrapping of fixed assets and intangible assets	22,698,482	28,585,575
Financial expenses	3,835,299,300	2,849,179,043
Gains from changes in fair value	(31,936,339)	(137,473,077)
Investment income	(897,891,109)	(342,620,691)
Share-based payments	15,779,427	-
Change in deferred income	2,101,629,423	276,854,045
Change in deferred tax assets	43,112,673	(9,992,167)
Change in deferred tax liabilities	(26,272,475)	33,798,846
Increase in inventories	(6,687,901,867)	(2,397,146,821)
Decrease in operating payables	2,870,511,767	1,113,154,602
Increase in operating payables	7,656,849,120	3,545,640,985
	<u>39,251,773,458</u>	<u>26,083,079,194</u>
Net cash flows from operating activities		
(b) Net changes in cash and cash equivalents:		
	2020	2019
Cash and cash equivalents at the end of the year	68,064,736,371	50,270,321,573
Less: Cash and cash equivalents at the beginning of the year	<u>50,270,321,573</u>	<u>43,350,696,520</u>
Net increase in cash and cash equivalents	<u>17,794,414,798</u>	<u>6,919,625,053</u>

(2) Information on acquisition of subsidiaries during the year

Information on acquisition of subsidiaries:

	2020	2019
Cash and cash equivalents paid during the year for acquiring subsidiaries during the year	6,374,732,839	-
Less: Cash and cash equivalents held by subsidiaries	<u>5,433,764,430</u>	<u>33,640,033</u>
Net cash paid for acquisition of subsidiaries	<u><u>940,968,409</u></u>	<u><u>(33,640,033)</u></u>

(3) Details of cash and cash equivalents

	2020	2019
Cash on hand	401,041	538,338
Bank deposits available on demand	68,063,719,329	50,269,207,607
Other monetary funds available on demand	<u>616,001</u>	<u>575,628</u>
Closing balance of cash and cash equivalents	<u><u>68,064,736,371</u></u>	<u><u>50,270,321,573</u></u>

Note: The cash and cash equivalents disclosed above do not include the interest accrued on bank deposits at the end of the period and the use of other currency funds subject to restrictions.

Assets with restrictive ownership title or right of use

<i>Item</i>	<i>Balance at the beginning of the year</i>	<i>Additions during the year</i>	<i>Decreases during the year</i>	<i>Balance at the end of the year</i>	<i>Reason for restriction</i>
Cash at bank and on hand	6,702,401,666	5,550,402,351	(6,764,704,383)	5,488,099,634	Pledged as collateral and margin deposit
Bills receivable	57,102,517	95,039,227	(91,927,587)	60,214,157	Discounted with recourse, endorsed with resource and pledged for drawing bills payable
Financial assets held for trading	24,000,000	65,254,917	(89,254,917)	-	Pledged for drawing bills payable
Accounts receivable	-	44,682,510	-	44,682,510	Factored and discounted with recourse
Investment properties	43,396,671	21,673,570	(22,111,153)	42,959,088	Mortgaged as collateral
Fixed assets	93,007,772,827	93,804,470,252	(17,839,310,716)	168,972,932,363	Mortgaged as collateral, leaseback assets
Construction in progress	57,083,458,981	24,302,781,621	(60,249,078,522)	21,137,162,080	Mortgaged as collateral
Intangible assets	1,534,385,843	278,789,101	(44,134,527)	1,769,040,417	Mortgaged as collateral
Total	158,452,518,505	124,163,093,549	(85,100,521,805)	197,515,090,249	

Details of provision for impairment of assets

<i>Item</i>	<i>Note</i>	<i>Balance at the beginning of the year</i>	<i>Additions during the year</i>	<i>Reductions during the year</i>			<i>Balance at the end of the year</i>
				<i>Reversal</i>	<i>Transferred out</i>	<i>Translation differences</i>	
		<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Provision for impairment	V.4, 6	356,641,409	13,620,301	(15,447,820)	(285,263,362)	(2,643,494)	66,907,034
Provision for impairment of inventories	V. 7	1,812,618,989	3,826,916,751	(1,317,542,586)	(1,031,978,594)	(5,118,806)	3,284,895,754
Provision for impairment of long-term equity investments	V. 11	777,858,312	265,641,984	-	-	(14,455,477)	1,029,044,819
Provision for impairment of fixed assets	V. 14	791,695,970	505,201,450	-	(35,450,891)	-	1,261,446,529
Provision for impairment of goodwill	V. 17	201,190,529	-	-	-	-	201,190,529
Provision for impairment of contract assets	V. 8	-	207,800	-	-	-	207,800
Total		3,940,005,209	4,611,588,286	(1,332,990,406)	(1,352,692,847)	(22,217,777)	5,843,692,465

For reasons of recognition of impairment losses, refer to the notes of relevant assets.

VI. Change of consolidation scope

1 Business combinations involving entities not under common control

(1) Business combinations involving entities not under common control occurred during the year

(a) Acquisition of Chengdu CEC Panda

In 2020, the Company increased investment in Chengdu CEC Panda by RMB 7,550,000,000 with one-time subscription and instalment payment. After the completion of capital increase, the Company held 35.0348% of equity interest in Chengdu CEC Panda. On 17 December 2020, the Company entered into Agreement of Acting in Concert with shareholders of Chengdu CEC Panda and obtained control of Chengdu CEC Panda. See Note VII.1. On 23 December 2020, Chengdu CEC Panda completed industrial and commercial modification registration procedures. As at 31 December 2020, the Company has paid a capital increase of RMB 3,020,000,000, with RMB 4,530,000,000 outstanding.

Chengdu CEC Panda is a company established in Chengdu on 7 December 2015 and is mainly engaged in research and development, production and sales of TFT-LCD panels and modules, liquid crystal display monitors, televisions, instruments, machinery equipment and accessories as well as provision of technical services. Before the acquisition, Chengdu CEC Panda was jointly established by Nanjing Huadong Electronic Information & Technology CO., Ltd., Chengdu Xihanggang Industrial Development Investment Co., Ltd., Chengdu Advanced Manufacturing Industry Investment Co., Ltd., Chengdu Shuangliu Xingrong Optoelectronic Display Industry Equity Investment Centre (Limited Partnership), Sichuan Province Integrated Circuit And Information Security Industry Investment Fund Co., Ltd. and Nanjing CEC Panda Information Industry Group Co., Ltd.

(b) Acquisition of Nanjing CEC Panda

In 2020, the Company acquired 80.831% of equity interest in Nanjing CEC Panda with the consideration of RMB 5,591,221,400. As at 15 December 2020, the Company has paid 60% of equity acquisition fee (i.e. RMB 3,354,732,839). On 24 December 2020, Nanjing CEC Panda completed industrial and commercial modification registration procedures. So far, the Company has completed the acquisition of certain equity in Nanjing CEC Panda. As at 31 December 2020, the outstanding equity acquisition fee amounted to RMB 2,236,488,561.

Nanjing CEC Panda is a company established in Nanjing 21 November 2012 and is mainly engaged in research and development, production and sales of TFT-LCD panels and colour filter, LCD whole-widiget module and accessory products. Before the acquisition, the parent company of Nanjing CEC Panda is Nanjing Huadong Electronic Information & Technology CO., Ltd. and the ultimate holding company is China Electronics Corporation.

(2) Acquisition cost and goodwill

<i>Acquisition cost</i>	<i>Chengdu CEC Panda</i>		<i>Nanjing CEC Panda</i>	
	<i>Carrying amount</i>	<i>Fair value</i>	<i>Carrying amount</i>	<i>Fair value</i>
Cash	3,020,000,000	3,020,000,000	3,354,732,839	3,354,732,839
Other payables			2,236,488,561	2,236,488,561
Equity interests held before acquisition date	-	-	-	-
Total acquisition cost		<u>3,020,000,000</u>		<u>5,591,221,400</u>
Less: Share of the fair value of the identifiable net assets acquired		<u>2,482,961,029</u>		<u>5,435,506,985</u>
Amount of acquisition cost more than share of the fair value of the identifiable net assets acquired		<u>537,038,971</u>		<u>155,714,415</u>

(3) Identifiable assets and liabilities of the acquiree at the acquisition date

	<i>Chengdu CEC Panda</i>		<i>Nanjing CEC Panda</i>	
	<i>Carrying amount</i>	<i>Fair value</i>	<i>Carrying amount</i>	<i>Fair value</i>
Assets				
Current assets	5,780,578,892	5,792,754,330	3,057,319,669	3,058,434,669
Non-current assets	25,888,187,662	26,763,545,261	15,092,623,128	16,246,434,439
Liabilities				
Current liabilities	6,841,880,080	6,841,880,080	8,661,587,395	8,691,981,056
Non-current liabilities	10,227,290,745	10,227,290,745	3,888,355,404	3,888,355,404
Net assets	14,599,595,729	15,487,128,766	5,599,999,998	6,724,532,648
Less: Non-controlling interests	12,264,740,503	13,004,167,737	1,073,464,000	1,289,025,663
Net assets acquired	2,334,855,226	2,482,961,029	4,526,535,998	5,435,506,985

The Company assessed the fair value of the identifiable assets and liabilities of Chengdu CEC Panda and Nanjing CEC Panda at the acquisition date. If there is an active market for the above identifiable assets, the quoted prices in the active market are used to establish their fair value; if there is no active market, their fair values are estimated based on the market prices of the same or similar types of assets which have an active market; if there is no active market for the same asset or similar types of assets, valuation techniques are used to determine the fair value. For the above identifiable liabilities, the payable amount or the present value of the payable amount is its fair value.

2 Disposal of subsidiaries

(1) Disposal of investments in subsidiaries through a single transaction resulting in loss of control

Entity name	disposal price	Shareholding being disposed (%)	Disposal method	Date of losing control	Basis for determining date of losing control	Difference between consideration received and the related share of net assets in consolidated financial statements	Proportion of remaining shareholding on the date of losing control	Carrying amount of remaining equity interests on the date of losing control	Fair value of remaining equity interests on the date of losing control	Gain or loss from remeasurement of remaining equity interests to fair value	Method and key assumptions for determining the fair value of remaining equity interests	Investment income or loss transferred from other comprehensive income related to previous equity investments in subsidiaries
Beijing Asahi Electronic Materials Co., Ltd.	425,000,000	100%	Listing transfer	22 December 2020	Completion of industrial and commercial modification registration	251,411,452	-	-	-	-	-	-
Hunan BOE Yiyun Science & Technology Co., Ltd.	-	5.44%	Diluted by other shareholders' capital contribution	29 December 2020	Change of articles of association of the Company	(17,507,070)	48.99%	157,660,178	253,630,000	95,969,822	Subscription price of the latest capital increase	46,470,087

The Group has a gain of RMB 251,411,452 on the loss of its control over Beijing Asahi Electronic Materials Co., Ltd., which has been included in investment income of consolidated financial statements.

The Group lost its control over Hunan BOE Yiyun Science & Technology Co., Ltd. (formerly Beijing BOE Yiyun Technology Co., Ltd.) for the capital increase of other shareholders. The Company accounted for its investment in Hunan BOE Yiyun Science & Technology Co., Ltd. (formerly Beijing BOE Yiyun Technology Co., Ltd.) in the company financial statements by using equity method instead of cost method (see Note XV.5). In the consolidated financial statements, the long-term equity investments is re-measured at its fair value at the date when control is lost (see Note V.51).

3 Other reasons for change of consolidation scope

The Company has set up five new subsidiaries this year, which are BOE Education Technology Co., Ltd., Dongfang Chengqi (Beijing) Business Technology Co., Ltd., BOE Innovation Investment Co., Ltd., BOE Smart Technology Co., Ltd., and Hefei BOE Xingyu Technology Co., Ltd.

VII. Interests in other entities

1 Interests in subsidiaries

(1) Composition of the Group

Name of the Subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
Beijing BOE Optoelectronics Technology Co., Ltd.	Beijing, China	Beijing, China	Research and development (“R&D”), design and manufacturing of TFT-LCD	USD 649,110,000	82.49%	17.51%	Founded by investment
Chengdu BOE Optoelectronics Technology Co., Ltd.	Chengdu, China	Chengdu, China	R&D, design, manufacturing, and sale of new display devices and components	RMB 25,000,000,000	100.00%	-	Business combinations involving entities not under common control
Hefei BOE Optoelectronics Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products.	RMB 9,000,000,000	100.00%	-	Business combinations involving entities not under common control
Beijing BOE Display Technology Co., Ltd.	Beijing, China	Beijing, China	Development of TFT-LCD, manufacturing and sale of LCD	RMB 17,882,913,500	97.17%	2.83%	Founded by investment
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products.	RMB 19,500,000,000	99.97%	0.03%	Business combinations involving entities not under common control
Ordos Yuansheng Optoelectronics Co., Ltd.	Ordos, China	Ordos, China	Manufacture and sales of AM-OLED products and auxiliary products.	RMB 11,804,000,000	100.00%	-	Founded by investment
Chongqing BOE Optoelectronics Technology Co., Ltd.	Chongqing, China	Chongqing, China	R&D, production and sales of semi-conducting display devices, complete machine and related products; import & export of goods and technology consulting.	RMB 19,226,000,000	100.00%	-	Business combinations involving entities not under common control
Fuzhou BOE Optoelectronics Technology Co., Ltd.	Fuzhou, China	Fuzhou, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products.	RMB 17,600,000,000	81.25%	-	Business combinations involving entities not under common control
Beijing BOE Video Technology Co., Ltd. (“BOE Video”)	Beijing, China	Beijing, China	Manufacture of LCD TV, LCD; technology development of terminal products and systems such as TFT-LCD display and TV	RMB 4,093,500,000	100.00%	-	Founded by investment
Beijing BOE Vacuum Electronics Co., Ltd.	Beijing, China	Beijing, China	Manufacture and sale of vacuum electronic products	RMB 35,000,000	55.00%	-	Founded by investment
Beijing BOE Vacuum Technology Co., Ltd.	Beijing, China	Beijing, China	Manufacture and sale of electronic tubes.	RMB 32,000,000	100.00%	-	Founded by investment

