Stock Code: 200725 Stock Name: BOE B Announcement No.: 2017-049

BOE TECHNOLOGY GROUP CO., LTD.
SEMI-ANNUAL REPORT 2017 (ABSTRACT)

I Important Notes

This Abstract is based on the full text of the Semi-Annual Report. In order for a full understanding of the operating results, financial condition and future development planning of the Company, investors are kindly reminded to read the full text carefully on the media designated by the China Securities Regulatory Commission (the "CSRC").

The board of directors (the "Board"), the supervisory board (the "Supervisory Board") as well as the directors, supervisors and senior management of BOE Technology Group Co., Ltd. (the "Company") hereby guarantee the factuality, accuracy and completeness of the contents of this Report, and shall be jointly and severally liable for any false representation, misleading statements or material omissions in this Report.

Mr. Wang Dongsheng, head of the Company, Mr. Chen Yanshun, president of the Execution Committee (chief executive officer) of the Company, Ms. Sun Yun, accounting head for this Report, and Ms. Yang Xiaoping, head of the accounting department (head of accounting), hereby guarantee that the Financial Report carried in this Report is factual, accurate and complete.

All the directors attended the board meeting for the review of this Report.

Modified auditor's opinion:

□ Applicable √ Not applicable

Proposal for profit distribution to or converting capital reserve into share capital for common shareholders for the Reporting Period, which has been considered and approved by the Board:

□ Applicable √ Not applicable

The Company plans not to distribute cash dividends or bonus shares or convert capital reserve into share capital.

Proposal for profit distribution to preference shareholders for the Reporting Period, which has been considered and approved by the Board:

□ Applicable √ Not applicable

This Abstract has been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

II Company Profile

1. Stock Profile

Stock name	BOE A, BOE B	Stock code	000725, 200725
Stock exchange	Shenzhen Stock Exchange		
Changed stock name (if any)	N/A		
Contact information	Board Secretary	Securities Representative	
Name	Liu Hongfeng	Cui Zhiyong	
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.	
E-mail	liuhongfeng@boe.com.cn	cuizhiyong@boe.com.cn	

2. Key Consolidated Operating Results

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

□ Yes √ No

Item	Reporting Period	Same period of last year	+/- (%)
Operating revenue (RMB Yuan)	44,605,027,995.00	26,448,310,717.00	68.65%
Net profit attributable to shareholders of the Company (RMB Yuan)	4,302,605,600.00	-516,472,418.00	-
Net profit attributable to shareholders of the Company before exceptional gains and losses (RMB Yuan)	4,017,844,109.00	-2,309,697,388.00	-
Net cash from operating activities (RMB Yuan)	10,638,591,266.00	2,734,086,955.00	289.11%
Basic earnings per share (RMB Yuan /share)	0.123	-0.015	-
Diluted earnings per share (RMB Yuan /share)	0.123	-0.015	-
Weighted average return on equity (%)	4.48%	-0.67%	-
Item	End of Reporting Period	End of last year	+/- (%)
Total assets (RMB Yuan)	225,472,484,104.00	205,135,011,042.00	9.91%
Net assets attributable to shareholders of the Company (RMB Yuan)	81,811,299,775.00	78,699,988,493.00	3.95%

3. Shareholders and Their Holdings at Period-End

Unit: share

Total number of common shareholders at period-end	1,034,884 (including 995,012 A-shareholders and 39,872 B-shareholders)					
Top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Pledged or frozen shares	
					Status	Number
Beijing State-owned Capital Operation and Management Center	State-owned Corporation	11.56%	4,063,333,333	0	Naught	0
Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd.	State-owned Corporation	8.53%	3,000,000,000	0	Naught	0
Hefei Jianxiang Investment Co., Ltd.	State-owned Corporation	8.13%	2,857,142,857	0	Naught	0
Beijing Economic-Technological Investment & Development Corp.	State-owned Corporation	3.53%	1,241,423,641	0	Naught	0
Beijing BOE Investment & Development Co., Ltd.	State-owned Corporation	2.34%	822,092,180	0	Naught	0
Tianan Property Insurance Co., Ltd-Baoying No.1	Other	2.09%	733,544,020	0	Naught	0
National Social Security Fund Portfolio 108	Other	1.39%	490,038,723	0	Naught	0
Hefei Rongke Project Investment Co., Ltd.	State-owned Corporation	0.92%	324,026,893	0	Naught	0

