

CSG HOLDING CO., LTD.

SEMI-ANNUAL REPORT 2015



Chairman of the Board:

ZENG NAN

August 2015

Section I. Important Notice, Contents and Paraphrase

Board of Directors and the Supervisory Committee of CSG Holding Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the facticity, accuracy and completeness of the whole contents.

All directors are present the meeting of the Board for deliberating the semi-annual report of the Company in person.

The Company has no plans of cash dividend distribution, bonus shares being sent and converting capital reserve into share capital.

Mr. Zeng Nan, Chairman of the Board, CFO Mr. Luo Youming and principal of the financial department Mr. Zhang Guoming confirm that the Financial Report enclosed in this Semi-annual Report is true and complete.

Regarding to the forward-looking statements with future planning involved in the Report, they do not constitute a substantial commitment for investors. Investors are advised to exercise caution of investment risks.

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

Contents

Section I. Important Notice, Contents and Paraphrase	1
Section II. Company profile	4
Section III. Accounting data and summary of financial indexes	6
Section IV. Report of the Board of Directors	8
Section V. Important Events	19
Section VI. Changes in Shares and Particulars about Shareholders	27
Section VII. Particulars about Directors, Supervisors and Senior Executives	31
Section VIII. Financial Report.....	32
Section IX. Documents available for Reference	110

Paraphrase

Items	Refers to	Contents
Company, the Company, CSG or the Group	Refers to	CSG Holding Co., Ltd.
Ultra-thin electronic glass	Refers to	The electronic glass with thickness between 0.1~1.1mm
Second-generation energy-saving glass	Refers to	Double silver coated glass
Third-generation energy-saving glass	Refers to	Triple Silver coated glass

Section II. Company profile

I. Company information

Short form of the stock	Southern Glass A, Southern Glass B	Stock code	000012、200012
Listing stock exchange	Shenzhen Stock Exchange		
Legal Chinese name of the Company	中国南玻集团股份有限公司		
Abbr. of legal Chinese name of the Company	南玻集团		
Legal English name of the Company	CSG Holding Co., Ltd.		
Abbr. of legal English name of the Company	CSG		
Legal Representative	Zeng Nan		

II. Person/Way to contact

	Secretary of the Board	Representative of security affairs
Name	Zhou Hong	Ma Limei
Contact address	CSG Building, No.1 of the 6th Industrial Road, Shekou, Shenzhen, P. R.C.	CSG Building, No.1 of the 6th Industrial Road, Shekou, Shenzhen, P. R.C.
Tel.	(86)755-26860666	(86)755-26860666
Fax.	(86)755-26692755	(86)755-26692755
E-mail	securities@csgholding.com	securities@csgholding.com

III. Other information

1. Way of contact

Whether registered address, office address and their postal codes, website address and email address of the Company changed in the report period or not

Applicable Not applicable

The registered address, office address and their postal codes, website address and email address of the Company did not change in the report period. More details can be found in Annual Report 2014.

2. Information disclosure and preparation place

Whether information disclosure and preparation place changed in the report period or not

Applicable Not applicable

The newspapers designated by the Company for information disclosure, the website designated by CSRC for disclosing semi-annual report and preparation place of semi-annual report did not change in the report period. More details can be found in Annual Report

2014.

3. Registration changes of the Company

Whether registration has changed in the report period or not

Applicable Not applicable

The registration date and place of the Company, its business license No., taxation registration No. and organizational code did not change in the report period. More details can be found in Annual Report 2014.

Section III. Accounting data and summary of financial indexes

I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not

Yes No

	The report period (Jan. to Jun.2015)	The same period of last year	Increase/decrease in this report period year-on-year (%)
Operating income (RMB)	3,323,039,502	3,262,681,672	1.85%
Net profit attributable to shareholders of the listed company(RMB)	205,767,344	589,210,439	-65.08%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	64,267,683	242,934,925	-73.55%
Net cash flow arising from operating activities(RMB)	352,563,820	580,928,207	-39.31%
Basic earnings per share (RMB/Share)	0.10	0.28	-64.29%
Diluted earnings per share (RMB/Share)	0.10	0.28	-64.29%
Weighted average ROE (%)	2.47%	7.38%	-4.91%
	End of this period	End of last year	Increase/decrease in this period-end over that of last year-end (%)
Total assets (RMB)	15,321,775,324	15,116,808,305	1.36%
Net assets attributable to shareholder of listed company (RMB)	7,517,988,032	8,348,561,765	-9.95%

Total share capital of the Company in the trade day before the disclosure day of this report

Total share capital of the Company in the trade day before the disclosure day of this report (share)	2,075,335,560
---	---------------

Whether or not any changes of the total share capital of the Company during the term from the end of last report period to the disclosure day of this semi-annual report due to issuance of new shares, additional offer, allotment, equity incentive exercise, repurchase and the affected amount of shareholders' equity

Yes No

II. Items and amounts of extraordinary profit (gains)/loss

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	2,656,683	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	42,944,737	
Gains on disposal of available-for-sale financial assets, gains and losses from change of fair values of held-for-transaction financial assets and financial liabilities except for the effective hedge business related to normal business of the Company, and investment income from disposal of transactional financial assets and liabilities and financial assets available for sale	56,839,648	
Other non-operating income and expenditure except for the aforementioned items	30,529,019	
Other item that satisfied the definition of non-recurring gains and losses	18,861,324	
Less: Impact on income tax	8,940,971	
Impact on minority shareholders' equity (post-tax)	1,390,779	
Total	141,499,661	--

Explain reasons for the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*.

