

Stock code : 000413,200413

Abbreviation: Dongxu Optoelectronic, Dongxu B

Announcement No.: 2017-025

Summary of 2016 Annual Report of Dongxu Optoelectronic Technology Co., Ltd.

I. Important Notice

This annual report summary is taken from the full text of the Annual Report. Investors are advised to read carefully the full text of the Annual Report published on the media designated by China Securities Regulatory Commission in order to fully understand the company's operation results, financial position and future

Non-standard auditor's opinion

Applicable Not applicable

Plans for profit distribution on ordinary shares or conversion of capital reserves into share capital proposed to the Board during the reporting period.

Applicable Not applicable

Whether provident fund reserve for share capital

Yes No

The profit distribution proposal reviewed and approved by the boarding meeting was summarized as follows: The total share of 4,939,928,983 of December 31, 2016 are the base of Company's total share capital., the Company would distribute cash dividend to all the shareholders at the rate of CNY 0.70 for every 10 shares (with tax inclusive) , 0 bonus shares (including tax) and no reserve would be converted into share capital.

Plans for profit distribution on preference shares for the reporting period approved by the Board

Applicable Not applicable

II. Basic information about the company

1. Company profile

| | | | |
|-----------------------------------|--|--|---------------|
| Stock abbreviation | Dongxu Optoelectronic, Dongxu B | Stock code: | 000413、200413 |
| Stock exchange for listing: | Shenzhen Stock Exchange | | |
| Contact person and contact manner | Board secretary | Securities affairs Representative | |
| Name | Gong Xin | Wang Qingfei | |
| Office Address | No.5 Court, No.23 A Fuxing Road, Haidian District, Beijing | No.5 Court, No.23 A Fuxing Road, Haidian District, Beijing | |
| Fax | 010-68297016 | 010-68297016 | |
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2. Major operations or products during the reporting period

The company has successfully completed the transformation and upgrading from the traditional CRT industry to

the panel display industry since the recombination in 2011, the company main business covers production of the optoelectronic display materials including TFT-LCD, sapphire, color filter and polaroid, etc., sales of high-end equipment with provision of corresponding technical services. As well as undertaking the building installation project and other business. Apart from the main business, the company arranged the strategic newly-developing materials field related to graphene positively and realized the breakthrough in the single-layer graphene and graphene lithium ion cell business.

I. High-end equipment and technical service business

Through the independent research and development and technology accumulation for many years, the company broke through the techniques blockade of foreign manufacturers firstly, developed the whole-set processing equipment and manufacture technology for the flat panel display glass substrate with the proprietary intellectual property rights and became the fifth liquid crystal glass substrate manufacturer globally as well as the enterprise with the electronic glass manufacturing processes for overflow down-draw process and float glass process. The effective breakthrough in the electronic-grade glass manufacture equipment field provides the solid foundation for the company high-end equipment business entry into the extension market. The company high-end equipment and the technology service business adopt mainly the customized production and service methods, which will be settled based on the production line works progress note and the mainly products include Stocker automatic control system, polishing automatic line host synthesis equipment and automatic grinding cleaning equipment, etc.

Recently, the state has been continuously increasing the policy support on the intelligent manufacturing equipment industry and has issued in succession the "12th five-year plan" Development Program for the High-End Equipment Manufacturing Industry, "12th five-year plan" Development Program for the Intelligent Manufacturing Equipment Industry, "12th five-year plan" Special Program for Intelligent Manufacturing Scientific and Technological Development and Made in China 2025, etc., which provide the huge market space for the equipment manufacturing industry. As China is on the way transforming from the big manufacturing country to the powerful manufacturing country, the intelligent manufacturing equipment industry will usher in an era with rapid-development opportunities and broad market space under the joint action of the domestic equipment replacement of imported goods, the industrial production replacement of the human work, etc.