Name of the Subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
Beijing BOE Special Display Technology Co., Ltd.	Beijing, China	Beijing, China	Development of display products and sale of electronic products.	RMB 100,000,000	100%	-	Founded by investment
Beijing Yinghe Century Co., Ltd.	Beijing, China	Beijing, China	Management of engineering projects; real estate development; public parking lot for motor vehicles service; office lease.	RMB 233,105,200	100%	-	Founded by investment
BOE Optical Science and technology Co., Ltd.	Suzhou, China	Suzhou, China	R&D, production and sales of LCD, back light for display and related components.	RMB 826,714,059	95.17%	-	Founded by investment
BOE Hyundai LCD (Beijing) Display Technology Co., Ltd.	Beijing, China	Beijing, China	Development, manufacture and sale of liquid display for mobile termination.	USD 5,000,000	75%	-	Founded by investment
BOE (Hebei) Mobile Technology Co., Ltd.	Langfang, China	Langfang, China	Manufacture and sale of mobile flat screen display technical products and related services.	RMB 1,358,160,140	100%	-	Founded by investment
Beijing Asahi Electronic Materials Co., Ltd.*	Beijing, China	Beijing, China	Sales of TV bracket glass rod and CTV low-melting-point solder glass.	RMB 61,576,840	100%	-	Business combinations involving entities not under common control
Beijing BOE Multimedia Technology Co., Ltd.	Beijing, China	Beijing, China	Sales of computer software and hardware, digital video-audio products	RMB 400,000,000	100%	-	Founded by investment

Name of the Subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
Beijing BOE Energy Technology	Beijing, China	Beijing, China	Design, consultancy and service of solar cell, photovoltaic system, wind power system and solar thermal system as well as the assembly units; energy-saving service.	RMB 850,000,000	100%	-	Founded by investment
Beijing BOE Life Technology Co., Ltd. (Formerly Beijing Zhongpingxun Technology Co., Ltd.)	Beijing, China	Beijing, China	Technology promotion services, property management, sales of electronic products	RMB 24,000,000	100%	-	Founded by investment
Beijing Zhongxiangying Technologies Co., Ltd.	Beijing, China	Beijing, China	Technology promotion services, property management, sales of electronic products	RMB 100,000,000	100%	-	Founded by investment
Ordos City Haosheng Energy Investment Co., Ltd.	Ordos, China	Ordos, China	Energy investment	RMB 30,000,000	-	100%	Founded by investment
BOE Semi-conductor Co., Ltd.	Beijing, China	Beijing, China	Processing, manufacturing and sales of precision electronic components, semi-conductor devices, micro modules, microelectronic devices and electronic materials; import & export of goods	RMB 11,250,000	84%	-	Founded by investment
BOE Optoelectronics Holding Co., Ltd	Hong Kong	British Virgin Islands	Design, manufacturing and sales of electronic-information industry related products, investment	USD 1,000,000,000	100%	-	Founded by investment

Name of the Subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
BOE Healthcare Investment & Management Co., Ltd.	Beijing, China	Beijing, China	Investment management and project investment	RMB 7,300,000,000	100%	-	Business combinations involving entities not under common control
Beijing•Matsushita Colour CRT Co., Ltd. (“Matsushita Colour CRT”)	Beijing, China	Beijing, China	Colour TV set, display tube, colour RPTV projection tube and materials of electronic components; property management and parking services, etc.	RMB 325,754,049	88.80%	-	Business combinations involving entities not under common control
Hefei BOE Display Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, R & D and production of products related to TFT-LCD and the supporting facility	RMB 24,000,000,000	8.33%	-	Business combinations involving entities not under common control
Beijing BOE Technology Development Co., Ltd.	Beijing, China	Beijing, China	Development, transfer, consulting and service of technology	RMB 1,000,000	100%	-	Founded by investment
BOE Wisdom IOT Technology Co., Ltd. (“Wisdom IOT Technology”)	Beijing, China	Beijing, China	Development, transfer, consulting, service and promotion of technology	RMB 142,000,000	100%	-	Founded by investment
Hefei BOE Zhuoyin Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, construction, R&D, production and sales of products related to OLED display device and auxiliary products	RMB 800,000,000	75%	-	Founded by investment
Beijing BOE Real Estate Co., Ltd.	Beijing, China	Beijing, China	Development, construction, property management and supporting service of industrial plants and supporting facilities; information consulting of real estate; lease of commercial facilities, commercial attendants and the supporting service facilities; motor vehicles public parking service	RMB 55,420,000	70%	-	Founded by investment
Beijing BOE Marketing Co., Ltd.	Beijing, China	Beijing, China	Sales of communication equipment, hardware & software of computer and peripheral units, electronic products, equipment maintenance; development, transfer, consulting and service providing of technologies; import & export of goods and technologies, agency of import & export; manufacturing consignment of electronic products and LCD devices	RMB 50,000,000	100%	-	Founded by investment
Yunnan Chuangshijie Optoelectronic Technology Co., Ltd. (Formerly Kunming BOE Display Technology Co., Ltd.)	Yunnan, China	Yunnan, China	Development, promotion, transfer, consultation and services of display technology; computer software, hardware and network system services; the construction, operations and management of e-commerce platform; product design; conference services; undertaking exhibitions and presentation activities; computer animation design; production, R&D and sales of OLED microdisplays and AR/VR whole widget; warehousing services;	RMB 3,040,000,000	79.96%	-	Founded by investment

Name of the Subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
Mianyang BOE Optoelectronics Technology Co., Ltd.	Mianyang, China	Mianyang, China	R&D, production and sales of flexible AMOLED, the products are mainly used in smart phones, wearable devices, car display, AR/VR, etc.	RMB 24,000,000,000	66.67%	-	Business combinations involving entities not under common control
Beijing BOE Sensing Technology Co., Ltd.	Beijing, China	Beijing, China	Formation of X-ray sensors, microfluidic chips, biochemical chips, gene chips, security sensors, microwave antennas, biosensors, logistics network technology and other semiconductor sensors, technology testing, technical consulting, technical services, technology transfer	RMB 50,000,000	100%	-	Founded by investment
Hunan BOE Yiyun Science & Technology Co., Ltd. (Formerly Beijing BOE Yiyun Science & Technology Co., Ltd.)	Changsha, China	Changsha, China	Technology development, technology transfer, technical consulting, technical services; technology intermediary services; information system integration; basic software services; application software services; software development	RMB 400,000,000	48.99%	-	Business combinations involving entities not under common control
Wuhan BOE Optoelectronics Technology Co., Ltd. (Wuhan BOE)	Wuhan, China	Wuhan, China	Investing, researching, manufacturing and selling TFT-LCD products and accessory products	RMB 26,000,000,000	23.08%	-	Business combinations involving entities not under common control
Chongqing BOE Display Technology Co., Ltd. (Chongqing BOE Display)	Chongqing, China	Chongqing, China	R&D, manufacture and sales of semiconductor display devices, whole widget and relevant products, import and export of goods and technical consulting	RMB 6,010,000,000	38.46%	-	Business combinations involving entities not under common control
Fuzhou BOE Display Technology Co., Ltd. (“Fuzhou BOE Display”)	Fuzhou, China	Fuzhou, China	R&D, production and sales of semiconductor display device-related products and related products; import or export of goods or technology; display device and component, other electronic components, and technology development, technology transfer, technical consulting, related fields related to display devices and electronic products, technical	RMB 50,000,000	43.46%	-	Business combinations involving entities not under common control

Name of the Subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
			services; business management consulting; property management; house rental; machinery and equipment rental				
SES Imagotag SA Co., Ltd.	Nanterre, France	Nanterre, France	Support colour electronic paper, segment LCD, TFT-LCD display, covering ESL multi-frequency protocol, Wi-Fi, BLE and NFC; multiple communication methods, integrated electronic paper supply chain resources and downstream software around electronic shelf labels platform, image recognition and big data analytics resources to create a complete solution for the retail industry	EUR 31,516,216	-	68.48%	Business combinations involving entities not under common control
Hefei BOE Xingyu Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, R&D, manufacturing and sales of direct display, sensors related to the display, back light source for LCD and supporting components; enterprise management consulting and service; house rental; equipment rental; technology development, transfer and consulting services.	USD 115,380,000	43.40%	-	Founded by investment
BOE Education Technology Co., Ltd.	Beijing, China	Beijing, China	Technology development, software development, sales of stationery, sports goods and household appliances; enterprise management, economic and trade consulting, education consulting, public relations services; natural science, engineering technology, agricultural science research and experimental development; copyright agency and process beauty creation services.	RMB 55,000,000	100%	-	Founded by investment
Dongfang Chengqi (Beijing) Business Technology Co., Ltd.	Beijing, China	Beijing, China	Technology development; sales of primary edible agricultural products; translation services, conference services; business management, real estate information consulting; ticketing agents, tourism consulting, warehousing services, public relations services, car rental; import and export of goods, technology import and	RMB 10,000,000	100%	-	Founded by investment

Name of the Subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
BOE Innovation Investment Co., Ltd.	Beijing, China	Beijing, China	export; beauty services, medical services; inbound tourism business; Internet information services. Project investment and investment management	RMB 800,000,000	100%	-	Founded by investment
BOE Smart Technology Co., Ltd.	Beijing, China	Beijing, China	Information system integration services; technology development, technology transfer; software development; Internet data services; real estate brokerage business; motor vehicle public parking services; conference services; project management; property management; lease of office space and commercial space; labour subcontracting; import and export of goods, technology import and export; human resource services.	RMB 800,000,000	100%	-	Founded by investment
Nanjing CEC Panda FPD Technology Co., Ltd.	Nanjing, China	Nanjing, China	R&D, production and sale of TFT-LCD panels, colour filters and LCD whole-wiget modules; providing products and business-related services, as well as other business activities related to the above; import and export of proprietary and agent commodities and technologies.	RMB 17,500,000,000	80.831%	-	Business combinations involving entities not under common control
Chengdu CEC Panda Display Technology Co., Ltd.	Sichuan, China	Sichuan, China	R&D, production and sales of TFT-LCD panels and modules, liquid crystal display monitors, televisions, instruments, machinery equipment and accessories as well as provision of technical services; foreign trade in form of import and export of goods and technology.	RMB 21,550,000,000	35.0348%	-	Business combinations involving entities not under common control

*Beijing Asahi Electronic Materials Co., Ltd. and Hunan BOE Yiyun Science & Technology Co., Ltd. are disposed of on 22 December 2020 and 29 December 2020 respectively. See Note VI.2.

The Company signed an agreement of acting in concert with Hefei Core Screen Industrial Investment Fund (Limited Partnership) on 30 November 2016. Hefei Core Screen Industrial Investment Fund (Limited Partnership) agreed to act as a person acting in concert according to the wishes of the Company, and exercised the voting rights unconditionally and irrevocably in accordance with the opinions of the Company. Therefore, the Company's voting right ratio to Hefei Display Technology is 71.67%.

The Company signed an agreement of acting in concert with the shareholder of Wuhan BOE, Wuhan Airport Economic Development Zone Industrial Development Investment Group Co., Ltd. on 25 December 2018. Wuhan Airport Economic Development Zone Industrial Development Investment Group Co., Ltd. agreed to follow the Company's will to act as a person acting in concert, unconditionally and irrevocably exercising voting rights in accordance with the opinions of the Company, the voting rights of the Company to Wuhan BOE is 69.23%.

The Company signed an agreement of acting in concert with shareholders of Chongqing BOE Display, Chongqing Strategic Emerging Industry Equity Investment Fund Partnership (Limited Partnership) and Chongqing Yuzi Optoelectronic Industry Investment Co., Ltd. on 25 December 2018. Chongqing Strategic Emerging Industry Equity Investment Fund Partnership (Limited Partnership) and Chongqing Yuzi Optoelectronic Industry Investment Co., Ltd. agreed to act as persons acting in concert according to the will of the Company, and exercise the voting rights unconditionally and irrevocably in accordance with the opinions of the Company. Therefore, the proportion of voting rights of the Company to Chongqing BOE is 100%.

The Company signed an agreement of acting in concert with shareholders of Fuzhou BOE Display, Fuqing City Invested-Construction Investment Group Co., Ltd. and Fuzhou Urban Construction Investment Group Co., Ltd. on 21 January 2019. Fuqing City Invested-Construction Investment Group Co., Ltd. and Fuzhou Urban Construction Investment Group Co., Ltd. agreed to act as persons acting in concert according to the will of the Company, and exercise the voting rights unconditionally and irrevocably in accordance with the opinions of the Company. Therefore, the proportion of voting rights of the Company to Fuzhou BOE Display is 100%.

The Company signed an agreement of acting in concert with shareholders of Chengdu CEC Panda, Chengdu Advanced Manufacturing Industry Investment Co., Ltd., Chengdu Airport Xingcheng Investment Group Co., Ltd., and Chengdu Airport Xingcheng Construction Management Co., Ltd. on 17 December 2020. Chengdu Advanced Manufacturing Industry Investment Co., Ltd., Chengdu Airport Xingcheng Investment Group Co., Ltd., and Chengdu Airport Xingcheng Construction Management Co., Ltd. agreed to act as persons acting in concert according to the will of the Company, and exercise the voting rights unconditionally and irrevocably in accordance with the opinions of the Company. Therefore, the proportion of voting rights of the Company to Chengdu CEC Panda is 100%.