Beijing Electronics Holdings Co., Ltd.	On behalf of government	0.78%	273,735,583	0	Naught	0
Central Huijin Assets Management Co., Ltd	Other	0.71%	248,305,300	0	Naught	0
Related or acting-in-concert parties among shareholders above		1. Beijing State-owned Capital Operation and Management Center held 100% equities of Beijing Electronics Holdings Co., Ltd. 2. Beijing Electronics Holdings Co., Ltd. held 66.25% equities of Beijing BOE Investment & Development Co., Ltd. and was its controlling shareholder. 3. After the non-public issuing of BOE in 2014, Hefei Jianxiang Investment Co., Ltd. and Chongqing Ezcapital Opto-electronics Industry Investment Co., Ltd., by entering into Implementation Protocol of Voting Right respectively, agreed to maintain all of the shares held by them respectively unanimous with Beijing BOE Investment & Development Co., Ltd. when executing the voting rights of the shareholders. 4. After the non-public issuing of the Company in 2014, Beijing State-owned Capital Operation and Management Center handed over 70% of the shares directly held by it to Beijing Electronics Holdings Co., Ltd. for management through Stock Management Protocol, and Beijing Electronics Holdings Co., Ltd. gained the incidental shareholders' rights except for disposing right and usufruct of the shares, of which the rest 30% voting right maintained unanimous with Beijing Electronics Holdings Co., Ltd. through the agreement according to Implementation Protocol of Voting Right. 5. 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.				
Shareholders conducting securities margin trading (if any)		N/A				

4. Change of Controlling Shareholder or Actual Controller in Reporting Period

Change of the controlling shareholder in the Reporting Period:

□ Applicable √ Not applicable

The controlling shareholder remained the same in the Reporting Period.

Change of the actual controller in the Reporting Period:

□ Applicable √ Not applicable

The actual controller remained the same in the Reporting Period.

5. Number of Preference Shareholders and Shareholdings of Top 10 of Them

□ Applicable √ Not applicable

No preference shareholders in the Reporting Period.

6. Corporate bonds

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

Yes.

(1) Bond Profile

Bond name	Abbr.	Bond code	Due date	Balance (RMB'0,000 Yuan)	Interest rate
2016 Public offering of the corporation bonds for the qualified investors of BOE Technology Group Co., Ltd. (Phase I)	16BOE01	112358	03/21/2021	1,000,000	3.15%

(2) Selected Financial Information as of End of Reporting Period

Item	End of Reporting Period	End of last year	+/-
Debt-to-assets ratio	56.77%	55.14%	1.63%
Liquidity ratio	1.74	2.20	-0.46
Quick ratio	1.55	2.01	-0.46
Item	Reporting Period	Same period of last year	+/-
EBITDA-to-interest coverage ratio	8.43	5.34	3.09
Loan repayment rate	1.00	1.00	0.00%
Interest coverage ratio	1.00	1.00	0.00%

III Performance Discussion and Analysis

1. Performance Review for Reporting Period

Is the Company subject to any disclosure requirements for special industries?

No.

In order to seize opportunities arising from the shift from the post-Internet era to the Fourth Industrial Revolution across the world, embrace new technologies and make a new leap to a globally-advanced company in the sector of the Internet of Things, the Company has further positioned itself as an "Internet of Things company that offers smart interface products and professional services for information interaction and mankind's health".

The first half of 2017 saw a slow recovery in the global economy and a pickup in China's economy. With balanced supply and demand, the display market was stable. Under such circumstances, the Company continued to unwaveringly follow the DSH (Display, Smart systems and Healthcare services) strategy, and work on new business responsively, with the purpose of solidifying and increasing its global competitiveness. As a result, the Reporting Period has seen a larger market share and an improving ability in market expansion of the Company. In this period, the Company applied for 4,363 new patents. Technological and product innovations were springing up. The Company has listed among TOP 50 enterprises in terms of the number of 2016 USA licensing patents issued by IFI in January and among TOP 10 enterprises in terms of the number of 2016 international patent applications issued by World Intellectual Property Organization (WIPO) in February. Meanwhile, it beefed up channel expansion across the world. Subsidiaries in Russia, Brazil and the Middle East have started operation. The first half of the year has seen more distribution channels and a stronger branding ability of the Company. In addition, the Company has furthered its lean management, which has produced better energy consumption and earnings results. Meanwhile, its major construction projects went on smoothly and all its substantial plans are well underway. For the Reporting Period, the Company achieved, on a consolidated basis, operating revenues of RMB 44.6 billion Yuan, up 69% compared to the same period of last year; and net profit of RMB 4.3 billion Yuan, representing a significant year-on-year growth. Details about the Company's business divisions in the Reporting Period are given as follows:

(1) Display and Sensor Business Group (DBG)