√Applicable □ Not applicable

Item	Amount involved (RMB)	Reasons
Other item that satisfied the definition of non-recurring gains and losses	66,812	Mainly because the Company sold 51% equity of CSG (Australia) Limited.
	18,794,512	Mainly because the deferred income tax recognized for the previous period had been written off by the disposal of financial assets available-for-sale.

Section IV. Report of the Board of Directors

I. Introduction

Global economic situation has been extremely complicated since the beginning of 2015 due to global economic growth recovery was too slow, fragile and uneven, and the economic growth of various countries was differentiated obviously. Chinese economy entered a shift period of economic growth as well, the entity economy was racked by overcapacity and lack of demand, especially the traditional industries, and the operation of the enterprises were extremely difficult in the economic downturn environment.

Confronted with the complicated and variable market environment, the Company's management team adhered to professional managers' professional spirit and the management philosophy of loyalty, integrity, diligence, responsibility. Under the right leadership of the Board, the Company's management team and all the staff were making all efforts out. Through industrial transformation and upgrade, innovation of institutional system, construction of expertise team, refined management, comprehensive energy management, cost control and strict control of operating risks, the Company got the hard-earned achievement. In the first half year of 2015, CSG implemented operating income of RMB 3,323 million and net profit of RMB 206 million (already deducted minority shareholders profit and loss), a year-on-year decline of 65.08%. After deducting non-recurring gains and losses, CSG gained net profit of RMB 64 million.

Affected by adjustment of real estate and overcapacity in the first half year of 2015, the operation pressure on float industry became more and more intensified and the whole industry was in the state of poor performance as the price of float glass kept downside and the cost retained upside. Solar glass was also facing the situation of overcapacity and price decline. To cope with unfavorable market environment, flat glass industry of the Company positively found the way of technological transformation for upgrading the lines which were in cold-repair and continued to reinforce cost control, energy saving and consumption reducing, and vigorously promote the manufacture and sales of differentiated and high-grade products. In the first half year, flat glass industry achieved revenue of RMB 1,682.76 million (deducted connected transaction) with a year-on-year decline of 8.12%, and net profit of RMB 32.59 million with a year-on-year decline of 78.72%.

In the first half year of 2015, downward pressure of market demand of architectural glass was obvious due to adjustment of real estate market, product prices slid considerably. To cope with downward market pressure, architectural glass industry of the Company further strengthened management and proactively promoted the sales of differentiated products, such as double-silver and triple-silver products. In the first half year, architectural glass industry achieved revenue of RMB 1,342.48 million with a year-on-year decline of 5.47% and net profit of RMB 177.61 million with a year-on-year decline of 24.98%.

In the first half year of 2015, PV market was still in its slump and the product price within the industry chain showed a downward trend. In order to cope with severe market surrounding, PV industry of the Company made great efforts to exploit new market and expand capacity of profitable products. In the first half year, PV industry realized revenue of RMB 629.67 million with a year-on-year growth of 55.54%, and net profit of RMB 5.79 million while deficit of approximately RMB 3.00 million at the same period of last year.

II. Main business analysis

Year-on-year changes of main financial data

Unit: RMB

	The current term	The same term of last year	Increase /decrease year-on-year (%)	Reasons of change

Operating revenue	3,323,039,502	3,262,681,672	1.85%	--
Operating costs	2,646,020,710	2,438,593,004	8.51%	--
Selling expenses	136,462,518	114,315,080	19.37%	Mainly due to the increase of transportation costs
Administrative expenses	282,368,089	280,194,020	0.78%	--
Financial expenses	132,742,464	109,025,628	21.75%	Mainly due to the increase of bank loan
Income tax expenses	6,526,647	60,997,406	-89.30%	Mainly because profits declined in the report period and the deferred income tax recognized previous had been written back due to the disposal of financial assets available-for-sale.
Investment in R&D	130,265,531	94,805,902	37.40%	Mainly due to more investment in R&D in this period.
Net cash flow arising from operating activities	352,563,820	580,928,207	-39.31%	Mainly due to the increase of cash payment for goods and services.
Net cash flow arising from investing activities	-519,761,302	-487,610,199	6.59%	--
Net cash flow arising from financing activities	194,921,774	-83,633,764	333.07%	Mainly due to the increase of cash received by the borrow.
Net increase in cash and cash equivalents	26,681,388	10,084,575	164.58%	Mainly due to the increase of net cash -flow arising from financing activities.