II. Display materials business including LC glass substrate and others

The LD glass substrate is the core raw material of the upstream LC display panel and one panel comprises two glass substrates commonly accounting for 15%-20% of the overall panel production cost or so, which is characterized with high technical barrier, high monopolization and high profit space, etc. Based on the breakthrough in the LC glass substrate set manufacturing equipment field, the company breaks the international monopoly firstly and achieves the domestication of the LC glass substrate. At present, the company possesses 20 LC glass substrate production lines (including under-construction and proposed projects) covering G5, G6 and G8.5 production lines and ranks firstly on the volume production capacity stably. To strive for the territory advantages and reduce the transport cost, the company adopts the factory building strategy matching nearby with the panel clients as well as the point-to-point sales strategy and at present the clients extend all over the mainstream panel factories in Chinese Mainland and Taiwan such as BOE, CATIC, Tianma, IVO, CPT, and Innolux Corporation, etc.

The company, apart from strengthening the LC glass substrate main business, started to enrich the industrial structure in 2015 gradually, focused on the horizontal expansion in the optoelectronic display core materials field and arranged the sapphire materials, CF and polaroid, etc. in succession with continuous improvement of the industrial distribution frontier, safety and profitability. The sapphire crystal is used extensively in LED substrate materials, consumer electronics, optical elements and other fields; at present the main products of the company are 2-inch and 4-inch substrate products; CF and polaroid projects are during investment and construction and will give full play to the co-movement effects after construction together with the company glass substrate business and increase the ratio of display materials domestication.

As a series of policies at home has been supporting TFT-LCD industry since 2006, the LC panel industry has risen and developed successively from Japan, South Korea, Taiwan and the Chinese Mainland has become the second LCD panel industry base following Korea. Up to now, there is a batch of LCD panel manufacturers with the large scale and international competition including BOE, Huaxing Optoelectronic, CATIC, IVO and Tianma, etc., and the domestication for the upstream raw materials production will usher in an era with historic opportunities combining the continuous release of the panel capacity at home.

III. Building installation business

As the company traditional business, the building installation business played an important role in assisting the company production base building and maintenance, etc. and decreased effectively each engineering construction cost of the company. At the same time, as the supplement to the main business, the building installation business has brought about a certain incomes and profits for the company in recent years along with the continuous development of the industrialization and urbanization at home. Such business of the company mainly takes the subsidiary Sichuan Ruiyi Constructional Engineering Co., Ltd. as the operation subject, which possesses the qualification of the architectural engineering construction general contracting Class I and municipal public works construction general contracting Class I, etc. and mainly conducts the housing building, civil engineering, public facilities building, other works lump sum and professional construction.

The building installation industry is an important pillar industry for the national economy and also the important guarantee for the new-type urbanization executed by the state. The new-type urbanization is the largest domestic-demand potential and also the important driving force for the economic development, which will bring about the broader market space for the company building installation business through the covered underground comprehensive pipe rack transformation, sponge city building and shantytown transformation, etc.

3. Major accounting data and financial indicators

(1) Major accounting data and financial indicators for the last three years

Retrospective adjustment to or restatement of the accounting data for prior years by the Company due to change of accounting policies and correction of accounting errors

Yes No

In RMB

| | 2016 | 2015 | Changed over last year (%) | 2014 |
|--|-------------------|-------------------|---------------------------------|-------------------|
| Operating Gross income (RMB) | 6,901,321,122.65 | 4,650,208,448.10 | 48.41% | 1,600,750,745.69 |
| Net profit attributable to the shareholders of the listed company (RMB) | 1,239,928,899.40 | 1,326,233,674.37 | -6.51% | 468,902,701.44 |
| Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB) | 953,819,209.18 | 822,699,390.70 | 15.94% | 78,312,630.78 |
| Cash flow generated by business operation, net (RMB) | 1,390,048,492.32 | 1,780,128,962.94 | -21.91% | -1,017,554,188.65 |
| Basic earning per share(RMB/Share) | 0.29 | 0.48 | -39.58% | 0.17 |
| Diluted gains per share(RMB/Share)(RMB/Share) | 0.29 | 0.48 | -39.58% | 0.17 |
| Net asset earning ratio (%) | 7.28% | 14.99% | -7.71% | 6.11% |
| | End of 2016 | End of 2015 | Changed over last year (%) | End of 2014 |
| Gross assets (RMB) | 46,826,319,570.41 | 28,798,623,253.33 | 62.60% | 18,488,221,665.49 |
| Net assets attributable to shareholders of the listed company (RMB) | 22,216,300,365.86 | 14,319,481,941.28 | 55.15% | 7,677,125,274.36 |