(2) Material non-wholly owned subsidiaries

<i>Name of the Subsidiary</i>	<i>Proportion of ownership interest held by non-controlling interests</i>	<i>Profit/(loss) allocated to non-controlling interests during the year</i>	<i>Dividend declared to non-controlling shareholders during the year</i>	<i>Balance of non-controlling interests at the end of the year</i>
Hefei Display Technology	91.67%	3,600,766	-	19,364,095,828
Mianyang BOE	33.33%	(270,861,155)	-	7,588,781,957
Wuhan BOE	76.92%	(115,879,453)	-	19,861,266,116
Chongqing BOE Display	61.54%	(88,748,272)	-	6,245,130,676

(3) Key financial information about material non-wholly owned subsidiaries

The following table sets out the key financial information of the above subsidiaries without offsetting internal transactions, but with adjustments made for the fair value adjustment at the acquisition date and any differences in accounting policies:

	<i>Hefei Display Technology</i>		<i>Mianyang BOE</i>		<i>Wuhan BOE</i>		<i>Chongqing BOE Display</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
Current assets	13,917,088,962	11,633,732,300	5,001,552,767	3,644,261,703	11,748,881,218	3,684,026,094	4,511,835,708	5,182,267,756
Non-current assets	28,144,487,136	33,264,338,502	45,771,813,314	39,751,190,014	34,698,575,568	27,439,008,544	13,507,596,306	1,634,796,122
Total assets	42,061,576,098	44,898,070,802	50,773,366,081	43,395,451,717	46,447,456,786	31,123,034,638	18,019,432,014	6,817,063,878
Current liabilities	8,775,178,650	9,069,027,029	8,221,423,949	4,971,407,195	5,369,267,140	5,661,729,075	6,962,326,548	716,978,520
Non-current liabilities	12,162,697,407	14,787,288,631	19,783,319,398	17,405,543,775	15,257,510,868	7,429,662,481	909,021,819	97,980,000
Total liabilities	20,937,876,057	23,856,315,660	28,004,743,347	22,376,950,970	20,626,778,008	13,091,391,556	7,871,348,367	814,958,520
Operating income	15,153,402,394	11,455,196,518	1,406,636,788	110,313,244	1,775,338,449	130,054,586	355,365	169,027
Net profit/(loss)	3,927,966	(2,448,838,884)	(830,258,844)	(252,575,687)	(158,596,684)	(13,172,938)	(144,212,337)	(1,354,276)
Total comprehensive income	3,927,966	(2,448,838,884)	(830,258,844)	(252,575,687)	(158,596,684)	(13,172,938)	(144,212,337)	(1,925,302)
Cash inflow/(outflow) in operating activities	3,819,978,355	912,437,769	(1,016,864,877)	184,012,366	2,934,840,804	890,669,009	43,940,351	118,933,310

2 Transactions that cause changes in the Group's interests in subsidiaries that do not result in loss of control

(1) Changes in the Group's interests in subsidiaries:

	<i>Before changes of interests</i>	<i>After changes of interests</i>
Yunnan Chuangshijie Optoelectronic Technology Co., Ltd.	69.43%	79.96%
Mianyang BOE Optoelectronics Technology Co., Ltd.	68.72%	66.67%

(2) Impact from transactions with non-controlling interests and equity attributable to the shareholders of the Company:

The changes in the shareholding of the Company in the owners of above-mentioned other subsidiaries were caused by the capital increase of the Company and its non-controlling interests, which results in the increase of capital reserves by RMB 76,020,559. See Note V.39.

3 Interests in associates

Please see Note V.11(2) for details of the summarised financial information of the associates.

No material restrictions on transfers of funds from investees to the Group. The judgement basis of the Company and its subsidiaries to hold lower than 20% of the voting rights of other entities but have significant influence on the entity is due to the fact that the Company and its subsidiaries have seats in the board of directors of the entity, and the Company and subsidiaries of the Company may have significant influence on the entity through the representation of the directors in the process of formulating financial and operating policies.

VIII. Risk related to financial instruments

The Group has exposure to the following main risks from its use of financial instruments in the normal course of the Group's operations:

- Credit risk
- Liquidity risk
- Interest rate risk
- Foreign currency risk
- Other price risks

The following mainly presents information about the Group's exposure to each of the above risks and their sources, their changes during the year, and the Group's objectives, policies and processes for measuring and managing risks, and their changes during the year.

The Group aims to seek appropriate balance between the risks and benefits from its use of financial instruments and to mitigate the adverse effects that the risks of financial instruments have on the Group's financial performance. Based on such objectives, the Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The internal audit department of the Group undertakes both regular and ad-hoc reviews of risk management controls and procedures.

(1) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group's credit risk is primarily attributable to receivables. Exposure to these credit risks are monitored by management on an ongoing basis.

The cash at bank of the Group is mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Group.

In respect of receivables, the Group has established a credit policy under which individual credit evaluations are performed on all customers to determine the credit limit and terms applicable to the customers. These evaluations focus on the customers' financial position, the external ratings of the customers and the record of previous transactions. Receivables are due within 15 to 120 days from the date of billing. Debtors with balances that are past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country/region in which the customers operate. Therefore, significant concentrations of credit risk primarily arise when the Group has significant exposure of the total accounts receivable and contract assets to individual customers. At the balance sheet date, the Group and the Company's accounts receivable due from the top five customers account for 33% and 0.02% of the total accounts receivable and contract assets respectively (2019: 43% and 0.07%). In addition, the accounts receivable not overdue or impaired is mainly related to many clients who don't have payment in arrears records recently.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. As mentioned in Note XIII, as at 31 December 2020, the Group does not provide any external guarantees which would expose the Group to credit risk.

(2) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in meeting obligations that are settled by delivering cash or another financial asset. The Company and its individual subsidiaries are responsible for their own cash management, including short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the Company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash, readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables set out the remaining contractual maturities at the balance sheet date of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group can be required to pay:

	2020 Contractual undiscounted cash flow				Total	Carrying amount of balance sheet
	Within 1 year or demand	More than 1 year but less than 3 years	More than 3 years but less than 5 years	More than 5 years		
Financial liabilities						
Short-term loans	8,778,542,209	-	-	-	8,778,542,209	8,599,569,471
Bills payable	1,231,533,895	-	-	-	1,231,533,895	1,231,533,895
Accounts payable	27,164,171,682	-	-	-	27,164,171,682	27,164,171,682
Other payables	32,867,709,024	-	-	-	32,867,709,024	32,867,709,024
Non-current liabilities due within one year	25,053,537,286	-	-	-	25,053,537,286	24,500,550,121
Long-term loans	4,957,036,602	28,885,981,505	24,623,632,349	97,458,835,686	155,925,486,142	132,452,767,135
Debentures payable	14,886,375	350,772,750	85,932,140	-	451,591,265	398,971,739
Long-term payables	-	1,620,375,941	304,011,108	536,546,749	2,460,933,798	2,114,175,683
Total	100,067,417,073	30,857,130,196	25,013,575,597	97,995,382,435	253,933,505,301	229,329,448,750

	2019 Contractual undiscounted cash flow				Total	Carrying amount of balance sheet
	Within 1 year or demand	More than 1 year but less than 3 years	More than 3 years but less than 5 years	More than 5 years		
Financial liabilities						
Short-term loans	6,458,040,008	-	-	-	6,458,040,008	6,366,717,121
Bills payable	2,028,917,980	-	-	-	2,028,917,980	2,028,917,980
Accounts payable	21,183,567,553	-	-	-	21,183,567,553	21,183,567,553
Other payables	24,570,589,610	-	-	-	24,570,589,610	24,570,589,610
Non-current liabilities due within one year	19,473,884,018	-	-	-	19,473,884,018	18,849,281,019
Long-term loans	4,478,877,485	8,296,257,569	26,580,720,126	94,478,027,383	133,833,882,563	107,730,595,615
Debentures payable	14,497,753	28,995,505	330,673,806	3,556,053	377,723,117	387,878,384
Long-term payables	-	409,808,948	328,617,676	538,091,397	1,276,518,021	984,520,824
Total	78,208,374,407	8,735,062,022	27,240,011,608	95,019,674,833	209,203,122,870	182,102,068,106

(3) Interest rate risk

Interest-bearing financial instruments at floating rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest risk, respectively. The Group determines the appropriate weightings of the fixed and floating rate interest-bearing instruments based on the current market conditions and performs regular reviews and monitoring to achieve an appropriate mix of fixed and floating rate exposure. The Group does not enter into financial derivatives to hedge interest rate risk.

(a) As at 31 December, the Group held the following interest-bearing financial instruments:

Fixed rate instruments:

<i>Item</i>	<u>2020</u>		<u>2019</u>	
	<i>Effective interest rate</i>	<i>Amounts</i>	<i>Effective interest rate</i>	<i>Amounts</i>
Financial assets				
- Cash at bank	0.20%~3.74%	41,745,509,216	0.20% ~ 3.74%	26,721,273,607
Financial liabilities				
- Short-term loans	0.50%~5.90%	(6,327,791,477)	0.40% - 4.35%	(4,643,502,121)
- Non-current liabilities due within one year	0%~5.29%	(12,025,528,359)	0% - 5.64%	(9,071,034,895)
- Long-term loans	0%~5.90%	(49,498,675,910)	0% - 5.64%	(59,667,474,395)
- Debentures payable	3.50%~4.55%	(398,971,739)	3.50% - 4.55%	(387,878,384)
- Long-term payables	4.17%~7.02%	(2,114,175,683)	4.24% ~ 7.09%	(984,520,824)
Total		<u>(28,619,633,952)</u>		<u>(48,033,137,012)</u>

Floating rate instruments:

<i>Item</i>	<u>2020</u>		<u>2019</u>	
	<i>Effective interest rate</i>	<i>Amounts</i>	<i>Effective interest rate</i>	<i>Amounts</i>
Financial assets				
- Cash at bank	0.0001%~3.90%	31,800,233,366	0.0001% ~ 3.90%	30,250,911,294
Financial liabilities				
- Short-term loans	2.02%~2.55%	(2,263,424,127)	3.56% ~ 3.92%	(1,723,215,000)
- Non-current liabilities due within one year	2.78%~5.88%	(12,128,797,769)	1.04% - 6.38%	(9,619,871,357)
- Long-term loans	1.11%~5.39%	(82,790,180,032)	3.00% ~ 6.38%	(48,063,121,220)
Total		<u>(65,382,168,562)</u>		<u>(29,155,296,283)</u>

(b) Sensitivity analysis

As at 31 December 2020, it is estimated that a general increase/decrease of 100 basis points in interest rates of floating rate instrument, with all other variables held constant, would decrease/increase the Group's net profit and equity by RMB 557,440,000 (2019: RMB 251,370,000).

In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the balance sheet date, the impact on the net profit and equity is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis for the previous year.

(4) Foreign currency risk

In respect of cash at bank and on hand, accounts receivable and payable, short-term loans and other assets and liabilities denominated in foreign currencies other than the functional currency, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

(a) The Group's exposure as at 31 December to currency risk arising from recognised foreign currency assets or liabilities is mainly denominated in US dollar. The amount of the USD exposure is net liabilities exposure USD 2,618,785,628 (2019 net liabilities exposure: USD 1,791,577,868), translated into RMB 17,087,314,344 (2019: RMB 12,498,405,521), using the spot rate at the balance sheet date. Differences resulting from the translation of the financial statements denominated in foreign currency are excluded.

(b) The following are the exchange rates for Renminbi against US dollar applied by the Group:

	<i>Average rate</i>		<i>Balance sheet date mid-spot rate</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
USD	6.7506	6.9197	6.5249	6.9762

Assuming all other risk variables remained constant, a 5% strengthening/weakening of the Renminbi against the US dollar at 31 December would have increased/decreased both the Group's equity and net profit by the amount RMB 333,959,173 (2019: RMB 197,336,145).

The sensitivity analysis above assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the balance sheet date. The analysis excludes differences that would result from the translation of the financial statements denominated in foreign currency. The analysis is performed on the same basis for the previous year.

(5) Other price risks

Other price risks include stock price risk and commodity price risk.

IX. Fair value disclosure

The following table presents the fair value information and the fair value hierarchy, at the end of the current reporting period, of the Group's assets and liabilities which are measured at fair value at each balance sheet date on a recurring or non-recurring basis. The level in which fair value measurement is categorised is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement. The levels are defined as follows:

- Level 1 inputs: unadjusted quoted prices in active markets that are observable at the measurement date for identical assets or liabilities;
- Level 2 inputs: inputs other than Level 1 inputs that are either directly or indirectly observable for underlying assets or liabilities;
- Level 3 inputs: inputs that are unobservable for underlying assets or liabilities.

1. Fair value of assets measured at fair value at the end of the year

		<i>31 December 2020</i>			
<i>Assets</i>	<i>Note</i>	<i>Level 1 Fair value measurement</i>	<i>Level 2 Fair value measurement</i>	<i>Level 3 Fair value measurement</i>	<i>Total</i>
Recurring fair value measurements					
- Financial assets held for trading		-	-	4,367,201,833	4,367,201,833
Including: Structured deposits and wealth management products	V. 2	-	-	4,367,201,833	4,367,201,833
- Investments in other equity instruments	V. 12	214,214,021	-	319,431,402	533,645,423
Total assets measured at fair value on a recurring basis		214,214,021	-	4,686,633,235	4,900,847,256
<i>31 December 2019</i>					
<i>Assets</i>	<i>Note</i>	<i>Level 1 Fair value measurement</i>	<i>Level 2 Fair value measurement</i>	<i>Level 3 Fair value measurement</i>	<i>Total</i>
Recurring fair value measurements					
- Financial assets held for trading		-	-	5,809,184,994	5,809,184,994
Including: Structured deposits and wealth management products	V. 2	-	-	5,809,184,994	5,809,184,994
- Investments in other equity instruments	V. 12	300,124,974	-	331,951,673	632,076,647
Total assets measured at fair value on a recurring basis		300,124,974	-	6,141,136,667	6,441,261,641

2 Basis of determining the market price for recurring and non-recurring fair value measurements categorised within Level 1

The Group uses the active market quote as the fair value of financial assets within Level 1.

3 Valuation techniques used and the qualitative and quantitative information of key parameters for recurring and non-recurring fair value measurements categorised within Level 3

Financial assets held for trading at recurring fair value within Level 3 are bank wealth management products. For wealth management products measured at fair value, the fair value is determined based on the discounted cash flow method.

Investments in other equity instruments at recurring fair value within Level 3 are unlisted equity investments held by the Group, including:

- (i) For those who raised a new round of financing in 2020, the Group used the financing price as the best estimates of their fair value;
- (ii) For other investments in other equity instruments, since the operating environment, operating conditions and financial status of the investee have not changed significantly during the year, the Group uses the book investment cost as a reasonable estimate of fair value for measurement.

During 2020, there were no changes in valuation technique of fair value. As at 31 December, there were no significant discrepancies between the book value and fair value of all the financial assets and financial liabilities except the above assets measured at fair value and the non-current assets held for sale presented in Note V.9.

X. Related parties and related party transactions

1 Information about the parent of the Company

<i>Company name</i>	<i>Registered place</i>	<i>Business nature</i>	<i>Registered capital</i>	<i>Shareholding percentage (%)</i>	<i>Percentage of voting rights (%)</i>	<i>Ultimate controlling party of the Company</i>
Beijing Electronics Holding Co., Ltd.	No. 12, Jiuxianqiao Road, Chaoyang District, Beijing	Operation and management of state-owned assets within authorisation, etc.	RMB 3,139,210,000	0.79%	18.85%	Yes

2 Information about the subsidiaries of the Company

For information about the subsidiaries of the Company, refer to Note VII.1.