The overall market share of semiconductor display products increased stably. The market share of main products in subdivided markets was in the leading position in the industry. The market share of LCD display screen of smart phones, display of tablets, and display of laptops kept ranking as the world number 1, the market share of display screen leaped to the 2^{nd} place in the world, and the market share of TV display ranked in the 2nd place in the world. Products representing the globally frontier technologies, which included 1.5-inch FIC OLED, 2.1-inch VR with high pixel density of 2300PPI, 5-inch ink-jet printing AMQLED, 5.2-inch eye-protective display, 5.5-inch QHD human-eye-tracking 3D, were firstly launched in the world and won the SID "Best in Show" Award. Multiple Flexible OLED products were successfully lightened in new production line. 8K ultrahigh resolution series, TDDI products, MLOC active pen were successfully put into market. The potential dig-out of capacity was deepened through continuous reinforcement of lean management and optimization of bottle-neck techniques. Capacity of the Beijing, Hefei, Chongqing 8.5th Generation Line set a new record. Yield rate of key projects distinctly rose up. The result of optimization of product structure was remarkable. The Company's competitive power made continuous enhancement. Projects in key production lines in Chengdu, Hefei, Fuzhou, Mianyang, etc. were smoothly boosted, of which some production lines realized lightening or mass production in advance. Innovation and transform were accelerated for the sensor business. The photoelectric sensor was developed. Projects of physical and chemical testing, molecular antenna, and security were stably advanced. Samples for glass-based fingerprint identification were made out. Cooperation intention with the 1st class clients in domestic and overseas market was agreed for gene sequencing.

(2) Smart Business Group (SBG)

The globally well-known branded clients were successfully developed. The shipment of whole machines with smart-manufacturing service continuously increased. The project construction for smart factories was stably carried forward. Integrated planning for the 1st -phase smart logistics of Hefei smart factory was accomplished, which substantially saved human labors and realized smooth mass production. Structure capping of main plant of Chongqing smart factory was finished 43 days in advance. Smart vehicle-connection business was being constantly and deeply integrated. The Chengdu vehicle-mounted base smoothly won client's authentication. In terms of smart retail, the Company stared the acquisition of the French SES company, worked out retail solutions for shops and supermarkets, preliminarily formed production lines of iGallery painted-screen art retail business, the system of RFID Internet-of-Things for physical retail stores, and the system of financial retail Internet-of-Things. The reservation of electricity generation by smart power was sustainably improved.

(3) Healthcare Business Group (HBG)

In terms of health service business, business structure of synergetic development of mobile health, digital hospital, regenerative medicine, and health park was formed. As for mobile health, the noninvasive multiparameter detector (MTX) and mobile health management platform (APP) were promoted. The noninvasive combined glucometer (COG) was recognized by CFDA (China Food and Drug Administration) authentication. Business performance of the OASIS Hospital kept a year-on-year growth. The construction of Hefei Digital Hospital was steadily advanced. Projects in Beijing, Chengdu, and etc. were being positively planned. As for regenerative medicine, the construction of research institute for trinity regenerative medicine was started up, and domestically initiative cell sheets, such as myocardium and cornea were brought out. License application for the insurance company was steadily advanced. Capacity of the health park was constantly strengthened. On the basis of stable operation of the existing park, the Company developed TS project and promoted its actual operation.

2. Matters Related to Financial Report

(1) Changes in Accounting Policies, Accounting Estimations and Measurement Methods Compared to Last Accounting Period

√ Applicable □ Not applicable

The Ministry of Finance issued The Accounting Standards for Enterprises No. 16 - Governmental Subsidies on May 2017, which implemented from June 12, 2017. The Company revised financial statement according to it. Governmental subsidies related to routine activities of enterprises were recorded into other incomes or offset related costs in line with the essence of economic business. At the same time, item “other gains” is added above the item of “operating profits” in the income statement, and governmental subsidies recorded into other gains was reflected in this item. This change didn’t have an influence on financial conditions, operating results, and cash flow of the Company. Except the above-mentioned items, other changes of accounting policies due to the implementation of new criteria didn’t have an impact on items and amounts of financial statement, and there was also no need of retroactive adjustment.

(2) Retroactive Restatements due to Correction of Significant Accounting Errors in Reporting Period

□ Applicable √ Not applicable

No such cases.

(3) Changes in Scope of Consolidated Financial Statements Compared to Last Accounting Period

√ Applicable □ Not applicable

In the Reporting Period, BOE has incorporated five new subsidiaries: Mianyang BOE Optoelectronics Co., Ltd., Beijing BOE Yiyun Technology Co., Ltd., BOE Brazil Consulting Service Co., Ltd., BOE Regenerative Medical Technologies Co. Ltd. and Beijing BOE Health Technology Co., Ltd. BOE holds 62.5%, 51%, 100%, 100% and 100% of their shares respectively.

In the Reporting Period, to strengthen the smart energy system business,BOE has taken over Huanda Trading (Hebei) Co., Ltd., Juhui New Energy (Pinghu) Co., Ltd., Juhui New Energy (Shaoxing) Co., Ltd. and Dinghui New Energy (Zhuji) Co., Ltd. BOE holds 100% of their shares.

Board Chairman’s signature: Mr. Wang Dongsheng

Date of the Board’s approval of this Report’s submission: August 28, 2017