(2) Main Financial Index by Quarters

In RMB

| | First quarter | Second quarter | Third quarter | Fourth quarter |
|---|------------------|------------------|------------------|------------------|
| Operating income | 1,581,690,834.17 | 1,300,368,320.24 | 1,379,624,393.30 | 2,639,637,574.94 |
| Net profit attributable to the shareholders of the listed company | 347,750,532.74 | 198,213,177.98 | 255,873,197.91 | 438,091,990.77 |
| Net profit after deducting of | 269,369,501.10 | 190,525,152.03 | 158,346,261.62 | 335,578,294.43 |

| | | | | |
|--|-----------------|------------------|----------------|-----------------|
| non-recurring gain/loss attributable to the shareholders of listed company | | | | |
| Net Cash flow generated by business operation | -934,819,444.05 | 2,215,928,386.99 | 348,241,152.18 | -239,301,602.80 |

Whether significant variances exist between the above financial index or the index with its sum and the financial index of the quarterly report as well as semi-annual report index disclosed by the Company.

Yes No

4.Share capital and shareholders

(1) Number of holders of ordinary shares and preference shares with restored voting right and Top 10 shareholders

In shares

| Total number of common shareholders at the end of the reporting period | 361,573 (其中 A 股 343931 户; B 股 17642 户) | Total shareholders at the end of the month from the date of disclosing the annual report | 344,054 (其中 A 股 332924 户; B 股 17568 户) | The total number of preferred shareholders voting rights restored at period-end | 0 | Total preferred shareholders at the end of the month from the date of disclosing the annual report | 0 |
|---|--|--|---|---|--------------------------------|--|---|
| Shareholdings of Top 10 shareholders | | | | | | | |
| Shareholders | Nature of shareholder | Proportion of shares held (%) | Number of shares held at period -end | Amount of restricted shares held | Number or share pledged/frozen | | |
| | | | | | State of share | Amount | |
| Dongxu Group | Domestic Non-State-owned legal person | 11.32% | 558,968,800 | 439,882,697 | Pledge | 558,962,697 | |
| Shijiazhuang Baoshi Electronic Group Co., Ltd. | Domestic Non-State-owned legal person | 6.73% | 332,382,171 | 0 | Pledge | 182,376,500 | |
| China Fund Management Co., Ltd. — Huaxia Bank — TTCO Trust Co., Ltd. — TTCO Trust Co., Ltd. — Shunjing No.5 Single capital trust | Other | 4.51% | 222,575,516 | 222,575,516 | | | |
| Minsheng Royal Fund Management Co., Ltd.-Ping An Bank-Ping An Trust-Ping An Wealth* Huitai No.163 Single Fund Trust | Other | 3.71% | 183,284,457 | 0 | | | |
| Bosera Capital-Ping An Bank- Ping An Trust-Ping An Wealth* Huitai No.164 Single Fund Trust | Other | 3.03% | 149,609,426 | 0 | | | |
| Sws Mu Fund Management Co.,Ltd. — China Merchants Bank — Huarun Shen State investment trust — Ruihua increase funds No. 2 Collective capital trust plan | Other | 2.25% | 111,287,758 | 111,287,758 | | | |
| Penghua Fund — Ningbo Bank — Daye Trust — | Other | 2.25% | 111,287,758 | 111,287,758 | | | |