Major changes on profit composition or profit resources in the report period

Applicable Not applicable

Future development and planning extended to the report period which was published in disclosure documents such as prospectus, placement instructions and assets reorganization report

Applicable Not applicable

There was no future development or planning extended to the report period which was published in disclosure documents such as prospectus, placement instructions and assets reorganization report.

Review on the previous business plan and its progress during the report period

During the report period, the Company launched the business plan smoothly:

① All the industries of the Company face overcapacity, therefore it is essential for the Company to make breakthrough for the existing three industries by continuous innovation and upgrading. As for flat glass industry, the Company takes ultra-thin electronic glass as the breakthrough of the industry, and has built three production lines so far. In the first half year, Yichang ultra-thin electronic glass production line entered the stage of commercial production, and Qingyuan high-performance ultra-thin electronic glass project ignited and went into trial operation. Along with the commissioning of Qingyuan project, the Company will become the ultra-thin electronic glass supplier with the most diversified product lines in this field. In addition, Dongguan on-line reflective glass production line went into trial operation. Along with the successive completion and commissioning of these projects, the Company's strategy of seeking for breakthrough and development for the traditional field through industry upgrading was apparent. As for architectural glass industry, in order to code with the unfavorable business environment resulting from the overall adjustment of real estate market, the Company continuously introduced differentiated products and actively promoted. In the first half year, the yield of

triple-silver low-e glass realized a year-on-year growth of 7.15% and the yield of ultra-white double-silver products gained a year-on-year growth of 22%. The solar industry coped with the trough of industry with technology innovation, the R&D and production of high-efficiency silicon wafer of which taking the leading position in domestic market. Polysilicon technological transformation project was completed and put into operation, the production cost dropped dramatically. Relying on independent innovation, the Company's solar industry gained new vitality. In the first half year, the Company launched a plan of private placement, and intended to raise funds through the approach of non-public offering of A-share for the construction of the projects such as Yichang CSG upgrading and expanding project for the electronic-grade Polysilicon. The Company planned to facilitate upgrade and development of its existing industries, improve its industry chains and enhance its overall competitiveness by making good use of capital market.

②The Company constantly took the route of differential operation and industry upgrading relying on R&D and technological innovation. Therefore, it founded Development Research Institute to coordinate its development of the industries and continued to strengthen R&D system and establishment of R&D ability. According to incomplete statistics, totally 40 patent applications were submitted by the Company in the first half year, 17 of which were invention patents, accounting for 42.5% of the total applications.

③In the tough economic environment and market conditions, the Company used lean management as an important means to keep its profitability. On the one hand, the Company continued to improve capacity utilization rate through a variety of measures, such as revamping of equipment, technology optimization, and raising production efficiency and finished product rate. In the field of flat glass industry, the finished product rate of Dongguan Solar Glass and Hebei Panel ultra-thin glass were improved effectively, which laid the foundation for continuous profitability of flat glass industry. Under the pressure of general depressed sales price, architectural glass industry managed to maintain stable gross profit margin through cost control, which enhanced its advantage of cost. The solar industry took important measures to respond to the negative market, including reducing cost, increasing efficiency and advancing management soft power. In particular, conversion efficiency of poly-silicon cells of Dongguan Photovoltaic was raised to 18% via optimizing technology. Energy and material consumption of Yichang CSG poly-silicon production line declined dramatically, and costs of production were under effective control. On the other hand, the Company continued to strengthen comprehensive management of energy. In the first half year, waste heat power generation of the Company amounted to approximately 82.77 million kwh with a year-on-year growth of 4.1%. PV power generation amounted to approximately 20.70 million kwh with a year-on-year growth of 8.2%, reducing cost of electricity of nearly RMB 60 million for the Company.

④In order to avoid financial risks effectively, the Company continued to enhance working capital management, improving the efficiency of funds use through reducing occupation of funds. With the joint efforts from subsidiaries, the Company's accounts receivable turnover period was 24 days, and inventory turnover period was 30 days which represented a relatively satisfying performance among the whole industry despite of the extremely severe operation condition. In the first half year, the Company founded a company named "Shenzhen CSG Financial Leasing Co., Ltd.", to carry out financial leasing business by taking full advantage of the geographic location superiority of Shenzhen Qianhai Free Trade Zone and its strong support for financial innovation service. This kind of business not only reduced the Company's financing cost, but also made new profitable opportunities for the Company.

