

Stock code: 200725

Stock abbreviation: BOE B

Announcement No.: 2015-027

BOE TECHNOLOGY GROUP CO., LTD.

Abstract of the Report for the First Quarter of 2015

Section I. Important Reminders

The Board of Directors, the Supervisory Committee, directors, supervisors and senior management staff of BOE Technology Group Co., Ltd. (hereinafter referred to as “the Company”) warrant that this report does not contain any false record or misleading statement or omit any material fact and shall hereby accept, individually and collectively, responsibility for the factuality, accuracy and completeness of the contents carried in this report.

Mr. Wang Dongsheng, Chairman of the Board, Mr. Chen Yanshun, President of the Company, Ms. Sun Yun, chief of the accounting work, and Ms. Yang Xiaoping, chief of the accounting organ (chief of accounting), hereby confirm that the Financial Report enclosed in this report is factual, accurate and complete.

All directors have attended the board session for reviewing this report.

This report is prepared in both Chinese and English. Should there be any understanding discrepancy between the two versions, the Chinese version shall prevail.

Section II. Financial Highlights & Change of Shareholders

I. Major accounting data and financial indexes

Does the Company adjust retrospectively or restate accounting data of previous years due to change of the accounting policy or correction of any accounting error?

☐ Yes ☒ No

	Jan.- Mar. 2015	Jan.- Mar. 2014	+/- (%)
Operating revenues (RMB Yuan)	11,582,854,379.00	8,091,679,315.00	43.15%
Net profit attributable to shareholders of the Company (RMB Yuan)	978,140,971.00	587,651,989.00	66.45%
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	880,748,144.00	242,830,402.00	262.70%
Net cash flows from operating activities (RMB Yuan)	2,302,553,649.00	1,680,084,933.00	37.05%
Basic EPS (RMB Yuan/share)	0.028	0.043	-34.88%
Diluted EPS (RMB Yuan/share)	0.028	0.043	-34.88%
Weighted average ROE (%)	1.27%	1.15%	0.12%
	31 Mar. 2015	31 Dec. 2014	+/- (%)
Total assets (RMB Yuan)	136,648,954,978.00	136,240,283,477.00	0.30%
Net assets attributable to shareholders of the Company (RMB Yuan)	77,108,963,441.00	76,155,071,579.00	1.25%

Note: The basic EPS for the same period of last year was based on the total shares of 13,521,542,341 in number. On 8 Apr. 2014, the total shares of the Company increased to 35,289,637,574 shares upon a private offering. Up to 31 Mar. 2015, the Company has bought back 136,569,831 shares. The basic EPS for the reporting period is weighted as such.

Items and amounts of extraordinary gains and losses

☒ Applicable ☐ Inapplicable

Unit: RMB Yuan

Item	Jan.-Mar. 2015	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	-5,946,463.00	Naught
Tax rebates, reductions or exemptions due to approval beyond authority or the lack of official approval documents	0.00	Naught
Government grants recognized in the current period, except for those acquired in the ordinary course of business or granted at certain quotas or amounts according to the country's unified standards	108,155,724.00	Naught
Capital occupation charges on non-financial enterprises that recorded into current gains and losses	0.00	Naught

Gains due to that the investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than the enjoyable fair value of the identifiable net assets of the investees when making the investments	0.00	Naught
Gain/loss on non-monetary asset swap	0.00	Naught
Gain/loss on entrusting others with investments or asset management	0.00	Naught
Asset impairment provisions due to acts of God such as natural disasters	0.00	Naught
Gain/loss on debt restructuring	0.00	Naught
Expenses for business reorganization, such as expenses for staffing, reorganization etc.	0.00	Naught
Gain/loss on the part over the fair value due to transactions with distinctly unfair prices	0.00	Naught
Current gains and losses of subsidies acquired from business combination under the same control as from period-begin to combination date	0.00	Naught
Gain/loss on contingent events irrelevant to the Company's normal business	0.00	Naught
Gains and losses on change in fair value from tradable financial assets and tradable financial liabilities, as well as investment income from disposal of tradable financial assets and tradable financial liabilities and financial assets available for sales except for effective hedging related with normal businesses of the Company	0.00	Naught
Reversal of provision for impairment that made impairment test independently	0.00	Naught
Gain/loss on loans obtained by entrusting others	0.00	Naught
Gain/loss on change of the fair value of investing real estate of which the subsequent measurement is carried out adopting the fair value method	0.00	Naught
Effect on current gains/losses when a one-off adjustment is made to current gains/losses according to requirements of taxation, accounting and other relevant laws and regulations	0.00	Naught
Custody fee income when entrusted with operation	0.00	Naught
Other non-operation income and expenses other than the above	0.00	Naught
Other gain/loss items that meet the definition of an extraordinary gain/loss	7,679,752.00	Naught
Less: Income tax effects	12,034,049.00	Naught
Minority interests effects (after tax)	462,137.00	Naught
Total	97,392,827.00	--