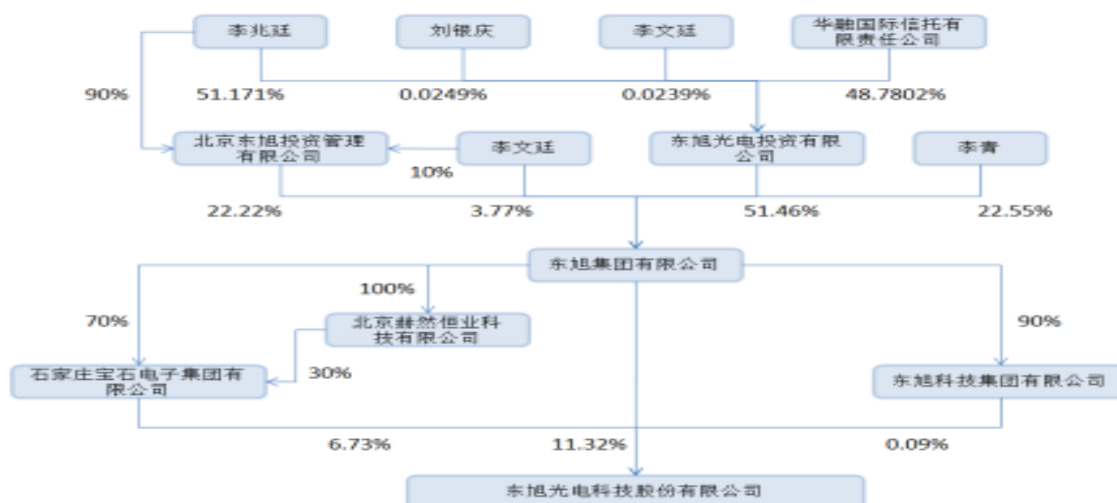
| | | | | | | |
|---|---|-------|-------------|-------------|--------|-------------|
| Daye Trust Dongxu Optoelectronic increase funds II Single fund trust | | | | | | |
| STAS Asset Management—Ningbo Bank—Minsheng Trust—China Minsheng Trust Zhixin No.208 Dongxu Optoelectronic increase collective fund trust plan | Other | 2.25% | 111,287,758 | 111,287,758 | | |
| Shenzhen Taianer Information Technology Co., Ltd. | Domestic Non-State-owned legal person | 2.24% | 110,492,845 | 110,492,845 | Pledge | 32,000,000 |
| Qianhai Equity Investment Fund (LP) | Domestic Non-State-owned legal person | 2.24% | 110,492,845 | 110,492,845 | Pledge | 110,492,845 |
| Nuoan Fund-Industrial Securities-Nanjing Shuangan Assets Management Co., Ltd. | Other | 2.24% | 110,492,845 | 110,492,845 | | |
| Explanation on shareholders participating in the margin trading business | Among the top ten shareholders , Dongxu Group and Baoshi Group have relationship and constitute persons taking concerted action. The company does not know whether there is relationship between other 9 shareholders or whether they are persons taking concerted action defined in Administrative Measures Relating to Acquisitions of Listed Companies. | | | | | |
| Explanation on shareholders participating in the margin trading business(if any) | Gu Bin and Xie Xiantuan, the first 10 ordinary shareholders with shares without restricted condition, separately held 29,597,500 and 15,688,700 of the Company’s shares by means of the securities accounts with customer credit guarantee of Orient Securities and Huatai Securities, which separately occupy 0.60% and 0.32% of the Company’s total shares. | | | | | |

(2) Total preference shareholders and the shares held by the Top 10 Preference shareholders

Applicable Not applicable

Nil

(3) Block diagram of the ownership and control relations between the Company and the actual controller



5. Corporation bonds

(1) Basic information of the corporate bonds

| Bond Name | Abbreviated Bond Name | Bond Code | Date Due | Bond Balance(RMB'0000) | Interest Rate |
|---|--|-----------|-------------|------------------------|---------------|
| 2015- corporate bond of Dongxu Optoelectronic Technology Co., Ltd | 15 Dongxu bonds | 112243 | May 19,2020 | 100,000 | 6.00% |
| Information about interest paid and bonds honored during the reporting period | The period needed paying interest or repayment of principal is not mature. | | | | |

(2) Information about the rating of the corporate bonds

On April 1, 2016, United Ratings Co., Ltd. issued trace rating report LHPZ [2016] No.243 based on the company's 2015 Annual Report. This rating result is long-term credit rating AA+ and its outlook is "Steady".

Based on requirement of trace rating by United Ratings Co., Ltd., in 2 months after the company reported 2016 Annual Report, United Ratings made another regular trace rating on the company in 2016. During the duration of this bond issue, did irregular trace rating based on real condition.