⑤In order to actively respond to complicated external business environment, the Company continued to strengthen internal control and internal audit to keep away from operating risks. In the first half year, based on the detailed analysis on various risk factors faced by the Company in production and operation, the Company further enhanced supervision on the implementing effectiveness of internal control system and emphasized its risk management. Meanwhile, taking into account of the Company's actual business, the Group reinforced controlling and monitoring in aspects of sales management, procurement business, cost management and operating efficiency via its internal control system. In addition to continuous intensified audit on the routine operations of subsidiaries, the internal audit team also intensified audit and investigation on contract execution and customer satisfaction, so as to prevent various kinds of operation risks effectively.

III. Composition of main business

Unit: RMB

	Operating revenue	Operating cost	Gross profit ratio	Increase/decrease of operating revenue y-o-y	Increase/decrease of operating cost y-o-y	Increase/decrease of gross profit ratio y-o-y
According to industries						
Flat glass	1,657,818,174	1,471,282,330	11.25%	-9.20%	-3.58%	-5.18%
Architectural glass	1,327,117,926	939,002,352	29.24%	-5.68%	-2.64%	-2.22%
Solar energy	616,033,418	537,454,634	12.76%	54.87%	58.08%	-1.77%
Off-setting between divisions	-312,029,063	-314,002,102	--	--	--	--
According to products						
Flat glass	1,657,818,174	1,471,282,330	11.25%	-9.20%	-3.58%	-5.18%
Architectural glass	1,327,117,926	939,002,352	29.24%	-5.68%	-2.64%	-2.22%
Solar energy	616,033,418	537,454,634	12.76%	54.87%	58.08%	-1.77%
Off-setting between divisions	-312,029,063	-314,002,102	--	--	--	--
According to regions						
Mainland China	2,980,879,625	2,398,787,532	19.53%	2.82%	9.38%	-4.82%
H.K. China	4,678,449	4,210,351	10.01%	-86.58%	-80.53%	-27.99%
Europe	37,623,285	35,343,994	6.06%	-56.95%	-48.05%	-16.08%
Asia (excluding Mainland China and H.K.)	222,259,536	165,574,470	25.50%	89.52%	106.84%	-6.24%
North America	8,601,218	7,367,628	14.34%	-74.64%	-65.98%	-21.80%
Australia	33,265,222	20,776,280	37.54%	-28.87%	-36.19%	7.16%
Other regions	1,633,120	1,676,959	-2.68%	-33.34%	-12.22%	-24.71%

IV. Core Competitiveness Analysis

① The Company currently has created complete industrial chains in the industries involved with the advantage of industrial supplement. In the glass industry, the Company has built the industry chain as quartz sand → high quality float glass → architectural energy-saving glass. In the solar energy industry, the Company has finished the comprehensive construction of industry chain from high purity polycrystalline silicon materials, silicon wafer processing to cell and modules, photovoltaic rolled glass, etc. With the improvement of technology in various links of the chains, the industrial advantages have emerged.

② The Company possesses a complete industry layout. At present, the Company has established large production bases in China

located in North, East, West, South and Central region, which help the Company be better close to the market and serve the market.

③ The Company has capability of technology innovation and product innovation. It owns independent intellectual property rights of high-end float glass production process. The technology level of ultra-thin electronic glass is in the leading position in China. The Company also keeps its R&D and production of energy-saving glass in line with the world advanced level, and makes its technique and technology in the field of solar energy leading domestic market.

④ The Company possesses high anti-risk capability. It has a perfect internal control system with sound performance carried out. Meanwhile, the management and control ability of account receivable and inventory stands in a high level within the industry.

⑤ CSG's core competitiveness also comes from the aggressive, innovative, professional, experienced management team and technical backbone team. Based on the perfect corporate governance structure, standardized management system and business philosophy of high-end product line and quality consciousness, the Company constantly formulates mechanism and strictly controls the operating risk, laying a solid foundation for the Company's sustainable and rapid development.

During the report period, the Company's core competitiveness remains strong.

V. Investment analysis

1. External equity investment

(1) External investment

Applicable Not applicable

External investment		
Amount invested in the report period (RMB)	Amount invested in the same period of last year (RMB)	Changes
7,714,191	23,000,000	-66.46%
Invested company		
Name	Main business	Equity proportion of listed company in invested company (%)
Guangdong Golden Glass Technologies Limited	R & D, production and sales of special glass	2.80%

(2) Statement on holding shares of other listed company

The Company holds 6,037,193 shares of Golden Glass and has 2.80% voting rights. Directors and key managers of Golden Glass are not appointed by the Company, the Company doesn't participate or impact finance and operation decision-making or routine operation activities of Golden Glass in other way, thus, the Company shows no major influence on Golden Glass, so the shares held by the Company are calculated as equity instrument available for sale.

In the report period, the Company sold 8,332,807 shares of Golden Glass and the return on investment was RMB 56,779,276.