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item

☐ Applicable ☒ Inapplicable

No such cases in the reporting period.

II. Total number of shareholders at the period-end and shares held by the top ten shareholders

1. Total number of common shareholders at the period-end and shares held by the top ten common shareholders

Unit: Share

Total number of common shareholders at the period-end	601,471 (shareholders, including 565,030 A-share holders and 36,411 B-share holders)					
Shares held by the top ten common shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of the shares held	Number of the restricted shares held	Pledged or frozen shares	
					Status of shares	Number of shares
Beijing State-owned Capital Operation and Management Center	State-owned Corporation	11.51%	4,063,333,333	4,063,333,333		
Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd.	State-owned Corporation	8.50%	3,000,000,000	3,000,000,000	Pledged	1,414,150,000
Hefei Jianxiang Investment Co., Ltd.	State-owned Corporation	8.10%	2,857,142,857	2,857,142,857		
Minsheng Royal Fund-CMBC-Ping'an Trust-Ping'an Finance-Assembled Funds Trust Plan of Huitai No. 66	Other	6.75%	2,380,952,380	2,380,952,380		
Hua An Fund-HXB-Ping'an Trust-Ping'an Finance * Assembled Funds Trust Plan of Huitai No. 72	Other	6.75%	2,380,952,380	2,380,952,380		
Hua An Fund-ICBC-Zhongrong International Trust-Zhongrong-Assembled Funds Trust Plan of Rongjing No. 1	Other	5.40%	1,904,761,904	1,904,761,904		
Ping'an Dahua Fund-Ping'an Bank-Asset Management Plan of Ping'an Dahua Ping'an Jincheng Wealth No. 31	Other	4.05%	1,428,571,428	1,428,571,428		
Ping'an Dahua Fund- Ping'an Bank-Asset Management Plan of Ping'an Dahua Ping'an Jincheng Wealth No. 34	Other	4.05%	1,428,571,428	1,428,571,428		
Shenzhen Ping'an Innovation Capital Investment Co., Ltd.	Domestic non-state-owned corporation	3.37%	1,190,476,190	1,190,476,190		

Beijing BOE Investment & Development Co., Ltd.	State-owned Corporation	2.44%	860,981,080	0		
Shares held by the top ten non-restricted common share holders						
Name of shareholder	Number of non-restricted common shares held	Type of shares		Type	Number	
Beijing BOE Investment & Development Co., Ltd.	860,981,080	RMB ordinary shares			860,981,080	
Beijing Economic-Technological Investment & Development Corp.	677,423,641	RMB ordinary shares			677,423,641	
Beijing BDA Technological Investment Development Co., Ltd.	574,000,000	RMB ordinary shares			574,000,000	
Beijing Electronics Holdings Co., Ltd.	275,303,883	RMB ordinary shares			275,303,883	
Hefei Xincheng State-Owned Assets Management Co., Ltd.	274,848,276	RMB ordinary shares			274,848,276	
Sinotrans Air Transportation Development Co., Ltd.	81,800,000	RMB ordinary shares			81,800,000	
Zhang Dingqiang	71,453,798	RMB ordinary shares			71,453,798	
CSOP Asset Management- CSOP FTSE China A50ETF	48,874,400	RMB ordinary shares			48,874,400	
ICBC—Rongtong Shenzheng 100 Index Securities Investment Fund	45,495,047	RMB ordinary shares			45,495,047	
Bank of China Limited-Harvest Shanghai and Shenzhen 300 Exchange-traded Securities Investment Fund	43,159,525	RMB ordinary shares			43,159,525	
Explanation on associated relationship or persons acting in concert among the above-mentioned shareholders	1. When the Company completed private offering of shares in 2014, Beijing State-owned Capital Operation and Management Center transferred the 70% shares directly held to Beijing Electronic Shareholding Co., Ltd. for managing through Shares Management Protocol, and Beijing Electronic Shareholding Co., Ltd. acquired the shareholders rights except for the disposition rights and equity rights attached to the equities; Beijing State-owned Capital Operation and Management Center maintained its voting rights of the rest 30% equity directly held by itself in accordance with Beijing Electronic Shareholding Co., Ltd. through the agreement of the Voting					