(3) The key accounting data and financial indicators of the latest two years to the end of the reporting period

In RMB'0000

| Items | 2016 | 2015 | At the same time rate of cange |
|---------------------------|--------|--------|--------------------------------|
| Debt ratio | 50.73% | 49.44% | 1.29% |
| EBITDA All the debt ratio | 11.03% | 16.41% | -5.38% |
| interest coverage ratio | 3.79 | 5.69 | -33.39% |

III. Discussion and Analysis of the Management

1. Business Operation summary in the reporting period

The Company requires investors to read the full text of this annual report carefully and take note of the following risk factors.

Whether the company needs to comply with the disclosure requirements of the particular industry

No

The year 2016 was the crucial year for implementation of Dongxu Optoelectronic strategies centering on mainly several main lines of building advanced-line substrate production line, deepening existed products market layout and promoting the horizontal expansion in the new-material field vigorously, when each production operation activity were prompted stably. Under the leading of the company Board of Directors and the management layer as well as the unremitting endeavor of all staff, the company leading position as the LC glass substrate was strengthened and the optoelectronic display materials and graphene business were laid out smoothly with forming the good industrial collaboration and cluster effects. Within the report period, the company achieved the operation revenue of 6.901 billion yuan with comparing by 48.41% compared with that in 2015 and the net profits of 1.24 billion yuan belonging to the parent company .

Each business of the company was developed in details in 2016 as follows:

1) Strengthen the leading position of LC glass substrate and fill up the black of G8.5 domestication

Under the influence of the tightened supply of LCD panel caused by South Korean production line switching to OLED, the price of the small and medium size LCD panels in 2016 kept increasing, drove the strong demands of the LC glass substrate market and stabilization of the price and gross margin. Until the end of the report period, the company G5 and G6 LC glass substrate production lines with number of 7 and 6 all had realized volume production with above 80% average comprehensive yield and realization of 1.213 billion yuan for the total sales incomes of the whole year (increase by 23.82% compared with that in 2015) and 428 million yuan for the gross profit. The company took part actively in the industrial exhibitions home and abroad, promoted persistently and strengthened the cognition and reputation of the company brands. At present, the company substrate products have already covered the mainstream panel manufacturers in Chinese Mainland and Taiwan including BOE,

Shenchao Optoelectronic, Innolux Corporation, IVO, Tianma and AU Optoelectronic, etc. with continuous promotion of the industrial safety and reliability.

In August 2016, the company collected 6.95 billion yuan capital for the non-public offer shares and such amount was used for investment and building G8.5 LC glass substrate production line and BOE production line nearby was selected to build the factory, which would fill in the domestication black effectively of the large-size glass substrate after reaching the design capacity. Until the end of the report period, The factories and ancillary clean rooms for partial production lines of the project are completed; and the ancillary electromechanical and power equipment are being installed. Otherwise, to copy with the display technology upgrading in the future, the company intensified the research and development, completed smoothly the overall performance parameters test and overall-performance optimization integration for the LTPS (low-temperature polycrystalline silicon) glass substrate material and built the communication channel with clients of Everdisplay Optronics and CSOT, etc. In the future, the company will transform G5 and G6 production lines properly based on the downstream market demands.

2) Give play to the substrate production technology spillover effects and the high-end equipment business develops continuously

At present, as the only enterprise grasping both the overflow melting method and float glass substrate production process at home, the company, based on the advanced set-type equipment technology of independent research and development, realizes the design, production, manufacturing, installation and technology services for the LC glass substrate and high-alumina cover-plate glass production lines equipment in set and all production lines are in stable operation with stable promotion of the yield. The strong R&D, production and integration capacities for the electronic-grade glass manufacture equipment in set bring about the obvious spillover effects for the high-end equipment business of the company. In 2004, the company entered into the strategic cooperation agreements with BOE and Inovision Optoelectronics (Kunshan) Co., Ltd. for expanding the panel production line equipment business with the downstream panel manufacturers.