2. Main subsidiaries and joint-stock companies

Applicable Not applicable

Particular about main subsidiaries and joint-stock companies

Unit: RMB

Company name	Type	Industries	Main products or service	Register capital	Total assets (RMB)	Net Assets (RMB)	Operating revenue (RMB)	Operating profit (RMB)	Net profit (RMB)
--------------	------	------------	--------------------------	------------------	--------------------	------------------	-------------------------	------------------------	------------------

Chengdu CSG Glass Co., Ltd.	Subsidiary	Manufacturing	Development, manufacture and sales of various special glass	RMB 166.66 million	894,732,472	277,230,837	292,232,909	-20,059,304	-15,367,350
Sichuan CSG Energy-saving Glass Co., Ltd	Subsidiary	Manufacturing	Development, manufacture and sales of various special glass and deep processing of glass	RMB 180.00 million	634,756,633	244,869,706	222,644,099	31,014,448	27,170,043
Tianjin CSG Energy Conservation Glass Co., Ltd	Subsidiary	Manufacturing	Development, producing and sales of energy-saving special glass	RMB336 million	707,362,012	488,830,978	269,230,110	28,457,121	29,512,917
Dongguan CSG Architectural Glass Co., Ltd.	Subsidiary	Manufacturing	Deep processing of glass	RMB 240 million	898,051,250	380,368,482	392,652,600	57,356,869	52,944,970
Dongguan CSG Solar Glass Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of Solar-Energy Glass products	RMB 480 million	1,236,310,492	564,640,005	375,216,555	22,310,687	19,954,508
Yichang CSG Polysilicon Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of high purity silicon material products	RMB 1,467.98 million	3,091,409,267	959,728,942	498,215,035	11,999,673	12,083,628
Wujiang CSG East China Architectural Glass Co., Ltd.	Subsidiary	Manufacturing	Deep processing of glass	RMB 320 million	671,208,086	429,264,466	275,946,537	40,009,082	34,161,196
Dongguan CSG PV-tech Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of solar cells and modules	RMB 516 million	867,711,657	312,494,304	217,116,019	-14,263,307	-6,296,228
Hebei CSG Glass Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of various special glass	USD 48.06 million	696,881,949	368,247,286	117,102,583	-15,331,154	-9,880,281
Wujiang CSG Glass Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of various special glass	RMB 565.04 million	1,773,325,400	648,321,046	587,616,608	1,058,171	5,004,148
CSG (Hong Kong) Limited	Subsidiary	Investment	Investment holding	HKD 86.44 million	1,176,983,954	999,875,778	0	116,688,801	115,113,207
Hebei Panel Glass Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of various ultra-thin electronic glass	RMB 243 million	351,548,723	269,838,459	75,317,871	21,093,407	17,947,836

Xianning CSG Glass Co., Ltd.	Subsidiary	Manufacturing	Development and manufacture and sales of various special glass	RMB 235 million	729,116,856	244,180,581	285,417,497	-14,405,110	5,433,708
Xianning CSG Energy-saving Glass Co., Ltd	Subsidiary	Manufacturing	Deep processing of glass	RMB 215 million	655,536,478	247,942,239	162,486,678	22,340,916	25,530,070
Qingyuan CSG Energy Conservation New-materials Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of various ultra-thin electronic glass	RMB 300 million	557,677,111	275,344,165	450,740	-7,177,231	-5,364,018
Jiangyou CSG Mining Development Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of silica sand and co-product	RMB 100 million	167,588,513	68,297,893	26,269,210	-1,923,098	-1,442,323
Yichang CSG Photoelectric Glass Co., Ltd.	Subsidiary	Manufacturing	Manufacture and sales of various ultra-thin electronic glass	RMB200 million	471,436,649	226,068,474	44,489,079	20,429,348	15,321,861
Shenzhen CSG Display Technology Co., Ltd.	Joint-stock company	Manufacturing	Manufacture and sales of display device products	RMB 143 million	1,598,282,853	648,494,172	216,088,674	-43,866,353	-32,332,356

3. Major investment with non-raised proceeds

√Applicable □Not applicable

Unit: RMB'0,000

Project	Investment amount	Amount invested in this year	Accumulative amount actually invested ended as period-end	Progress of project (expected to finished from 2015-2017)	Returns from project
Expansion on energy-saving glass capacity of Chengdu project	19,835	835	18,951	Planning to build a wide flat coated glass production line. When the project is completed, the annual deep-processing capacity of the wide flat coated products will reach 3 million square meters. It is estimated that the project will be completed and put into operation in 2015.	There's no profit from the project in the report period.
Yichang CSG ultra-thin electronic glass project	32,000	309	33,426	Planning to build an ultra-thin electronic glass production line with capacity of 240T/D, the production line uses natural gas as fuel and adopts float process to produce 0.33~1.1mm ultra-thin glass.	The project has been completed, and gained net