3 Information about joint ventures and associates of the Company

Associates and joint ventures that have related party transactions with the Group during this year or the previous year are as follows:

<i>Name of entity</i>	<i>Relationship with the Company</i>
Beijing Nittan Electronic Co., Ltd.	Associate of the Group and the Company
TPV Display Technology (China) Limited	Associate of the Group and the Company
Shenzhen Yunyinggu Technology Co., Ltd.	Associate of the Group and the Company
Beijing Xindongneng Investment Management Co., Ltd.	Associate of the Group and the Company
BOE Houji Technology (Beijing) Co., Ltd.	Associate of the Group
Beijing Zhonglianhe Ultra HD Collaborative Technology Centre Co., Ltd.	Associate of the Group
Hefei Xin Jing Yuan Electronic Materials Co., Ltd.	Associate of the Group
Changzhou Xiruoja Medical Technology Co., Ltd.	Subsidiary of associate of the Group

4 Information on other related parties

<i>Name of other related parties</i>	<i>Related party relationship</i>
Beijing Zhengdong Electronic Power Group Co., Ltd.	Under the same control of the ultimate holding company
Beijing NAURA Microelectronics Equipment Co., Ltd.	Under the same control of the ultimate holding company
Sevenstar Semiconductor Technologies Co., Ltd.	Under the same control of the ultimate holding company
Beijing Zhaowei Technology Development Co., Ltd.	Under the same control of the ultimate holding company
Beijing C&W Intelligent Equipment Co., Ltd.	Under the same control of the ultimate holding company
Beijing BBEF Science & Technology Co., Ltd.	Under the same control of the ultimate holding company
Beijing Yandong Microelectronic Co., Ltd.	Under the same control of the ultimate holding company
Beijing Ether Electronics Group Co., Ltd.	Under the same control of the ultimate holding company
Beijing Dongdian Industrial Development Co., Ltd.	Under the same control of the ultimate holding company
Beijing Electrical Control Jiuyi Industrial Development Company	Under the same control of the ultimate holding company
Beijing BOE Investment Development Co., Ltd.	Under the same control of the ultimate holding company
Beijing Yansong Economic and Trade Co., Ltd.	Under the same control of the ultimate holding company
Beijing Electronics Holding & SK Technology Co., Ltd.	Under the same control of the ultimate holding company
Baic Electronics Holding SK (Jiangsu) Technology Co., Ltd.	Under the same control of the ultimate holding company
Beijing Zhaowei Electronic (Group) Co., Ltd.	Under the same control of the ultimate holding company
761 Workshop (Beijing) Technology Development Co., Ltd.	Under the same control of the ultimate holding company
Beijing Electric Control Industry Investment Co., Ltd.	Under the same control of the ultimate holding company
Beijing Feiyu Micro Electronics Co., Ltd.	Under the same control of the ultimate holding company
Beijing Senju Electronic Materials Co., Ltd.	Associate of enterprise that is under the same control of the ultimate holding company
New Vision Microelectronics (Hong Kong) Limited	Associate of enterprise that is under the same control of the ultimate holding company
Beijing Electric Vehicle Co., Ltd.	Other related parties
China United Network Communications Limited	Other related parties
Hefei Yisiwei Integrated Circuit Co., Ltd.	Other related parties
Chengdu ESWIN IC Design Co., Ltd.	Other related parties
Haining Yisiwei IC Design Co., Ltd.	Other related parties

5 Transactions with related parties

The transactions below with related parties were conducted under normal commercial terms or agreements.

(1) Purchase of goods and equipment, and receiving of services (excluding remuneration of key management personnel)

The Group

<i>Nature of transaction</i>	<i>2020</i>	<i>2019</i>
Purchase of goods	698,585,167	480,284,012
Procurement of equipment	169,998,650	397,005,152
Receiving of services	17,527,375	17,744,265
	<u>886,111,192</u>	<u>895,033,429</u>
Total	<u>886,111,192</u>	<u>895,033,429</u>

The Company

<i>Nature of transaction</i>	<i>2020</i>	<i>2019</i>
Purchase of goods	14,438,544	12,379,363
Receiving of services	544,225,068	844,688,884
Payment of interest expenses	-	65,689,459
	<u>558,663,612</u>	<u>922,757,706</u>
Total	<u>558,663,612</u>	<u>922,757,706</u>

(2) Sale of goods/rendering of services

The Group

<i>Nature of transaction</i>	<i>2020</i>	<i>2019</i>
Sale of goods	20,817,125	2,846,583
Rendering of services	4,762,316	4,670,427
	<u>25,579,441</u>	<u>7,517,010</u>
Total	<u>25,579,441</u>	<u>7,517,010</u>

The Company

<i>Nature of transaction</i>	2020	2019
Sale of goods	3,366,359	-
Rendering of services	4,406,612,262	4,635,072,473
Interest income received	4,044,123	318,036
	<hr/>	<hr/>
Total	4,414,022,744	4,635,390,509
	<hr/>	<hr/>

(3) Leases

(a) As the lessor

The Group

<i>Type of assets leased</i>	<i>Lease income recognised in 2020</i>	<i>Lease income recognised in 2019</i>
Investment properties	1,092,879	1,176,283
	<hr/>	<hr/>

The Company

<i>Type of assets leased</i>	<i>Lease income recognised in 2020</i>	<i>Lease income recognised in 2019</i>
Investment properties	66,764,268	63,700,904
	<hr/>	<hr/>

(b) As the lessee

The Group

<i>Type of assets leased</i>	<i>Lease expense recognised in 2020</i>	<i>Lease expense recognised in 2019</i>
Fixed assets	2,329,933	3,082,942
	<hr/>	<hr/>

(4) Funding from related party

The Company

<i>Name of related party</i>	<i>Amount of funding</i>	<i>Inception date</i>	<i>Maturity date</i>
Funds received			
Subsidiary of the parent company	500,000,000	28/5/2019	31/12/2025
Subsidiary of the parent company	300,000,000	8/7/2020	8/7/2025
Subsidiary of the parent company	2,000,000,000	9/6/2017	31/12/2025
Subsidiary of the parent company	700,000,000	13/4/2018	31/12/2025
Subsidiary of the parent company	2,000,000,000	27/5/2019	31/12/2025
Subsidiary of the parent company	360,000,000	24/4/2020	31/12/2025
Subsidiary of the parent company	2,500,000,000	6/7/2020	6/7/2025
Subsidiary of the parent company	1,700,000,000	12/10/2020	12/10/2025
Subsidiary of the parent company	1,700,000,000	28/12/2020	28/12/2025
Subsidiary of the parent company	1,200,000,000	30/9/2015	31/12/2025
Subsidiary of the parent company	650,000,000	25/4/2018	31/12/2025
Subsidiary of the parent company	3,500,000,000	1/8/2018	31/12/2025
Subsidiary of the parent company	1,500,000,000	24/5/2019	31/12/2025
Subsidiary of the parent company	2,000,000,000	3/7/2020	3/7/2025
Subsidiary of the parent company	2,500,000,000	5/11/2020	5/11/2025
Subsidiary of the parent company	500,000,000	11/12/2020	11/12/2025
Subsidiary of the parent company	200,000,000	28/7/2017	31/12/2025
Subsidiary of the parent company	1,600,000,000	4/12/2017	31/12/2025
Subsidiary of the parent company	3,800,000,000	19/7/2018	31/12/2025
Subsidiary of the parent company	1,000,000,000	26/7/2019	31/12/2025
Subsidiary of the parent company	1,000,000,000	20/8/2020	20/8/2025
Subsidiary of the parent company	4,000,000,000	9/6/2017	31/12/2025
Subsidiary of the parent company	1,000,000,000	23/12/2016	31/12/2025
Subsidiary of the parent company	3,000,000,000	27/4/2018	31/12/2025
Subsidiary of the parent company	2,490,000,000	31/8/2018	31/12/2025
Subsidiary of the parent company	500,000,000	21/5/2019	31/12/2025
Subsidiary of the parent company	2,000,000,000	28/12/2020	28/12/2025
Subsidiary of the parent company	1,200,000,000	6/7/2020	6/7/2025
Subsidiary of the parent company	3,000,000,000	28/5/2018	31/12/2025
Subsidiary of the parent company	1,300,000,000	21/5/2019	31/12/2025
Subsidiary of the parent company	2,500,000,000	28/9/2020	28/9/2025
Subsidiary of the parent company	3,280,000,000	7/12/2020	7/12/2025
Total	<u>55,480,000,000</u>		

<i>Name of related party</i>	<i>Amount of funding</i>	<i>Inception date</i>	<i>Maturity date</i>
Funds provided			
Subsidiary of the parent company	50,000,000	27/3/2015	26/12/2021
Subsidiary of the parent company	30,000,000	21/1/2016	21/1/2022
Subsidiary of the parent company	15,000,000	20/1/2020	20/1/2022
Subsidiary of the parent company	200,000,000	12/10/2020	12/10/2030
Subsidiary of the parent company	100,000,000	13/12/2019	13/12/2022
Subsidiary of the parent company	150,000,000	20/12/2019	19/12/2022
Subsidiary of the parent company	100,000,000	24/12/2019	24/12/2022
Subsidiary of the parent company	200,000,000	27/4/2020	19/12/2022
Subsidiary of the parent company	50,000,000	28/4/2020	17/12/2022
Subsidiary of the parent company	300,000,000	24/11/2020	24/11/2023
Subsidiary of the parent company	1,200,000,000	5/11/2020	28/10/2023
Subsidiary of the parent company	50,000,000	13/12/2019	13/12/2022
Subsidiary of the parent company	800,000,000	17/12/2019	17/12/2022
Subsidiary of the parent company	650,000,000	20/12/2019	19/12/2022
Subsidiary of the parent company	100,000,000	24/12/2019	24/12/2022
Subsidiary of the parent company	770,000,000	19/2/2020	17/2/2023
Subsidiary of the parent company	800,000,000	30/4/2020	17/2/2023
Subsidiary of the parent company	1,490,000,000	21/10/2020	20/10/2023
Subsidiary of the parent company	500,000,000	24/11/2020	24/11/2023
Subsidiary of the parent company	250,000,000	13/12/2019	13/12/2022
Subsidiary of the parent company	450,000,000	20/12/2019	19/12/2022
Subsidiary of the parent company	50,000,000	24/12/2019	24/12/2022
Subsidiary of the parent company	150,000,000	25/12/2019	17/12/2022
Subsidiary of the parent company	400,000,000	13/12/2019	13/12/2022
Subsidiary of the parent company	120,000,000	24/12/2019	17/12/2022
Subsidiary of the parent company	180,000,000	24/12/2019	24/12/2022
Subsidiary of the parent company	70,000,000	28/4/2020	24/12/2022
Subsidiary of the parent company	130,000,000	28/4/2020	17/12/2022
Subsidiary of the parent company	500,000,000	20/11/2020	20/11/2023
Subsidiary of the parent company	800,000,000	19/2/2020	17/2/2023
Subsidiary of the parent company	170,000,000	28/2/2020	17/2/2023
Subsidiary of the parent company	1,700,000,000	20/11/2020	20/11/2023
Subsidiary of the parent company	1,800,000,000	29/10/2020	28/10/2023
Subsidiary of the parent company	1,480,000,000	24/11/2020	24/11/2023
Total	15,805,000,000		

(5) Remuneration of key management personnel

The Group and the Company

<i>Item</i>	<i>2020</i>	<i>2019</i>
Remuneration of key management personnel	<u>56,368,000</u>	<u>49,799,000</u>

The remuneration of key management personnel above does not include the one with respect to 2020 share-based payments scheme.

6 Receivables from and payables to related parties

Receivables from related parties

The Group

<i>Item</i>	<u><i>2020</i></u>		<u><i>2019</i></u>	
	<i>Book value</i>	<i>Provision for impairment</i>	<i>Book value</i>	<i>Provision for impairment</i>
Accounts receivable	38,773,536	-	1,960,247	-
Prepayments	7,678,237	-	2,259,308	-
Other receivables	14,062,445	-	603,515	-

The Company

<i>Item</i>	<u><i>2020</i></u>		<u><i>2019</i></u>	
	<i>Book value</i>	<i>Provision for impairment</i>	<i>Book value</i>	<i>Provision for impairment</i>
Accounts receivable	3,988,518,583	14,979,329	659,753,039	14,979,329
Prepayments	153,768	-	833,053	-
Dividends receivable	460,261,502	-	941,634,611	-
Other receivables	15,724,164,267	46,377,509	3,889,934,009	41,038,073
Other non-current assets	2,606,920,400	-	156,920,400	-

Payables to related parties

The Group

<i>Item</i>	<i>2020</i>	<i>2019</i>
Accounts payable	108,759,439	77,847,042
Advance payments received	6,018,519	60,990
Contract liabilities	1,604,187	-
Other payables	183,204,239	166,424,203

The Company

<i>Item</i>	<i>2020</i>	<i>2019</i>
Accounts payable	236,990,054	1,093,063
Advance payments received	8,735,465	2,108,152,470
Other payables	3,051,622,542	4,739,212,844
Other non-current liabilities	56,156,661,805	33,297,240,830

7

Commitments of the related parties

As at balance sheet date, the commitments of the related parties, which are signed but not listed in financial statement are as following:

	<i>2020</i>	<i>2019</i>
Procurement of equipment	254,763,625	133,794,504

XI. Share-based payments

At 17 December 2020, the Board of Directors of the Company approved the implementation of share options and restricted share incentive plans. The shares for the share options and restricted share incentive plans are from the Company's Renminbi A-share ordinary shares repurchased from secondary market. Vesting plans of share options and restricted share incentive plans are as follows:

(a) Share option incentive plan

The share option incentive plan is classified into initial grant and reserved grant. The initial grant date was 21 December 2020, and the implementation was completed on 25 December 2020. The actual number of grantees was 1,988, with a number of grants of 596,229,700 shares; the number of reserved grants was 33,000,000 shares. The grant date, grant recipients, and implementation completion date, etc. are to be confirmed.