As the company breaks through the foreign blockade at the aspect of the independent research and development and settles the solid foundation based on the breakthrough of the front-end equipment with the highest technical content among the electronic equipment, the company high-end equipment and technical service business develops continuously, exploit and store a large batch of large-size group clients in the intelligent application field under the background of the industrial manufacturing equipment replacement of the manual work and satisfaction of the high-efficient production. Within the report period, the company high-end equipment and technical service business realized the revenue of 3.887 billion yuan with the gross profit declining to 38.17% reasonably due to the original whole-set customized equipment transformation into partial generalized equipment.

3) Arrange the optoelectronic display core raw materials and the industrial cluster effects appear

To realize the strategic target of the "the largest optoelectronic display materials manufacturer in China" and keep up with the global display technology and innovation trend, the company, on the basis of strengthening and improving LC glass substrate main business continuously, expand the new business field continuously combining the main business and has already laid out the sapphire, CF and polaroid high-end display materials.

Within the period, the company sapphire business was expanded partially with smooth market expansion, achieved the operation revenue of 550 million yuan with increasing by 95.21% compared that in 2015 and possessed the stable clients including Xuzhou GAPSS, North Microelectronics and Sino Nitride Semiconductor. The present products cover the large-size sapphire crystal ingot, 2-6 inches sapphire crystal bar, 2-6 inches sapphire substrate ,optical window materials and Mobile phone panel and lens cover ,etc. The company G5 TFT-LCD using CF production line project is under construction and will improve efficiently the additional value of the existed G5 LC glass substrate products after reaching the design capacity, which will also become another new profit increase point for the company.

Otherwise, to seize quickly the polaroid demands of the large-size LC panel enterprises at home, fill up efficiently the black for the original polaroid volume production, in February 2016, the company cooperated with Sumitomo Chemical as one enterprise of the global Top 3 polaroid manufacturer in the polaroid industry hand in hand. In October 2016, the joint-venture Xuyou Electronic Material Technology (Wuxi) Co., Ltd. was registered and established officially with Tunghsu photoelectricity holding 51% and the wholly-owned subsidiary thereof Fuzhou Xuyou Electronic Material Technology Co., Ltd. was registered in December. Such project will invest and build 2 wide polaroid production lines, among which, the front-end preparation work for 1 line at present is completed and the front and back sections for one original volume production line are located in Wuxi and

Fuzhou respectively. The workshop transform in Wuxi has already been completed and relevant production equipment will enter into the site with installation commission.

4) The endogenous and extended two-wheel drive and the graphene business completes multiple-point layout

Since 2014, the company conducted the industrial layout (graphene industry) through adoption of the "endogenous and extended" two-wheel drive. The company has conducted the cooperation and exchange with multiple scientific research institutions in succession including Beijing Institute of Technology, Shanghai Jiaotong University, China Graphene Alliance and the Catalan Institute of Nanoscience and Nanotechnology, etc., constructed the overall industry-university-research technical innovation system and settled the strong technical strength for the rapid development of the company graphene business. Within the report period, the company built the graphene industry development funds in the scale of 100 and 200 million yuan respectively with Taizhou New Energy Industrial Park Management Committee and Jingyang People's Government in Deyang city, which will speed up the company layout of the graphene industry.

In March 2016, the company completed the acquisition of Shanghai Tanyuan Huigu through the capital increment, which is the graphene preparation and application enterprise owning the single-layer graphene preparation technology, graphene lithium ion materials and cell preparation technology, issued the first "graphene lithium ion cell product" in July, which can realize the short-time rapid charging and discharging and may be applied in the various power battery fields including the new-energy automobile and unmanned aerial vehicles. Otherwise, the company plans to invest 1.65 billion yuan in Taizhou to build the graphene lithium ion cell product project and such project had already obtained the land and completed the filing by the end of the report period with the continuous promoting of relevant environmental, safety and profession assessment.

5) Correspond to the new-type urbanization building trend and maintain the stability of the building installation business

As the company traditional business, the building installation business gives an important play to the aspect of the company production lines building assistance and external works contracting, decreases effectively the company operation cost and improves the production lines building efficiency. Simultaneously, conforming to the policy background of the new-type urbanization at present, as the industrialization and urbanization develop continuously, the company building installation business maintains the stable performance increase through applying its own advantages. The company building installation business was completed mainly by Sichuan Ruiyi achieved the total operation revenue of 1.18 billion yuan and 40 million yuan for profits within the report period.