				The annual productivity of the line expected to be 34,440 tons of ultra-thin electronic glass. The project was put into commercial production in March 2015.	profit of RMB15.32 million in the report period.
Qingyuan high-performance ultra-thin electronic glass project	47,166	10,072	42,991	Planning to build a high-performance ultra-thin electronic glass production line with monthly capacity of approximately one million square meters in Qingyuan, which adopts CSG's unique technology to produce 0.55mm~1.1mm high performance ultra-thin electronic glass. The project ignited in Feb. 2015, and entered into trial operation.	There's no profit from the project in the report period.
Dongguan CSG solar on-line coated project	39,000	7,840	22,978	Planning to establish an on-line coated production line in green energy industrial park of Dongguan CSG, achieving resource sharing through making use of production line processing facilities of Shenzhen CSG Float and invigorating idle assets such as plant of Dongguan solar energy rolled glass project and its public facilities. The Company planned to invest approximately RMB 390 million, including RMB 252 million newly increased. The project ignited in April 2015, and entered into trial operation.	There's no profit from the project in the report period.
Yichang CSG 700MW silicon wafers project	198,000	1,513	35,298	Planning to establish the silicon productivity expansion project in Yichang CSG, 300MW project has been completed and put into commercial production at the end of 2014. Remaining approximately 400MW project is still in course of construction.	Part of the project completed, and the net profit was RMB16.19 million in the report period.
Hebei Panel Glass project of medium-alumina ultra-thin electronic glass	25,950	353	353	Planning to established a production line for medium-alumina ultra-thin electronic glass in Hebei Panel Glass, using clean natural gas as the fuel, and produce 0.33mm~1.1mm medium-alumina ultra-thin glass with float process.	The project was still in preparation in the report period.
Yichang CSG upgrading & expansion project of electronic grade polysilicon	61,322	0	0	Planning to add a new cold-hydrogenation line in Yichang CSG, which can produce electronic grade polysilicon on basis of the solar grade polysilicon device, and meanwhile add correspondent systems of reduction, rectification, recycle and utilities, so as to boost the actual capacity of polysilicon up to 12,000 tons/year(including 2,500 tons/year for electronic grade polysilicon and 9,500 tons/year for solar grade polysilicon)	The project was still in preparation in the report period.

Subtotal	423,273	20,922	153,997	--	--
Project	Investment amount	Amount invested in this year	Accumulative amount actually invested ended as period-end	Progress of project (projects suspension)	Returns from project
Expansion on energy-saving glass capacity of Wujiang Project	47,913	0	21,239	Planning to increase two coating glass production lines and support insulating glass capacity. When the project is completed, the capacities of wide flat coated glass will add 3 million square meters, and capacity of coated insulating glass will add 1.2 million square meters per year, among which, the wide flat coated glass line of 3 million square meters has been completed, and the others will be invested according to market situations.	In the report period, part of the project has been completed and the revenue was not calculated individually.
Yichang CSG 700MW crystalline silicon solar cell project	169,330	0	0	Planning to build a crystalline silicon solar cell production line with annual capacity of 700MW. The project was suspended and further investment will be based on actual industry situations.	--
Expanding 500MW solar module project in Dongguan	63,600	0	0	Planning to expand the solar module production line with annual capacity of 500MW. The project was suspended and further investment will be based on actual industry situations.	--
Subtotal	280,843	0	21,239	--	--
Total	704,116	20,922	175,236	--	--
Explanation on major investment with non-raised proceeds					
<ol style="list-style-type: none"> 1. Wujiang CSG energy-saving glass project, Chengdu CSG energy-saving glass project and Yichang CSG 700MW solar cell project were deliberated and approved by the 18th meeting of the 5th board of directors on 23 December 2010. 2. Yichang CSG Ultra-thin glass project was deliberated and approved by extraordinary meeting of the 6th board of directors on 14 Dec. 2012. 3. Qingyuan high-performance ultra-thin electronic glass project was deliberated and approved by the 12th meeting of the 6th board of directors on 2 Aug. 2013. 4. Dongguan CSG solar on-line coated project was deliberated and approved by extraordinary meeting of the 6th board of directors on 24 Jan. 2014. 5. Hebei Panel Glass project of aluminum ultra-thin electronic glass was deliberated and approved by the 4th meeting of the 7th board of directors on 27 Oct. 2014. 6. Yichang CSG upgrading & expansion project of electronic grade polysilicon was deliberated and approved by the 5th meeting of the 7th board of directors on 27 Mar. 2015. 					

VI. Prediction of business performance from January to September 2015

Alert of loss or significant change in accumulative net profit from the beginning of year to the end of the next report period or

compared with the same period of last year, and statement of causations.