The share options are exercised in three phases after 24 months from the grant date. The exercise ratios for each phase are 34%, 33%, and 33%, respectively. The corresponding exercise dates are 2 years, 3 years, and 4 years from the grant date.

When the Company's performance meets the corresponding criteria, the proportion of exercisable rights of the above-mentioned share options is determined based on the business performance of the incentive object's operation and the contribution value of the incentive object. In accordance with the plan, the Company will deregister the current exercisable shares of the options obtained by the incentive objects if the exercise criteria stipulated in this plan are not met.

(b) Restricted share incentive plan

The grant date of restricted share incentive plan was 21 December 2020, and the implementation was completed on 29 December 2020. The actual number of grantees was 793, with a number of grants of 321,813,800 share.

The lock-up periods of the restricted share incentive plan are the 24, 36 and 48 months from the grant date, respectively. During the lock-up period, restricted shares granted to the incentive object under this plan shall not be transferred, used for guarantee or debt repayment before the lock-up release. Lock-up restricted shares are released in three phases after 24 months from the grant date. The release ratios for each phase are 34%, 33%, and 33%, respectively. The corresponding release dates are 2 years, 3 years, and 4 years from the grant date. The actual number released shall be based on performance assessment result for the previous year.

When the Company's performance meets the corresponding criteria, the release proportion of the above-mentioned restricted shares is determined based on the business performance of the incentive object's operation and the contribution value of the incentive object. The Company will repurchase the locked restricted shares at the granted price of the incentive objects if the release criteria stipulated in this plan are not met, and the incentive object shall not release the restricted shares for the current period.

The incentive objects involved in this share option and restricted share incentive plans are qualified employees of the Company and its subsidiaries. The Company acts as a settlement company, and the Company and its subsidiaries act as service recipients. As at 31 December 2020, the total costs recognised by the Group's equity-settled share-based payments in the consolidated financial statement was RMB 17,211,463, and the accumulated amount of capital reserve paid by equity-settled share-based payments amounted to RMB 16,009,935. In the Company's financial statements, the Company recognised its long-term equity investment of RMB 13,407,214 in its subsidiary at the fair value of the equity instruments at the grant date, and recognised expenses arising from share-based payments of RMB 3,804,249, as well as a capital reserve of RMB 17,211,463.

As at 31 December 2020, the company received a total of RMB 875,333,536 in restricted share subscription funds from restricted share incentive objects. Based on relevant provisions of the restricted share incentive plan for the service period, if the granted object resigns before the release date, the Company will repurchase the restricted shares that have not been released at the subscription price of the granted object. Please refer to Note V. 28 (1) for the repurchased obligation set out in other payables.

(1) Method for determining the fair value of equity instruments at the grant date

Share options:

The fair value of equity instruments at the grant date is determined based on the difference between the assessed fair value of the exercisable share options at each grant date and the subscription price in RMB (RMB 1.68/share, RMB 1.93/share and RMB 2.09/share, respectively).

Restricted shares:

The fair value of equity instruments at the grant date is determined based on the difference between the fair value of shares at the grant date and the subscription price at RMB 2.68/share.

(2) Basis of determining the number of equity instruments expected to vest

At each balance sheet date during the vesting period, the best estimation is made according to the latest information, such as the number of employees who are granted options and the completion of performance indicators, and the number of equity instruments expected to vest is revised accordingly. On the vesting date, the estimated number is equal to the number of equity instruments that are ultimately vested.

XII. Capital management

The Group's primary objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group defines "capital" as including all components of equity, less unaccrued proposed dividends. The balances of related party transactions are not regarded by the Group as capital.

The Group's capital structure is regularly reviewed and managed to achieve an optimal structure and return for shareholders. Factors for the Group's consideration include: its future funding requirements, capital efficiency, actual and expected profitability, expected cash flows, and expected capital expenditure. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Group.

The Group's capital structure is monitored on the basis of an adjusted net debt-to-capital ratio (total liabilities divided by total assets). The capital management strategies exerted by the Group remained unchanged from 2019. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, request new loans, issue new shares, or sell assets to reduce debt.

As at 31 December 2020 and 31 December 2019, the Group's asset-liability ratios are as follows:

	2020	2019
Asset-liability ratio	59.13%	58.56%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

XIII. Commitments and contingencies

1 Significant commitments

(1) Capital commitments

<i>The Group</i>	2020	2019
Contracts entered into but not performed or partially performed	58,885,156,561	59,347,872,614
Contracts authorised but not entered into	<u>74,192,859,943</u>	<u>102,974,551,619</u>
Total	<u><u>133,078,016,504</u></u>	<u><u>162,322,424,233</u></u>

The Group's contracts authorised but not entered into mainly included the fixed assets that Chongqing BOE Display, Fuzhou BOE Display, Health Investment and Wuhan BOE planned to purchase in subsequent years and project equipment that the Group planned to purchase in subsequent years.

<i>The Company</i>	2020	2019
Contracts entered into but not performed or partially performed	<u>39,391,365,336</u>	<u>36,732,291,172</u>

The Company's contracts entered into but not performed or partially performed mainly included guaranteed investments in Chongqing BOE Display, Fuzhou BOE Display and Health Investment.

(2) Operating lease commitments

As at 31 December, the total future minimum lease payments under non-cancellable operating leases of the Group's properties were payable as follows:

<i>Item</i>	<i>2020</i>	<i>2019</i>
Within 1 year (inclusive)	76,151,901	56,919,248
After 1 year but within 2 years (inclusive)	38,471,518	34,440,482
After 2 years but within 3 years (inclusive)	21,725,645	31,151,809
After 3 years	33,043,339	61,129,358
	<hr/>	<hr/>
Total	169,392,403	183,640,897
	<hr/> <hr/>	<hr/> <hr/>

As at 31 December 2020, the Company had no significant operating lease commitments.

(2) Guarantee

(1) The Group as the guarantor

As at 31 December 2020, the Group did not have guarantees provided for external enterprises.

(2) The Company as the guarantor

At 31 December 2020, Chengdu Optoelectronics pledged its land use right with carrying amount of RMB 41,177,526, construction in progress with carrying amount of RMB 1,221,864,173, machinery and equipment with carrying amount of RMB 32,627,157,411 and plants and buildings with carrying amount of RMB 2,432,658,572 as collaterals to obtain long-term loans of USD 901,460,000 and RMB 15,717,800,000. The Company provides joint-liability guarantee for the above loans. In addition, the Company provides joint-liability guarantee for the letters of credit issued but not accepted of USD 449,008 and JPY 27,540,000 and the long-term letter of guarantee issued but not accepted of RMB 1,118,500,000.

At 31 December 2020, Yuansheng Optoelectronics pledged its plants and buildings with carrying amount of RMB 2,184,506,985, machinery and equipment with carrying amount of RMB 9,074,094,053 and land use right with carrying amount of RMB 45,644,499 as collaterals to obtain long-term loans of RMB 1,922,730,000. The Company provides joint-liability guarantee for the above loans.

At 31 December 2020, Chongqing BOE Display pledged its land use right with carrying amount of RMB 166,784,696 as collaterals to obtain long-term loans of USD 124,000,000 and RMB 1,000,000. The Company provides joint-liability guarantee for the above loans. In addition, the Company provides joint-liability guarantee for the short-term loan of USD 170,000,000 and the letters of credit issued but not accepted of USD 301,146,607 and JPY 18,938,564,000.

At 31 December 2020, Hefei Xinsheng pledged its land use right with carrying amount of RMB 113,894,779, plants and buildings with carrying amount of RMB 3,016,644,938 and equipment with carrying amount of RMB 3,528,523,204 as collaterals to obtain long-term loans of USD 268,120,000. The Company provides joint-liability guarantee for the above loans.

At 31 December 2020, Chongqing BOE pledged its land use right with carrying amount of RMB 132,311,810 and machinery and equipment and buildings with carrying amount of RMB 10,742,935,343 as collaterals to obtain long-term loans of USD 562,240,000 and RMB 255,600,000. The Company provides joint-liability guarantee for the above loans.

At 31 December 2020, Fuzhou BOE pledged its land use right with carrying amount of RMB 207,436,937, plants and buildings with carrying amount of RMB 3,069,470,678 and machinery and equipment with carrying amount of RMB 10,668,568,525 as collaterals to obtain long-term loans of USD 729,000,000 and RMB 3,450,060,000. The Company provides joint-liability guarantee for the above loans. In addition, the Company provides joint-liability guarantee for the long-term letter of guarantee issued but not accepted of RMB 720,000,000.

At 31 December 2020, Hefei Display Technology pledged its land use right with carrying amount of RMB 286,639,674, buildings with carrying amount of RMB 3,919,531,110 and machinery and equipment with carrying amount of RMB 18,739,242,411 as collaterals to obtain long-term loans of USD 1,342,090,000 and RMB 6,118,214,080. The Company provides joint-liability guarantee for the above loans. In addition, the Company provides joint-liability guarantee for the letters of credit issued but not accepted of JPY 899,600,000.

At 31 December 2020, Mianyang BOE pledged its land use right with carrying amount of RMB 384,360,333, buildings with carrying amount of RMB 111,133,982, machinery and equipment with carrying amount of RMB 23,758,696,685 and construction in progress with carrying amount of RMB 9,712,245,614 as collaterals to obtain long-term loans of USD 802,000,000 and RMB 13,182,730,000. The Company provides joint-liability guarantee for the above loans. In addition, the Company provides joint-liability guarantee for the letters of credit issued but not accepted of USD 22,911,342 and JPY 3,424,770,000 and the long-term letter of guarantee issued but not accepted of RMB 1,690,000,000.

At 31 December 2020, Wuhan BOE pledged its machinery and equipment with carrying amount of RMB 18,290,634,775, land use right with carrying amount of RMB 254,850,879 and construction in progress with carrying amount of RMB 10,092,665,066 as collaterals to obtain long-term loans of USD 1,158,000,000 and RMB 7,673,000,000. The Company provides joint-liability guarantee for the above loans. In addition, the Company provides joint-liability guarantee for the letters of credit issued but not accepted of USD 2,440,000 and JPY 3,340,856,000.

At 31 December 2020, Chengdu Hospital obtain long-term loans of RMB 999,092,146. The Company provides joint-liability guarantee for the above loans.

XIV. Segment reporting

(1) Segment reporting considerations

The Group management reviews the operation performance and allocates resources according to the business segments below.

- (a) Display business — The display business integrates design and manufacturing of display devices and strives to offer TFT-LCD, AMOLED, Microdisplay and other intelligent interface devices, which develops a platform that integrates panels, modules, whole widget and services. This business focuses on providing high-quality smartphones, tablet PCs, laptops, monitors, TVs, vehicles, electronic shelf label (ESL), tiled display screens, industrial control, wearable devices, VR/AR devices, electronic tags, white goods, healthcare, mobile payment, interactive whiteboards and other intelligent display devices for customers. Besides, this business provides the most competitive whole-widget smart manufacturing services for 3C display, smart IoTs, system platform and other fields.
- (b) Smart systems innovation business — The smart systems innovation business integrates designs of system solutions. Supported by AI and big data technologies, this business focuses on soft and hard products and services and offers integrated IoT solutions of smart government affairs, urban beautification, smart transportation, smart finance, smart education, smart park and smart energy.
- (c) Smart medicine and engineering business — The smart medicine and engineering business provides professional healthcare services and features the innovative integration of medical and engineering by integrating technology and medical science. Adhering to people-centred thought, this business focuses on family, community and hospital and emphasizes developing four core businesses, such as health management, health technology, digital hospital and technology services. It strives to create interconnection among testing equipment, medical personnel and customers through healthcare IoT platform and build an intelligent health management ecosystem to provide customers with one-stop health services of "prevention-diagnosis and treatment-health care".
- (d) Sensor and application solutions business — The sensor and application solutions business integrates design and manufacturing of B2B system solutions. This business focuses on medical detection, household detection, communication and transportation, smart homes and other fields to provide customers with integrated design and manufacturing services of sensor devices; besides, this business provides sensor system solutions of medical imaging, biological detection, smart screens, microwave communication, fingerprint identification and the like, with products including flat panel X-ray detectors (FPXD), digital microfluidic chips, PDLC glass, fingerprint identification systems, etc.

(e) Mini-LED business — The Mini-LED business integrates design and manufacturing of devices and provides Mini-LED backlight products with strong reliability and high dynamic range that allow precisely brightness adjustment for smartphones, tablet PCs, laptops, monitors, TVs and other products; besides, it provides Mini/Micro-LED display products with high brightness, strong reliability and high dynamic range for use in outdoor display, commercial display and other scenarios.

(f) Others — Other service mainly includes technical development service and patent maintenance service.

The main reason to separate the segments is that the Group independently manages the display business, smart systems innovation business, smart medicine & engineering integration business, sensor and application solutions business, Mini-LED business and other businesses. As these business segments manufacture and distribute different products, apply different manufacturing processes and specify in gross profit, these business segments are managed independently. The management evaluates the performance and allocates resources according to the profit of each business segment and does not take financing cost and investment income into account.

(2) Accounting policies for the measurements of reportable segments

For the purposes of assessing segment performance, the Group's management regularly reviews the revenue and expenses attributable to each reportable segment. Inter-segment sales are determined with reference to prices charged to external parties for similar orders.

	2020							
	<i>Display business</i>	<i>Smart systems innovation business</i>	<i>Smart medicine & engineering integration business</i>	<i>Sensor and application solutions business</i>	<i>Mini-LED business</i>	<i>Others</i>	<i>Elimination</i>	<i>Total</i>
Operating income	131,970,602,256	1,328,060,494	1,522,460,282	119,817,921	-	7,372,351,461	(6,760,722,685)	135,552,569,729
Operating costs	107,769,219,236	981,563,055	724,268,025	75,405,672	-	2,213,785,494	(2,941,118,726)	108,823,122,756

	2019							
	<i>Display business</i>	<i>Smart systems innovation business</i>	<i>Smart medicine & engineering integration business</i>	<i>Sensor and application solutions business</i>	<i>Mini-LED business</i>	<i>Others</i>	<i>Elimination</i>	<i>Total</i>
Operating income	113,741,071,151	821,226,259	1,357,484,752	62,748,635	-	7,320,141,513	(7,243,082,146)	116,059,590,164
Operating costs	98,329,154,262	498,624,217	668,875,829	30,963,371	-	1,681,836,505	(2,763,184,888)	98,446,269,296

The Company develops various businesses by using common assets and liabilities and therefore, it could not analyse assets and liabilities of each reportable segment respectively by business. Besides, the Group restates comparative information in 2019 according to segment reporting in 2020.