2. Material change in principal activities during the reporting period

Yes No

3. Products accounting for over 10% of revenue or profit from principal activities of the Company

Applicable Not applicable

4. Seasonal or cyclical operations requiring special attention

Yes No

5. Material difference of revenue, operating costs or net profit attributable to holders of ordinary shares of the Company for the reporting period from the last reporting period

Applicable Not applicable

6. Suspension in trading or delisting

Applicable Not applicable

7. Events relating to the financial report

(1) Reason for changes in accounting policies, accounting estimates and accounting methods as compared to the financial report for the prior year

Applicable Not applicable

Nil

(2) Reason for retrospective restatement to correct major accounting errors during the reporting period

Applicable Not applicable

Nil

(3) Reason for changes in scope of the consolidated financial statements as compared to the financial report for the prior year

√ Applicable □ Not applicable

1. Enterprise consolidation not under the same control

① Enterprise consolidation not under the same control in reporting period

| In RMB'0000 | | | | | | | | |
|--|-------------------------------|-------------------------|---------------------------------|---------------------------|-------------------|--|---|---|
| Name of Acquirer | Time-point of Obtained Equity | Obtained Cost of Equity | Ratio of Obtained Equity (100%) | Method of Obtained Equity | Purchasing Date | Determination Basis on the Purchasing Date | Income of Acquire from the Purchasing Date to the End of the Period | Net Profit of Acquire from the Purchasing Date to the End of the Period |
| Shanghai Tanyuan Huigu New Material Technology Co., Ltd. | March 2016 | 7,345.45 | 50.50 | Purchase and add share | March 31, 2016 | Pay consideration and complete industrial and commercial change registration | 123.27 | 546.22 |
| Shenzhen Xinyingtong Technology Co., Ltd. | December 2016 | 2,310.00 | 70.00 | Purchase | December 21, 2016 | Pay consideration and complete industrial and commercial change registration | 2,405.86 | 44.42 |

Note: Shenzhen Xinyingtong Technology Co., Ltd. has the wholly-owned subsidiary Shenzhen Xingxinda Technology Co., Ltd.

② Due to new subsidiaries set up in the current period

On March 17, 2016, Beijing Dongxu Huaqing Investment Co., Ltd as a general partner, Dongxu Optoelectronic Technology Co., Ltd as a limited partner and Taizhou Golden Sun Energy Co., Ltd as a limited partner together set up Taizhou Dongxu Graphene Industry Investment Fund Management Center (Limited partnership). Such limited partnership company was incorporated in May 4, 2016, and the total amount of capital contribution agreed in the agreement was RMB 100 million, but as of December 31, 2016, the actual received amount of capital contribution was RMB 100 million. For the capital contribution, Taizhou Golden Sun Energy Co., Ltd subscribed the amount of capital contribution of RMB 75 million, Dongxu Optoelectronic Technology Co., Ltd subscribed the amount of capital contribution of RMB 25 million.

On March 8, 2016, Wuhu Dongxu Optoelectronic Technology Co., Ltd set up subsidiary Fuzhou Dongxu Investment Development Co., Ltd which the registered capital was RMB 10 million. On December 28, 2016, State Development Funds Co., Ltd. contributed 500 million yuan with shareholding ratio of 49.5%, Wuhu Dongxu Optoelectronic Technology Co., Ltd. paid in the registered capital of 500 million yuan with the shareholding ratio of 50.5% and the total registered capital increase for the company was 1010 million yuan with the paid-in capital of 500 million yuan by the end of the current period.

On March 31, 2016, Dongxu Optoelectronic Technology Co., Ltd set up Shenzhen Xuhui Investment Holdings Co., Ltd, of which the registered capital was RMB 100 million and the paid-in capital was RMB 20 million.