Applicable Not applicable

VII. Implementation of profit distribution in the report period

Implementation or adjustment of profit distribution plan in the report period, cash dividend plan and converting capital reserve into share capital in particular

Applicable Not applicable

In order to improve and perfect its decision-making and supervision mechanism of profit distribution so as to deliver satisfying investment return to investors and guide investors to establish philosophy of long term investment and rational investment, the Company held an extraordinary meeting of the 7th Board of Directors on 15 June 2015 to consider and approve the proposals of Revising Article of Association and Establishing Investment Return Plan for the Next Three Years (2015-2017) of CSG Holding Co., Ltd. The independent directors issued a separate opinion about the resolutions. The proposals were considered and approved at the first extraordinary general meeting of shareholders of 2015 held by the Company on 2 July 2015. All the decisions were made in accordance with Notice To Further Carrying Out Relevant Events About Cash Dividend (证监发[2012]37号) established by CSRC and regulatory guideline No.3 for listed company--cash bonus of listed company (中国证监会公告[2013]43号) and the Articles of Association, as well as taking into account of the Company's profitability, development strategy and operating plan, shareholder return, social capital cost and external financing environment. The Company implemented profit distribution policy in strict accordance to the Articles of Association, and the determination and performance of cash dividend policy met relevant requirements of the Articles of Association and general meeting of shareholders with clear distribution standard and defined proportion. The relevant decision-making process and mechanism were completed, the duties and responsibilities of independent directors who played their due roles were clear, and the legitimate rights and interests of minority shareholders who had ample opportunities to express their opinions and requests were effectively protected.

The profit distribution plan for 2014 was approved by Annual Shareholders' General Meeting of 2014 held on 23 April 2015 which distributed RMB 5 (tax included) in cash for every 10 shares to all shareholders. Notice of the distribution was published on *China Securities Journal*, *Securities Times* and *Hong Kong Commercial Daily* on 30 April 2015, and the profit has been distributed. No profit distribution and capital reserve capitalizing of the Company exercised in the first half year of 2015.

Special explanation on cash dividend policy	
Satisfy regulations of General Meeting or requirement of Article of Association (Yes/No)	Yes
Well-defined and clearly dividend standards and proportion (Yes/No)	Yes
Completed relevant decision-making process and mechanism (Yes/No)	Yes
Independent directors perform duties completely and play a proper role (Yes/No)	Yes
Minority shareholders have ample opportunities and their legitimate rights and interests are effectively protected (Yes/No)	Yes
Condition and procedures are compliance and transparent while the cash bonus policy adjusted or changed (Yes/No)	Yes

VIII. Plan of profit distribution and share converted from capital reserve in the report period

Applicable Not applicable

The Company has no plans of cash dividend distribution, bonus shares distribution or share converted from capital reserve in the first half of the year.

IX. Reception of research, communication and interview in the report period

Applicable Not applicable

Time	Place	Way	Type	Reception	Contents discussed and material provided
2015-1-19	The Company	Field research	Institute	Shenzhen JunHai Investment Management Co., Ltd., China Galaxy Securities Co., Ltd., China Galaxy International Financial Holdings Limited, Shenzhen Minsen Investment Co., Ltd. and Springs (Beijing) Investment Management Co., Ltd.	Introduced the operation condition of the Company disclosed
2015-1-20	The Company	Field research	Institute	Guotai Junan Securities, Anbang Assets Management Co., Ltd., Yinhua Fund Management Co., Ltd., Guangdong Yinshi Investment Co., Ltd., Jixiang Life Insurance Co., Ltd., Shenzhen Qianhai Black Swan Assets Management Co., Ltd., Beijing Yuanxu Equity Investment Fund Management Co., Ltd., Shenzhen Taihe Investment Management Co., Ltd., Jingxi Enterneurship Commune and First Capital Securities Co., Ltd.	Introduced the operation condition of the Company disclosed
2015-1-26	The Company	Field research	Institute	KHAZANAH NASIONAL, Guotai Securities Investment Trust Co., Ltd., Jirong Assets Management Co., Ltd., Zexi Investment Management Co., Ltd. and CITIC Securities Co., Ltd.	Introduced the operation condition of the Company disclosed
2015-5-19	The Company	Field research	Institute	Guosen Securities Co., Ltd., Xinhua Fund Management Co., Ltd., China Securities Co., Ltd. and Maisheng Assets Management Co., Ltd.	Introduced the operation condition of the Company disclosed

Section V Important Events

I. Corporate governance of the Company

In strict compliance with the requirements of the relevant laws and regulation including The Company Law, Securities Law and Rule of Governance for Listed Company, the Company has been putting efforts in improving the corporate governance, strengthening management of information disclosure, regulating operation activities and establishing a modern corporate system. At present, the system for corporate governance of the Company is basically perfect, operation is regulated, corporate governance is consummated, which accord with the requirements of relevant documents on corporate governance of listed company issued by CSRS. During the report period, it does not exist that the company provides the undisclosed information to the largest shareholder and actual controller. And it does not exist that non-operating fund of listed company is occupied by the largest shareholder and its affiliated enterprises.