(3) Secondary segment reporting (regional segments)

- (a) The geographical information is based on the location of customers receiving services or goods.

The information of the Group's external transactions based by locations is as follows:

	<i>Operating income from external customers</i>	
	<i>2020</i>	<i>2019</i>
Chinese mainland	65,241,679,286	59,444,025,767
Other Asian countries and regions	54,895,384,319	45,030,859,656
Europe	4,804,966,123	4,511,337,220
America	10,316,934,261	6,911,922,720
Other regions	293,605,740	161,444,801
Total	<u>135,552,569,729</u>	<u>116,059,590,164</u>

- (b) Divided based on asset locations

The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of fixed assets; the location of the operation to which they are allocated, in the case of intangible assets and goodwill; and the location of operations, in the case of interests in associates and jointly controlled enterprises. Most of the non-current assets in the Group are located in the Chinese mainland.

(4) Major customers

Operating income of display business from which is over 10% of the Group's total operating income ended up with 2 customers (2019: 2 customers). The operating income from these customers represented RMB 35,420,533,749 (2019: RMB 30,980,334,746), which was approximately 26% (2019: 27%) of the Group's total operating income.

XV. Notes to the Company's financial statements

1 Cash at bank and on hand

	2020			2019		
	Amount in original currency	Exchange rate	RMB/RMB equivalents	Amount in original currency	Exchange rate	RMB/RMB equivalents
Cash on hand						
USD	5	6.5249	31	5	6.9762	35
HKD	165	0.8416	139	165	0.8958	148
JPY	51,325	0.0632	3,244	51,325	0.0641	3,290
KRW	420,000	0.0060	2,520	420,000	0.0060	2,520
Other foreign currencies			16,662			16,943
Sub-total			22,596			22,936
Bank deposits						
RMB			2,694,966,600			1,355,519,593
USD	257,341,260	6.5249	1,679,125,986	333,055,313	6.9762	2,323,460,475
HKD	1,641,906	0.8416	1,381,828	1,972,588	0.8958	1,767,044
Sub-total			4,375,474,414			3,680,747,112
Total			4,375,497,010			3,680,770,048

Including: Total overseas deposits were equivalent to RMB 150,742 (2019: RMB 161,168).

2 Accounts receivable

(1) The Company's accounts receivable by customer type:

	31 December 2020	31 December 2019
Amounts due from subsidiaries	3,988,518,583	659,753,039
Amounts due from other customers	5,995,278	7,044,176
Sub-total	3,994,513,861	666,797,215
Less: Provision for bad and doubtful debts	20,301,553	20,264,100
Total	3,974,212,308	646,533,115

(2) The ageing analysis of accounts receivable is as follows:

<i>Ageing</i>	<i>2020</i>	<i>2019</i>
Within 1 year (inclusive)	3,813,737,996	646,534,878
Over 1 year but within 2 years (inclusive)	163,379,898	2,866,370
Over 2 years but within 3 years (inclusive)	-	-
Over 3 years	<u>17,395,967</u>	<u>17,395,967</u>
 Sub-total	 3,994,513,861	 666,797,215
 Less: Provision for bad and doubtful debts	 <u>20,301,553</u>	 <u>20,264,100</u>
 Total	 <u><u>3,974,212,308</u></u>	 <u><u>646,533,115</u></u>

The ageing is counted starting from the date when accounts receivable are recognised.

(3) Accounts receivable by provisioning method

<i>Category</i>	<i>2020</i>				<i>Carrying amount</i>
	<i>Book value</i>		<i>Provision for impairment</i>		
	<i>Amount</i>	<i>Percentage (%)</i>	<i>Amount</i>	<i>Percentage (%)</i>	
Individual assessment					
- Customers with high credit risk	5,283,008	0%	5,283,008	100%	-
- Customers with low credit risk	3,988,518,583	100%	14,979,329	0%	3,973,539,254
Collective assessment					
- Customers with moderate credit risk	<u>712,270</u>	0%	<u>39,216</u>	6%	<u>673,054</u>
 Total	 <u><u>3,994,513,861</u></u>	 100%	 <u><u>20,301,553</u></u>	 1%	 <u><u>3,974,212,308</u></u>
	<i>2019</i>				
<i>Category</i>	<i>Book value</i>		<i>Provision for impairment</i>		<i>Carrying amount</i>
	<i>Amount</i>	<i>Percentage (%)</i>	<i>Amount</i>	<i>Percentage (%)</i>	
Individual assessment					
- Customers with high credit risk	5,283,008	1%	5,283,008	100%	-
- Customers with low credit risk	660,348,948	99%	14,979,329	2%	645,369,619
Collective assessment					
- Customers with moderate credit risk	<u>1,165,259</u>	0%	<u>1,763</u>	0%	<u>1,163,496</u>
 Total	 <u><u>666,797,215</u></u>	 100%	 <u><u>20,264,100</u></u>	 3%	 <u><u>646,533,115</u></u>

(4) Additions and recoveries of provision for bad and doubtful debts during the year:

	2020	2019
Balance at the beginning of the year	20,264,100	2,889,866
Charge during the year	37,453	17,416,444
Written-off during the year	-	42,210
	<u>20,301,553</u>	<u>20,264,100</u>

For the year ended 31 December 2020, the Company had no individually significant write-off or recovery of doubtful debts which had been fully or substantially made in prior years.

(5) Five largest accounts receivable by debtor at the end of the year

The five largest accounts receivable of the Company amounted to RMB 3,706,332,124, amounting to 93% of the total accounts receivable at the end of the year, and no provisions for bad and doubtful debts were made at the end of the year.

3 Other receivables

	<i>Note</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Dividends receivable	(1)	460,261,502	941,634,611
Others	(2)	<u>15,885,213,081</u>	<u>3,885,763,483</u>
Total		<u>16,345,474,583</u>	<u>4,827,398,094</u>

(1) Dividends receivable

	<i>31 December 2020</i>	<i>31 December 2019</i>
Yinghe Century	-	572,694,778
Hefei BOE	-	350,000,000
Beijing BOE Land Co., Ltd.	-	18,939,833
Chongqing BOE Optoelectronics Technology Co., Ltd.	400,000,000	-
Beijing Electronics Zone Investment and Development Co., Ltd.	1,842,137	-
BOE (Korea) Co., Ltd.	6,125,106	-
Beijing Matsushita Colour Innovation Co., Ltd.	<u>52,294,259</u>	<u>-</u>
Total	<u>460,261,502</u>	<u>941,634,611</u>

(2) Others

(a) The Company's other receivables by customer type:

<i>Customer type</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Amounts due from subsidiaries	15,710,102,798	3,889,330,494
Amounts due from other related parties	14,061,469	603,515
Amounts due from other customers	<u>210,988,466</u>	<u>28,545,610</u>
Sub-total	<u>15,935,152,733</u>	<u>3,918,479,619</u>
Less: Provision for bad and doubtful debts	<u>49,939,652</u>	<u>44,600,216</u>
Total	<u>15,885,213,081</u>	<u>3,873,879,403</u>

(b) The Company's other receivables by currency:

	<i>2020</i>			<i>2019</i>		
	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>	<i>Amount in original currency</i>	<i>Exchange rate</i>	<i>RMB/RMB equivalents</i>
RMB			15,935,152,733			3,930,341,042
HKD	-	-	-	25,293	0.8958	22,657
Sub-total			<u>15,935,152,733</u>			<u>3,930,363,699</u>
Less: Provision for bad and doubtful debts			<u>49,939,652</u>			<u>44,600,216</u>
Total			<u>15,885,213,081</u>			<u>3,885,763,483</u>

(c) The ageing analysis of other receivables of the Company is as follows:

	<i>2020</i>	<i>2019</i>
Within 1 year (inclusive)	12,252,487,143	3,734,855,375
Over 1 year but within 2 years (inclusive)	3,610,709,401	59,484,488
Over 2 years but within 3 years (inclusive)	19,445,996	56,743,629
Over 3 years	<u>52,510,193</u>	<u>79,280,207</u>
Sub-total	<u>15,935,152,733</u>	<u>3,930,363,699</u>
Less: Provision for bad and doubtful debts	<u>49,939,652</u>	<u>44,600,216</u>
Total	<u>15,885,213,081</u>	<u>3,885,763,483</u>

The ageing is counted starting from the date when other receivables are recognised.

(3) Other receivables by provisioning method

Category	2020				
	Book value		Provision for impairment		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Individual assessment	49,939,652	0%	49,939,652	100%	-
Collective assessment	15,885,213,081	100%	-	0%	15,885,213,081
Total	15,935,152,733	100%	49,939,652	0%	15,885,213,081

Category	2019				
	Book value		Provision for impairment		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Individual assessment	44,600,216	1%	44,600,216	100%	-
Collective assessment	3,873,879,403	99%	-	0%	3,885,763,483
Total	3,918,479,619	100%	44,600,216	1%	3,885,763,483

(e) Movements of provisions for bad and doubtful debts

	2020	2019
Balance at the beginning of the year	44,600,216	-
Charge for the year	5,339,436	45,142,306
Written-off during the year	-	542,090
Balance at the end of the year	49,939,652	44,600,216

(d) Other receivables categorised by nature

<i>Nature of other receivables</i>	2020	2019
Transaction amount	15,844,170,864	3,889,330,494
Others	90,981,869	41,033,205
	<hr/>	<hr/>
Sub-total	15,935,152,733	3,930,363,699
	<hr/>	<hr/>
Less: Provision for bad and doubtful debts	49,939,652	44,600,216
	<hr/>	<hr/>
Total	15,885,213,081	3,885,763,483
	<hr/>	<hr/>

(e) Five largest other receivables by debtor at the end of the year

Other receivables at the end of the year due from the top five debtors of the Company amounted to RMB 14,636,627,155 in total, most of which are borrowings. No provision is made for bad and doubtful debts after assessment.

4 Other current assets

	2020	2019
VAT on tax credits	45,621,676	17,011,521
Others	132,140,042	92,486,376
	<hr/>	<hr/>
Total	177,761,718	109,497,897
	<hr/>	<hr/>

5 Long-term equity investments

(1) The Company's long-term equity investments by category:

	2020	2019
Investments in subsidiaries	179,426,966,866	157,203,548,708
Investments in associates and joint ventures	2,800,090,342	2,278,316,052
	<hr/>	<hr/>
Sub-total	182,227,057,208	159,481,864,760
	<hr/>	<hr/>
Less: Provision for impairment	92,000,000	92,000,000
	<hr/>	<hr/>
Total	182,135,057,208	159,389,864,760
	<hr/>	<hr/>

In previous year, the Company made provision for impairment of investment losses in its subsidiaries, Special Display and

Vacuum Technology, which amounted to RMB 60,000,000 and RMB 32,000,000 respectively.

(2) Investments in subsidiaries:

Subsidiary	Balance at the beginning of the year	Increase during the year		Decrease during the year	Balance at the end of the year	Balance of provision for impairment at the beginning of the year	Balance of provision for impairment at the end of the year
		Increase in investments	Share-based payments				
Beijing BOE Optoelectronics Technology Co., Ltd.	4,172,288,084	-	685,343	-	4,172,973,427	-	-
Chengdu BOE Optoelectronics Technology Co., Ltd.	22,703,149,991	2,300,000,000	1,344,328	-	25,004,494,319	-	-
Hefei BOE Optoelectronics Technology Co., Ltd.	9,000,000,000	-	846,416	-	9,000,846,416	-	-
Beijing BOE Display Technology Co., Ltd.	17,418,713,599	-	2,628,382	-	17,421,341,981	-	-
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	20,082,979,185	-	1,039,425	-	20,084,018,610	-	-
Ordos Yuansheng Optoelectronics Co., Ltd.	11,804,000,000	-	123,592	-	11,804,123,592	-	-
Chongqing BOE Optoelectronics Technology Co., Ltd.	19,565,354,599	-	511,822	-	19,565,866,421	-	-
Fuzhou BOE Optoelectronics Technology Co., Ltd.	14,300,042,079	-	560,840	-	14,300,602,919	-	-
Beijing BOE Vision Electronic Technology Co., Ltd.	3,865,344,500	228,155,500	36,288	-	4,093,536,288	-	-
Beijing BOE Vacuum Electronics Co., Ltd.	19,250,000	-	8,410	-	19,258,410	-	-
Beijing BOE Vacuum Technology Co., Ltd.	32,000,000	-	-	-	32,000,000	32,000,000	32,000,000
Beijing BOE Special Display Technology Co., Ltd.	100,000,000	-	113,695	-	100,113,695	60,000,000	60,000,000
Beijing Yinghe Century Co., Ltd.	333,037,433	-	237,796	-	333,275,229	-	-
BOE Optical Science and technology Co., Ltd.	658,961,914	-	80,760	-	659,042,674	-	-
BBOE Hyundai LCD Inc.	31,038,525	-	143,435	-	31,181,960	-	-
BOE (Hebei) Mobile Technology Co., Ltd.	1,353,651,020	-	40,543	-	1,353,691,563	-	-
Beijing BOE Multimedia Technology Co., Ltd.	400,000,000	-	-	-	400,000,000	-	-
Beijing BOE Energy Technology Co., Ltd.	850,000,000	-	110,069	-	850,110,069	-	-
Beijing BOE Life Technology Co., Ltd.	10,000,000	-	-	-	10,000,000	-	-
Beijing Zhongxiangying Technologies Co., Ltd.	10,000,000	40,000,000	14,864	-	50,014,864	-	-
BOE Semi-conductor Co., Ltd.	9,450,000	-	-	-	9,450,000	-	-
BOE Optoelectronics Holding Co., Ltd.	2,768,662,024	443,299,514	-	-	3,211,961,538	-	-
Beijing Asahi Electronic Materials Co., Ltd.	30,888,470	-	-	(30,888,470)	-	-	-
BOE Healthcare Investment & Management Co., Ltd.	2,953,154,069	3,140,000,000	13,515	-	6,093,167,584	-	-
Hefei BOE Display Technology Co., Ltd.	1,998,765,323	-	573,616	-	1,999,338,939	-	-
Beijing BOE Technology Development Co., Ltd.	1,000,000	-	18,591	-	1,018,591	-	-
BOE Wisdom IOT Technology Co., Ltd.	90,670,000	51,330,000	344,796	-	142,344,796	-	-
Hefei BOE Zhuoyin Technology Co., Ltd.	600,000,000	-	66,764	-	600,066,764	-	-
Beijing BOE Land Co., Ltd.	7,731,474	-	21,499	-	7,752,973	-	-
Beijing BOE Sales Co., Ltd.	30,500,000	-	13,199	-	30,513,199	-	-
BOE KOREA Co., Ltd.	788,450	-	84,867	-	873,317	-	-
Kunming BOE Display Technology Co., Ltd.	670,000,000	620,830,000	88,433	-	1,290,918,433	-	-
Mianyang BOE Optoelectronics Technology Co., Ltd.	14,696,980,083	1,280,000,000	380,832	-	15,977,360,915	-	-
Beijing BOE Sensing Technology Co., Ltd.	50,000,000	-	348,624	-	50,348,624	-	-
Hunan BOE Yiyun Science & Technology Co., Ltd.	90,000,000	100,000,000	-	(190,000,000)	-	-	-
Wuhan BOE Optoelectronics Technology Co., Ltd.	4,164,560,516	1,833,990,000	332,380	-	5,998,882,896	-	-
Chongqing BOE Display Technology Co., Ltd.	2,308,857,370	1,649,934,000	190,627	-	3,958,981,997	-	-
Fuzhou BOE Display Technology Co., Ltd.	21,730,000	-	18,591	-	21,748,591	-	-
Beijing Matsushita Colour Innovation Co., Ltd.	-	-	64,903	-	64,903	-	-
BOE Innovation Investment Co.,	-	440,000,000	-	-	440,000,000	-	-