	<p>Rights Exercising Agreement;</p> <p>2. BEIJING ECONOMIC-TECHNOLOGICAL INVESTMENT & DEVELOPMENT CORP. holds 49% shares of BEIJING BDA TECHNOLOGICAL INVESTMENT DEVELOPMENT CO., LTD. Both of them are under the control of the Administration Committee of Beijing Economic and Technological Development Zone, which makes them parties acting in concert.</p> <p>3. When the Company completed private offering of shares in 2014, Hefei Jianxiang Investment Co., Ltd. and Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd. maintained unanimous with the declaration of intention of Beijing BOE Investment & Development Co., Ltd. when executing the voting rights of the whole shares held by the shareholders of the Company through the agreement on the Voting Rights Exercising Agreement.</p> <p>4. Except for relationship among the above shareholders, the Company is not aware of whether the other top ten shareholders exist associated relationship or not, or they are persons acting in concert or not.</p>
Top 10 common shareholders taking part in securities margin trading (if any)	Shareholder Zhang Dingqiang holds 71,453,798 shares in the Company through a client account of collateral securities for margin trading in Founder Securities Co., Ltd.

Did any of the Company's top 10 common shareholders or top 10 non-restricted common shareholders conduct any buy-back upon agreement in the reporting period?

☐ Yes ☒ No

No such cases in the reporting period.

2. Total number of preferred shareholders at the period-end and shares held by the top ten preferred shareholders

☐ Applicable ☒ Inapplicable

Section III. Significant Events

I. Significant changes of the major accounting statement items and financial indicators for the reporting period, as well as the reasons for these changes

√ Applicable □ Inapplicable

1. Operating revenues increased 43% year on year mainly because new production lines went into mass production.
1. Operating revenues increased 43% year on year mainly because new production lines went into mass production.
2. Operating costs increased 34% year on year mainly because new production lines went into mass production.
3. Administrative expenses increased 45% year on year because the consolidation scope enlarged and the effort in R&D was enhanced.
4. Asset impairment loss increased 160% year on year mainly because falling price provisions were made for inventories at the lower between their costs and net realizable value.
5. Investment gains increased 2183% year on year mainly because of the gains on the new wealth management products.
6. Non-operating incomes decreased 72% year on year mainly because governmental subsidies were received in the same period of last year.
7. Income tax expenses increased 258% year on year mainly because our main business continuously generated profits.
8. Prepayments decreased 58% from the opening amount mainly because prepayments to suppliers decreased.
9. Notes payable increased 111% from the opening amount mainly because some deals were settled using notes.
- 10 Interest payable decreased 69% from the opening amount mainly because borrowing interest was paid.
11. Non-current liabilities due within one year increased 5034% from the opening amount mainly because some long-term borrowings became due within one year.
12. Net cash inflows from operating activities increased 37% year on year mainly because new production lines went into mass production.
13. Net cash outflows from investing activities increased 67% year on year mainly because the expenses on engineering and equipment procurement increased for construction of new projects.
14. Net cash inflows from financing activities decreased 102% year on year mainly because the financing cash inflows increased in the same period of last year from the additional issue.