On June 24, 2016, Fuzhou Dongxu Optoelectronic Technology Co., Ltd and Dongxu Optoelectronic Technology Co., Ltd together set up a new company of Fuzhou Xufu Optoelectronic Technology Co., Ltd, of which the registered capital is RMB 65.40 million, among which, Fuzhou Dongxu Optoelectronic Technology Co., Ltd shall contribute RMB 54.50 million, Dongxu Optoelectronic Technology Co., Ltd shall contribute RMB 10.90 million, and the paid-in capital was RMB 65.40 million.

On July 19, 2016, Shanghai Tanyuan Huigu New Materials Technology Co., Ltd. Set up the wholly-owned

subsidiary Taizhou Tanyuan Huigu New Energy Technology Co., Ltd with the registered capital of 150 million yuan and paid-in capital of 9.9 million yuan; Taizhou Tanyuan Huigu New Materials Technology Co., Ltd. was changed into Taizhou Xiwang New Energy Technology Co., Ltd. on September 6, 2016.

On July 27, 2016, Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd. invested and set up the wholly-owned subsidiary Xiamen Xuqi Investment Management Co., Ltd. with the registered capital of 10 million yuan and paid-in capital of 2.5 million yuan.

On October 17, 2016, Sichuan Ruiyi Construction engineering Co., Ltd. invested and set up the wholly-owned subsidiary Sichuan Dongxu Ruiyi Environment Engineering Co., Ltd. with the registered capital of 10 million yuan and paid-in capital of 0.00 yuan.

On October 17, 2016, Sichuan Ruiyi Construction engineering Co., Ltd. invested and set up the wholly-owned subsidiary Sichuan Dongxu Ruiyi Survey & Design Co., Ltd. with the registered capital of 10 million yuan and paid-in capital of 0.00 yuan.

On October 18, 2016, Sichuan Ruiyi Construction engineering Co., Ltd. invested and set up the wholly-owned subsidiary Sichuan Dongxu Ruiyi Trade Co., Ltd. with the registered capital of 10 million yuan and paid-in capital of 0.00 yuan.

On October 18, 2016, Sichuan Ruiyi Construction engineering Co., Ltd. invested and set up the wholly-owned subsidiary Sichuan Dongxu Ruiyi Enterprise Management Co., Ltd. with the registered capital of 10 million yuan and paid-in capital of 0.00 yuan.

On October 19, 2016, Dongxu Optoelectronic Technology Co., Ltd. set the subsidiary Xuyou Electronic Material Technology (Wuxi) Co., Ltd. together with Sumitomo Chemical, Dongwoo Fine-chem Co., Ltd. and TOMI International Co., Ltd. with the registered capital of 18.15 billion Yen and paid-in capital of 12.1 billion Yen (converted into 748.6546 million yuan based on the current rate upon registration), of which, the holding ratio is 51%, 17%, 30% and 2% respectively for Dongxu Optoelectronic Technology Co., Ltd., Sumitomo Chemical, Dongwoo Fine-chem Co., Ltd. and TOMI International Co., Ltd. As specified by the articles of association, the registered capital will be input by stage based on the company building and operation demands, among which, the first period contributed capital will be 35% of the contribution amount paid once within 30 days after the company registration and establishment and the remaining amount will be paid off within one year after the joint-venture company.

On December 2, 2016, Xuyou Electronic Material Technology (Wuxi) Co., Ltd. invested and set up the wholly-owned subsidiary Fuzhou Xuyou Electronic Material Technology Co., Ltd. with the registered capital of 150 million yuan and paid-in capital of 5 million yuan.

On December 8, 2016, Sichuan Ruiyi Constructional Engineering Co., Ltd. and Sichuan Prosperity Building Engineering Co., Ltd. set jointly Sichuan Dongxu Prosperity Building Development Co., Ltd. with the registered capital of 30 million yuan and paid-in capital of 0 yuan, among which, Sichuan Ruiyi Constructional Engineering Co., Ltd. and Sichuan Prosperity Building Engineering Co., Ltd. paid in 21 million yuan 9 million yuan respectively.

Dongxu Optoelectronic Technology Co., Ltd.

Chairman: Li Zhaoting

Issue day approved by the Board of Directors: March 27, 2017