Ltd.							
Hefei BOE Xingyu Technology Co., Ltd.	-	219,139,000	58,471	-	219,197,471	-	-
BOE Education Technology Co., Ltd.	-	25,000,000	73,981	-	25,073,981	-	-
Dongfang Chengqi (Beijing) Business Technology Co., Ltd.	-	8,000,000	-	-	8,000,000	-	-
BOE Smart Technology Co., Ltd.	-	1,440,000,000	-	-	1,440,000,000	-	-
Nanjing CEC Panda FPD Technology Co., Ltd.	-	5,591,221,400	-	-	5,591,221,400	-	-
Chengdu CEC Panda Display Technology Co., Ltd.	-	3,020,000,000	-	-	3,020,000,000	-	-
Others*	-	-	2,187,517	-	2,187,517	-	-
Total		<u>157,203,548,708</u>	<u>22,430,899,414</u>	<u>13,407,214</u>	<u>(220,888,470)</u>	<u>179,426,966,866</u>	<u>92,000,000</u>
						<u>92,000,000</u>	

*Others are the equity incentive funds paid for subsidiaries of the subsidiaries of BOE Group to be accrued.

For information about the major subsidiaries of the Company, refer to Note VII. 1.

(3) Investments in associates:

<i>Investee</i>	<i>Movements during the year</i>							<i>Balance at the end of the year</i>	<i>Balance of provision for impairment at the end of the year</i>
	<i>Balance at the beginning of the year</i>	<i>Increase in investments</i>	<i>Decrease in investments</i>	<i>Investment income under equity method</i>	<i>Other comprehensive income</i>	<i>Other equity movements</i>	<i>Declared distribution of cash dividends or profits</i>		
Beijing Nissin Electronics Precision Component Co., Ltd.	483,248	-	-	(219,390)	-	-	-	263,858	-
Beijing Nittan Electronic Co., Ltd.	64,808,755	-	-	8,588,066	-	-	(2,000,000)	71,396,821	-
Erdos BOE Energy Investment Co., Ltd.	9,348,226	-	-	(1,185,089)	-	-	-	8,163,137	-
Beijing Infi-Hailin Venture Investment Co., Ltd.	663,215	-	-	503,309	-	-	-	1,166,524	-
Beijing Infi-Hailin Venture Investment (Limited Partnership)	74,384,952	-	(79,000,000)	(210,320)	5,702,455	(877,087)	-	-	-
TPV Display Technology (China) Limited	24,545,664	-	-	282,600	-	-	-	24,828,264	-
Beijing Xindongneng Investment Fund (Limited Partnership)	1,944,514,849	-	(427,412,416)	410,089,641	130,950,251	-	-	2,058,142,325	-
Beijing Xindongneng Investment Management Co., Ltd.	7,410,061	-	-	2,511,565	-	-	(2,000,000)	7,921,626	-
Shenzhen Yunyinggu Technology Co., Ltd.	12,715,084	-	-	(5,368,560)	60,150	14,504,213	-	21,910,887	-
Beijing Xloong Technologies Co., Ltd.	22,237,044	-	-	(2,470,104)	-	-	-	19,766,940	-
Beijing Innovation Industry Investment Co., Ltd.	100,363,345	100,000,000	-	3,699,909	-	-	-	204,063,254	-
Beijing Electric Control Industry Investment Co., Ltd.	16,841,609	183,000,000	-	679,994	(319,767)	81,278	-	200,283,114	-
Hunan BOE Yiyun Science & Technology Co., Ltd.	-	190,000,000	-	(27,412,408)	-	19,596,000	-	182,183,592	-
Total	2,278,316,052	473,000,000	(506,412,416)	389,489,213	136,393,089	33,304,404	(4,000,000)	2,800,090,342	-

Intangible assets

	<i>Land use rights</i>	<i>Patent and proprietary technology</i>	<i>Computer software</i>	<i>Others</i>	<i>Total</i>
Book value					
Balance at the beginning of the year	794,939,047	1,102,554,707	299,265,973	79,529,998	2,276,289,725
Additions during the year					
- Purchases	-	-	11,893,193	4,797,580	16,690,773
- Transfers from construction in progress	-	-	62,998,261	-	62,998,261
Balance at the end of the year	<u>794,939,047</u>	<u>1,102,554,707</u>	<u>374,157,427</u>	<u>84,327,578</u>	<u>2,355,978,759</u>
Less: Accumulated amortisation					
Balance at the beginning of the year	52,495,508	595,845,951	133,692,030	623,972	782,657,461
Charge during the year	27,738,406	100,343,266	64,907,673	262,126	193,251,471
Balance at the end of the year	<u>80,233,914</u>	<u>696,189,217</u>	<u>198,599,703</u>	<u>886,098</u>	<u>975,908,932</u>
Carrying amounts					
At the end of the year	<u>714,705,133</u>	<u>406,365,490</u>	<u>175,557,724</u>	<u>83,441,480</u>	<u>1,380,069,827</u>
At the beginning of the year	<u>742,443,539</u>	<u>506,708,756</u>	<u>165,573,943</u>	<u>78,906,026</u>	<u>1,493,632,264</u>

Deferred tax assets/deferred tax liabilities

<i>Item</i>	<i>31 December 2020</i>		<i>31 December 2019</i>	
	<i>Deductible/(taxable) temporary differences</i>	<i>Deferred tax assets/(liabilities)</i>	<i>Deductible/(taxable) temporary differences</i>	<i>Deferred tax assets/(liabilities)</i>
Deferred tax assets:				
Provision for impairment of assets	185,358,501	27,803,775	179,981,612	26,997,242
Changes in fair value of investments in other equity instruments	121,789,193	18,268,379	135,444,338	20,316,651
Depreciation of fixed assets	145,995,720	21,899,358	111,653,214	16,747,982
Advance payments received	-	-	1,906,248,410	285,937,261
Others	37,699,653	5,654,948	155,622,634	23,343,394
Sub-total	<u>490,843,067</u>	<u>73,626,460</u>	<u>2,488,950,208</u>	<u>373,342,530</u>
Amount offset		<u>(73,626,460)</u>		<u>(13,074,064)</u>
Balance after offsetting		<u>-</u>		<u>360,268,466</u>
Deferred tax liabilities:				
Royalty fees due from subsidiaries	(2,975,000,000)	(446,250,000)	-	-
Others	(87,160,432)	(13,074,064)	(87,160,432)	(13,074,064)
Sub-total	<u>(3,062,160,432)</u>	<u>(459,324,064)</u>	<u>(87,160,432)</u>	<u>(13,074,064)</u>
Amount offset		<u>73,626,460</u>		<u>13,074,064</u>
Balance after offsetting		<u>(385,697,604)</u>		<u>-</u>

8 Advance payments received

<i>Item</i>	<i>31 December 2020</i>	<i>1 January 2020</i>	<i>31 December 2019</i>
Advances from related parties	8,735,465	110,018	2,108,152,470
Advances from third parties	<u>9,550,993</u>	<u>9,366,525</u>	<u>9,416,525</u>
Total	<u>18,286,458</u>	<u>9,476,543</u>	<u>2,117,568,995</u>

9 Employee benefits payable

(1) Employee benefits payable:

	<i>Note</i>	<i>Balance at 1 January 2020</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2020</i>
Short-term employee benefits	(2)	241,384,459	1,190,821,753	(924,181,005)	508,025,207
Post-employment benefits					
- defined contribution plans	(3)	10,821,616	66,029,897	(68,816,567)	8,034,946
Termination benefits		-	6,942,728	(6,942,728)	-
Total		<u>252,206,075</u>	<u>1,263,794,378</u>	<u>(999,940,300)</u>	<u>516,060,153</u>

	<i>Note</i>	<i>Balance at 1 January 2019</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2019</i>
Short-term employee benefits	(2)	191,160,309	912,098,158	(861,874,008)	241,384,459
Post-employment benefits					
- defined contribution plans	(3)	9,978,952	83,250,064	(82,407,400)	10,821,616
Termination benefits		-	2,780,894	(2,780,894)	-
Total		<u>201,139,261</u>	<u>998,129,116</u>	<u>(947,062,302)</u>	<u>252,206,075</u>

(2) Short-term employee benefits

	<i>Balance at 1 January 2020</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2020</i>
Salaries, bonuses, allowances	188,598,673	1,014,874,667	(764,036,829)	439,436,511
Staff welfare	-	45,099,922	(45,099,922)	-
Social insurance				
Medical insurance	14,688,541	38,992,104	(38,858,702)	14,821,943
Work-related injury insurance	1,104,889	2,639,691	(2,669,154)	1,075,426
Maternity insurance	1,777,726	672,235	(1,212,742)	1,237,219
Housing fund	3,854,824	55,069,148	(53,085,430)	5,838,542
Labour union fee, staff and workers' education fee	31,359,806	33,473,986	(19,218,226)	45,615,566
Others	-	-	-	-
Total	<u>241,384,459</u>	<u>1,190,821,753</u>	<u>(924,181,005)</u>	<u>508,025,207</u>

	<i>Balance at 1 January 2019</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2019</i>
Salaries, bonuses, allowances	149,498,505	664,206,819	(625,106,651)	188,598,673
Staff welfare	-	46,521,914	(46,521,914)	-
Social insurance				
Medical insurance	13,027,783	44,619,713	(42,958,955)	14,688,541
Work-related injury insurance	939,307	2,862,644	(2,697,062)	1,104,889
Maternity insurance	1,445,194	3,536,732	(3,204,200)	1,777,726
Housing fund	2,846,017	54,005,271	(52,996,464)	3,854,824
Labour union fee, staff and workers' education fee	23,403,503	26,939,926	(18,983,623)	31,359,806
Others	-	69,405,139	(69,405,139)	-
Total	191,160,309	912,098,158	(861,874,008)	241,384,459

(3) Post-employment benefits - defined contribution plans

	<i>Balance at 1 January 2020</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2020</i>
Basic pension insurance	11,489,403	55,939,880	(59,412,804)	8,016,479
Unemployment insurance	302,098	2,775,842	(2,706,456)	371,484
Annuity	(969,885)	7,314,175	(6,697,307)	(353,017)
Total	10,821,616	66,029,897	(68,816,567)	8,034,946

	<i>Balance at 1 January 2019</i>	<i>Accrued during the year</i>	<i>Decreased during the year</i>	<i>Balance at 31 December 2019</i>
Basic pension insurance	9,772,407	73,613,317	(71,896,321)	11,489,403
Unemployment insurance	206,545	3,449,922	(3,354,369)	302,098
Annuity	-	6,186,825	(7,156,710)	(969,885)
Total	9,978,952	83,250,064	(82,407,400)	10,821,616

10 Other payables

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Dividends payable		6,451,171	6,451,171
Others	(1)	6,535,467,510	5,254,019,803
Total		6,541,918,681	5,260,470,974

(1) Others

(a) The Company's other payables by category are as follows:

	Note	2020	2019
Amounts due to/from subsidiaries		3,050,656,626	4,739,139,471
Equity acquisition fee	VI. 1	2,236,488,561	-
Repurchase obligation of restricted shares	V. 40	875,333,536	-
Purchase of projects, equipment and intangible assets		257,829,238	345,872,758
Others		115,159,549	169,007,574
Total		<u>6,535,467,510</u>	<u>5,254,019,803</u>

(b) The Company's other payables by currency:

	2020			2019		
	Amount in original currency	Exchange rate	RMB/RMB equivalents	Amount in original currency	Exchange rate	RMB/RMB equivalents
RMB			5,042,463,687			2,257,788,363
USD	228,735,332	6.5249	1,492,475,170	414,300,937	6.9762	2,890,246,197
JPY	8,364,763	0.0632	528,653	157,972,312	0.0641	10,126,025
Total			<u>6,535,467,510</u>			<u>5,158,160,585</u>

11 Long-term loans

	2020		2019	
	RMB	Credited/ collateralised guaranteed/ pledged	RMB	Credited/ collateralised guaranteed/ pledged
Bank loans				
- RMB	46,207,924,194	Credited	38,801,142,361	Credited
Less: Long-term loans due within one year	<u>7,847,210,073</u>	Credited	<u>5,490,440,787</u>	Credited
Total	<u>38,360,714,121</u>		<u>33,310,701,574</u>	

The interest rate of RMB long-term loans for the Company ranged from 0% to 4.75% in 2020 (2019: 0% to 4.75%).