II. Progress of significant events and analysis & explanations on their influence and solutions

√ Applicable □ Inapplicable

Overview of the significant event	Date of disclosure	Website index to the disclosed relevant interim report
The controlling shareholder of the Company changed from Beijing BOE Investment & Development Co., Ltd. to Beijing Electronics Holdings Co., Ltd., and the actual controller remained Beijing Electronics Holdings Co., Ltd.	12 Mar. 2015	http://www.cninfo.com.cn/
The Company had accumulatively repurchased B share of 136,569,831 shares up to 31 Mar. 2015	2 April.2015	http://www.cninfo.com.cn/

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

√ Applicable □ Inapplicable

Commitment	Commitment maker	Contents	Date of making commitment	Period of commitment	Fulfillment
Commitments of share reform					
Commitments made in acquisition report or in report on changes of equity					
Commitments made in asset reorganization					
Commitments made in IPO or refinancing.	Beijing State-owned Capital Operation and Management Center, Hefei Jianxiang Investment Co., Ltd., Chongqing Capital Photoelectricity Investment Co., Ltd.	Committed that the shares acquired from purchasing would not be transferred from the first date of issuing the newly increased shares of the issuer within 36 months	8 Apr. 2014	36 months	In execution
	HuaAn Funds Management Co., Ltd. Minsheng Royal Fund Management Co., Ltd., Ping An Uob Fund Management Co., Ltd.	Committed that the shares acquired from purchasing would not be transferred from the first date of issuing the newly increased shares of the issuer within 12 months	8 Apr. 2014	12 months	In execution
Other commitments made to the Company's minority shareholders					
Executed in time or not?	Yes				
Detailed reason for failing to execute and the plan for the next step (If any)	Inapplicable				

IV. Predict the operating results for Jan.-Jun. 2015

Warning of possible loss or considerable YoY change of the accumulated net profit made during the period-begin to the end of the next reporting period according to prediction, as well as explanations on the reasons:

☐ Applicable ☐ Inapplicable

V. Securities investment

☐ Applicable ☒ Inapplicable

No such cases in the reporting period.

VI. Shareholdings in other listed companies

☒ Applicable ☐ Inapplicable

Code of securities	Name of securities	Initial investment cost (RMB Yuan)	Percentage of the Company's equity (%)	Closing book value (RMB Yuan)	Gain/loss for report period (RMB Yuan)	Changes in the equity of the owners in the reporting period (RMB Yuan)	Accounting title	Source of stock
HK00903	TPV Technology	134,658,158	1.04%	34,153,402	0	1,867,574	Financial assets available-for-sale	Subscribe
SH600658	Electronic City	90,160,428	1.69%	159,370,371	0	44,285,913	Financial assets available-for-sale	Stock-for-stock
HK01963	Bank of Chongqing	120,084,375	0.93%	127,722,928	0	8,668,207	Financial assets available-for-sale	Subscribe
Total		344,902,961	--	321,246,701	0	54,821,694	--	--

VII. Investments in derivatives

☐ Applicable ☒ Inapplicable

No such cases in the reporting period.

VIII. Researches, visits and interviews received in the reporting period

√Applicable □Inapplicable

Time of reception	Place of reception	Way of reception	Visitor type	Visitor	Main discussion and materials provided by the Company
2015/01/14	The Company's Conference Room	Field research	Institution	Orient Securities Co., Ltd.	Main discussion: 1. The operating situation, the future development strategy of the Company; 2. Industry conditions and development trend; 3. Situation of the several production lines of the Company; Materials provided by the Company: the 2013 Annual Report of the Company, the 2014 Semi-annual Report, the Report for the Third Quarter of 2014, the company brochure and other public information.
2015/01/23	Teleconference	By phone	Institution	Barclays Bank	
2015/01/23	The Company's Conference Room	Field research	Institution and Individual	CICC, individual investors	
2015/02/04	Teleconference	By phone	Institution	Highbridge Capital Management LLC	
2015/02/05	The Company's Conference Room	Field research	Institution	Essence Securities Co., Ltd., China Life Asset Management Co., Ltd., China Post & Capital Fund Management Co., Ltd., Shangahi Zexi Investment Management Co., Ltd.	
2015/02/12	Teleconference	By phone	Institution	Coatue Management	
2015/03/05	Beijing 8.5G Line	Field research	Individual	Individual investor	
2015/03/09	The Company's Conference Room	Field research	Institution	Oppenheimer	
2015/03/19	The Company's Conference Room	Field research	Institution	Daiwa Securities, Sumitomo Mitsui Asset Management Company, Limited	

Chairman of the Board: Mr. Wang Dongsheng (signature)

Date of the Board of Directors approving to report: 22 Apr 2015