12 Deferred income

Item	Balance at the beginning of the year	Additions during the year	Amounts recognised in other income	Other changes	Balance at the end of the year
- related to assets	4,515,402,780	1,696,830	(903,180,554)	(1,696,830)	3,612,222,226
- related to income	<u>111,990,476</u>	<u>11,567,200</u>	<u>(12,437,456)</u>	<u>(90,000,000)</u>	<u>21,120,220</u>
Total	<u>4,627,393,256</u>	<u>13,264,030</u>	<u>(915,618,010)</u>	<u>(91,696,830)</u>	<u>3,633,342,446</u>

13 Capital reserve

<i>Item</i>	<i>Share premium</i>	<i>Other capital reserves</i>	<i>Total</i>
Balance at the beginning of the year	37,546,517,053	61,522,632	37,608,039,685
Add: Other movements in equity of associates	-	33,304,404	33,304,404
Equity-settled share-based payments	-	(945,264,723)	(945,264,723)
Balance at the end of the year	<u>37,546,517,053</u>	<u>(850,437,687)</u>	<u>36,696,079,366</u>

14 Other comprehensive income

<i>Item</i>	<i>Movements during the year</i>				<i>Balance at the end of the year</i>
	<i>Balance at the beginning of the year</i>	<i>Before-tax amount</i>	<i>Less: Income tax expense</i>	<i>Add: Transfer of other comprehensive income to retained earnings</i>	
Items that will not be reclassified to profit or loss	193,638,576	138,168,402	2,048,272	(239,057,408)	90,701,298
Including: Other comprehensive income recognised under equity method	308,766,264	136,381,254	-	(250,925,408)	194,222,110
Changes in fair value of investments in other equity instruments	(115,127,688)	1,787,148	2,048,272	11,868,000	(103,520,812)
Items that may be reclassified to profit or loss	-	11,835	-	-	11,835
Total	<u>193,638,576</u>	<u>138,180,237</u>	<u>2,048,272</u>	<u>(239,057,408)</u>	<u>90,713,133</u>

15 Retained earnings

<i>Item</i>	<i>2020</i>	<i>2019</i>
Retained earnings at the beginning of the year (before adjustment)	4,781,488,839	Not applicable
Add: Changes in accounting policies	<u>4,805,155,027</u>	Not applicable
Retained earnings at the beginning of the year (after adjustment)	9,586,643,866	2,609,929,782
Add: Net profits for the year	3,739,191,584	3,685,564,456
Less: Appropriation for statutory surplus reserve	373,919,158	368,556,446
Interest on holders of other equity instruments	485,925,480	56,109,589
Dividends to ordinary shares	695,967,975	1,043,951,963
Transfer of other comprehensive income to retained earnings	(215,151,667)	45,387,401
Effect of accounting for disposal of subsidiaries to equity method	<u>31,086,473</u>	-
Retained earnings at the end of the year	<u>11,954,088,031</u>	<u>4,781,488,839</u>

16 Operating income

<i>Item</i>	<i>2020</i>	<i>2019</i>
	<i>Income</i>	<i>Income</i>
Principal activities	3,850,224,763	4,103,362,231
Other operating activities	691,451,432	682,025,488
Total	4,541,676,195	4,785,387,719
Including: Income related to the new revenue standard	4,418,761,325	Not applicable
Revenue related to the lease standard	122,914,870	Not applicable

Details of operating income:

2019

Operating income from principal activities		
- Technology development income		4,103,362,231
Other operating income		
- Rental income of investment properties		122,723,329
- Others		559,302,159
Total		4,785,387,719

17 Taxes and surcharges

	<i>2020</i>	<i>2019</i>
Property tax	29,195,630	33,323,560
Land use tax	2,834,360	2,849,332
Stamp duty	7,909,675	4,682,297
City maintenance and construction tax	405,990	353,192
Education surcharges and local education surcharges	289,993	252,276
Others	253,948	27,864
Total	40,889,596	41,488,521

18 Research and development expenses

	2020	2019
Staff cost	686,052,717	544,087,165
Material expenses	70,093,725	74,036,997
Depreciation and amortisation	221,602,752	242,794,178
Commissioned and cooperative development	533,483,606	853,951,463
Others	<u>591,662,325</u>	<u>469,881,484</u>
Total	<u><u>2,102,895,125</u></u>	<u><u>2,184,751,287</u></u>

19 Financial expenses

	2020	2019
Interest expenses from loans	970,259,855	934,776,554
Interest income from bank deposits	(37,793,976)	(41,156,445)
Net exchange (income)/losses	(17,019,010)	7,509,490
Other financial expenses	<u>1,091,676</u>	<u>2,751,033</u>
Total	<u><u>916,538,545</u></u>	<u><u>903,880,632</u></u>

20 Other income

	2020	2019
Government grants related to assets	903,180,554	901,541,269
Government grants related to income	<u>67,808,613</u>	<u>43,858,943</u>
Total	<u><u>970,989,167</u></u>	<u><u>945,400,212</u></u>

The amount of government grants received by the Company in 2020 and directly included in other income was RMB 55,371,157.

21	Investment income		
		<i>2020</i>	<i>2019</i>
	Income from long-term equity investments accounted for using cost method	1,608,291,389	1,889,790,465
	Income from long-term equity investments accounted for using equity method	416,901,621	244,595,829
	Investment income from disposal of long-term equity investments	401,239,648	49,028,075
	Dividend income from investments in other equity instruments	3,252,444	2,354,733
	Including: Dividend income from investments in other equity instruments derecognised during the year	-	471,354
	Dividend income from investments in other equity instruments held at the balance sheet date	3,252,444	1,883,379
	Total	<u>2,429,685,102</u>	<u>2,185,769,102</u>

22	Income tax expenses		
		<i>Note</i>	
		<i>2020</i>	<i>2019</i>
	Current tax expense for the period based on tax law and regulations	449,586,180	313,149,954
	Changes in deferred tax assets/liabilities (1)	<u>(198,212,508)</u>	<u>(82,338,912)</u>
	Total	<u>251,373,672</u>	<u>230,811,042</u>

(1) The analysis of changes in deferred tax assets/liabilities is set out below:

		<i>2020</i>	<i>2019</i>
	Origination and reversal of temporary differences	<u>(198,212,508)</u>	<u>(82,338,912)</u>

(2) Reconciliation between income tax expenses and accounting profit:

<i>Item</i>	<i>2020</i>	<i>2019</i>
Profit before taxation	3,990,565,256	3,916,375,498
Expected income tax expense at tax rate of 15%	598,584,788	587,456,325
Add: Non-deductible expenses	47,469,071	5,063,076
Non-taxable income	(304,718,886)	(279,640,682)
Tax deduction for R&D activities	(89,961,301)	(74,503,110)
Others	-	(7,564,567)
	<hr/>	<hr/>
Income tax expenses	251,373,672	230,811,042
	<hr/>	<hr/>

23 Supplementary information on cash flow statement

(1) Supplement to cash flow statement

	<i>2020</i>	<i>2019</i>
(a) Reconciliation of net profit to cash flows from operating activities:		
Net profit	3,739,191,584	3,685,564,456
Add: Credit losses	5,376,889	62,558,750
Impairment losses	-	32,000,000
Depreciation of fixed assets and investment properties	135,264,681	122,776,599
Amortisation of intangible assets	165,094,127	180,015,643
Amortisation of long-term deferred expenses	36,414,535	34,805,818
Financial expenses	1,044,078,606	996,740,951
Investment income	(2,429,685,102)	(2,185,769,102)
Changes in deferred revenue tax assets and liabilities	(196,164,236)	(69,473,918)
Increase in gross inventories	(4,686,882)	(4,646,260)
(Increase)/ Decrease in operating receivables	(1,521,836,219)	465,794,325
Decrease in operating payables	(857,601,770)	(869,099,802)
	<hr/>	<hr/>
Net cash inflow from operating activities	115,446,213	2,451,267,460
	<hr/>	<hr/>

(b) Net changes in cash and cash equivalents:		
	<i>2020</i>	<i>2019</i>
Cash and cash equivalents at the end of the year	4,360,065,216	3,680,770,048
Less: Cash and cash equivalents at the beginning of the year	<u>3,680,770,048</u>	<u>3,829,814,050</u>
Net increase / (decrease) in cash and cash equivalents	<u><u>679,295,168</u></u>	<u><u>(149,044,002)</u></u>

(2) Details of cash and cash equivalents

	<i>2020</i>	<i>2019</i>
Cash on hand	22,596	22,936
Bank deposits available on demand	<u>4,360,042,620</u>	<u>3,680,747,112</u>
Closing balance of cash and cash equivalents	<u><u>4,360,065,216</u></u>	<u><u>3,680,770,048</u></u>

Note: Cash and cash equivalents disclosed above exclude other monetary fund with restricted usage.

24 Assets with restrictive ownership title

As at 31 December 2020, the Company has no assets with restrictive ownership title.

XVI. Extraordinary gains and losses in 2020

	2020	2019
Investment income from disposal of long-term equity investments	376,344,290	48,846,682
Losses from disposal of non-current assets	(2,912,119)	(28,506,546)
Government grants recognised through profit or loss (excluding those that are closely related to the normal business operations of the Company and that are in compliance with national policies and are subject to constant or fixed amount according to certain standards)	2,332,107,692	2,640,634,861
Gains or losses arising from changes in fair value of financial assets held for trading, and investment income from disposal of financial assets held for trading	82,698,484	112,668,244
Reversal of provision for bad and doubtful debts of receivables assessed on an individual basis	15,447,820	1,498,805
Other non-operating income and expenses besides items above	65,391,368	96,799,305
Other items qualified as extraordinary gain and loss	-	795,126,980
Less: Tax effect	185,966,533	285,904,312
	<hr/>	<hr/>
Total	2,683,111,002	3,381,164,019
	<hr/>	<hr/>
Including:		
Extraordinary gains affecting net profit of equity shareholders of the Company	2,365,173,118	3,085,437,188
Extraordinary gains affecting net profit of equity shareholders of the non-controlling shareholders	317,937,884	295,726,831

Note 1: Extraordinary gain and loss items listed above are presented in the amount before taxation.

Note 2: The Company's capital commitment and conversion obligations to non-controlling interests of Hefei Xinsheng are included in financial liabilities in accordance with the relevant accounting standards for financial instruments. In 2019, the Company signed an "Equity Transfer Agreement" with Hefei Heping Investment Co., Ltd. ("Hefei Heping") that the Company agreed to receive 15.3846% of equity interest in Hefei Xinsheng held by Hefei Heping, after which, Hefei Xinsheng becomes a wholly-owned subsidiary of the Company. According to the requirements of the Accounting Standard, the difference of RMB 795,126,980 between the cash payment and the book value of this financial liability is included in the current profit and loss.

XVII. Return on net assets and earnings per share

In accordance with “Regulation on the Preparation of Information Disclosures by Companies Issuing Securities No.9 – Calculation and Disclosure of the Return on Net Assets and Earnings Per Share” (2010 revised) issued by the CSRC and relevant accounting standards, the Group’s return on net assets and earnings per share are calculated as follows:

<u>Profit for the reporting period</u>	<i>Weighted average return on net assets (%)</i>	<i>Basic earnings per share</i>	<i>Diluted earnings per share</i>
Net profit attributable to the Company’s ordinary equity shareholders	5.15%	0.13	0.13
Net profit excluding extraordinary gain and loss attributable to the Company’s ordinary equity shareholders	2.47%	0.06	0.06

1 Calculation of earnings per share

(1) Basic earnings per share

For calculation of the basic earnings per share, refer to Note V.58.

(2) Basic earnings per share excluding extraordinary gain and loss

Basic earnings per share excluding extraordinary gain and loss is calculated as dividing consolidated net profit excluding extraordinary gain and loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding:

	<i>2020</i>	<i>2019</i>
Consolidated net profit attributable to ordinary shareholders of the Company	4,549,702,472	1,862,534,282
Extraordinary gains and losses attributable to ordinary shareholders of the Company	2,365,173,118	3,085,437,188
Consolidated net profit excluding extraordinary gain and loss attributable to the Company’s ordinary equity shareholders	2,184,529,354	(1,222,902,906)
Weighted average number of ordinary shares outstanding	34,684,107,122	34,798,398,763
Basic earnings per share excluding extraordinary gain and loss (RMB/share)	0.06	(0.04)

2 Calculation of weighted average return on net assets

(1) Weighted average return on net assets

Weighted average return on net assets is calculated as dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted average amount of consolidated net assets:

	2020	2019
Consolidated net profit attributable to ordinary shareholders of the Company	4,549,702,472	1,862,534,282
Weighted average amount of consolidated net assets	88,422,792,378	86,381,158,426
Weighted average return on net assets	5.15%	2.16%

Calculation of weighted average amount of consolidated net assets is as follows:

	2020	2019
Consolidated net assets at the beginning of the year	87,044,972,202	85,849,388,234
Effect of consolidated net profit attributable to ordinary shareholders of the Company	2,274,851,236	931,267,141
Effect of repurchase of treasury shares	(666,258,231)	-
Distribution of profits to ordinary shareholders	(347,983,988)	(521,975,982)
Effect of change in shareholding ratio of subsidiaries	24,957,407	4,049,092
Effect of movements in amounts attributable to ordinary shareholders of the Company	92,253,752	183,465,298
	<u>88,422,792,378</u>	<u>86,446,193,783</u>
Weighted average amount of consolidated net assets	<u>88,422,792,378</u>	<u>86,446,193,783</u>

(2) Weighted average return on net assets excluding extraordinary gain and loss

Weighted average return on net assets excluding extraordinary gain and loss is calculated as dividing consolidated net profit excluding extraordinary gain and loss attributable to ordinary shareholders of the Company by the weighted average amount of consolidated net assets:

	2020	2019
Consolidated net profit excluding extraordinary gain and loss attributable to the Company's ordinary equity shareholders	2,184,529,354	(1,222,902,906)
Weighted average amount of consolidated net assets	88,422,792,378	86,446,193,783
Weighted average return on net assets excluding extraordinary gain and loss	2.47%	(1.41%)

Part XIII Documents Available for Reference

(I) The financial statements signed and sealed by the Company's legal representative, President, Chief Financial Officer and head of the financial department (equivalent to financial manager); and

(II) The originals of all the documents and announcements that the Company disclosed on www.cninfo.com.cn during the Reporting Period.

All the above mentioned documents are available at the Board Secretary's Office of the Company.

Chairman of the Board (signature): Mr. Chen Yanshun

Date of the Board's approval of this Report: 9th April 2021