II. Assets transaction

1. Assets sold

√ Applicable □ Not applicable

Counterparty	Assets for sale	The date of sale	Transaction price (RMB 0,000)	The net profits contributed to the listed company by the asset from the beginning of current period to the date of sale (RMB 0,000)	The profit and loss generated by sale (RMB 0,000)	The proportion of the net profits that the assets for sale contributed to the listed company in total profits (%)	Pricing principle of assets for sale	Whether it was related transaction or not	The association relationship with the counterparty (applicable for related transaction)	Whether the ownership of involved property rights was transferred or not	Whether the creditor's rights and debts were all transferred or not	Date of disclosure	Index of disclosure
Shenzhen CSG Display Device Technology Co., Ltd.	73.58% equity of Yichang CSG Photoelectric Glass Co., Ltd.	2015-5-8	25,753	668.34	It is estimated that RMB 106.44 million investment earnings will be generated	--	Refer to the pricing of the profit forecast for year of 2015 of the target company	Yes	Associated enterprise	No	No	2015-5-19	2015-030

III. Implementation of stock option incentive and its impact

Applicable Not applicable

IV. Major related transaction

1. Related transaction with routine operation concerned

Applicable Not applicable

Related transaction parties	Related relationship	Related transaction type	Related transaction content	Pricing principle	Dealing price	Trading amount (RMB 0,000)	Proportion in the amount of the same transaction (%)	Approved amount of transaction (RMB 0,000)	Whether approved amount or not	Means of payments	Market price of similar transaction available	Date of disclosure	Index of disclosure
Shenzhen CSG Display Technology Co., Ltd.	Associated enterprise	Sales products and commodities to related party	Sales of ultra-thin electronic glass	Refers to market price	Not applicable	1,453.02	0.38%	12,000	No	Monthly cost	Not applicable	2015-3-11	2015-005
Total				--	--	1,453.02	--	12,000		--	--	--	--
Details of major sold-out order sent back									N/A				
The actual implementation of routine related transactions that is about to occurred in the Period with total amount estimated by category (if any)									In the report period, the total of routine related transactions was in the estimated range.				
Reason for the great difference between trade price and market reference price (if any)									Not applicable				

2. Other major related transaction

Applicable Not applicable

On 18 May 2015, the Company held the 7th meeting of the 7th Board of Directors, at which, the proposal of Transferring Equity of Yichang CSG Photoelectric Glass Co., Ltd. to Shenzhen CSG Display Technology Co., Ltd. was considered and approved. The Board agreed to transfer 73.58% equity of Yichang CSG Photoelectric Glass Co., Ltd. to Shenzhen CSG Display Technology Co., Ltd. with the transfer price of RMB 257.53 million. Up to 30 June 2015, the equity transfer had not been completed.

Enquiry website for interim report of the substantive related transaction

Interim report	Disclosure date	Disclosure website
Notice of Estimated Routine Related Transaction for year of 2015	2015-3-11	Juchao Website
Notice of Transferring Equity of Yichang CSG Photoelectric Glass Co., Ltd. to Shenzhen CSG Display Technology Co., Ltd. and Related Transaction	2015-5-19	Juchao Website

V. Particular about non-operating fund of listed company is occupied by controlling shareholder and its affiliated enterprises

Applicable Not applicable

It does not exist that non-operating fund of listed company was occupied by controlling shareholder and its affiliated enterprises in the report period.

VI. Significant contract and implementations

1. Guarantees

Applicable Not applicable

Unit: RMB'0,000

Particulars about the external guarantee of the Company (Barring the guarantee for subsidiaries)								
Name of the Company guaranteed	Related Announcement disclosure date	Guarantee limit	Actual date of happening (Date of signing agreement)	Actual guarantee limit	Guarantee type	Guarantee term	Complete implementation or not	Guarantee for related party (Yes or no)
Guarantee of the Company for the subsidiaries								
Name of the Company guaranteed	Related Announcement disclosure date	Guarantee limit	Actual date of happening (Date of signing agreement)	Actual guarantee limit	Guarantee type	Guarantee term	Complete implementation or not	Guarantee for related party (Yes or no)
Chengdu CSG Glass Co., Ltd.	2015/02/07	9,170	2015/04/08	1,100	General guarantee	1 year	No	No
Sichuan CSG Energy-saving Glass Co., Ltd	2015/02/07		2015/05/06	2,500	General guarantee	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	2015/02/07	5,000	2015/05/22	2,415	General guarantee	2 years	No	No
Qingyuan CSG Energy Conservation New-materials Co., Ltd.	2014/08/05	8,000	2014/08/07	7,102	General guarantee	3 years	No	No
Dongguan CSG Architectural Glass Co., Ltd.	2014/08/05	10,000	2015/04/07	2,500	General guarantee	1 year	No	No
Xianning CSG Glass Co., Ltd.	2014/08/05	6,000	2015/05/11	2,000	General guarantee	1 year	No	No
Xianning CSG Energy-saving Glass Co., Ltd			2015/03/24	3,000			No	No
Wujiang CSG Glass Co., Ltd.	2014/10/29	10,000	2015/02/02	4,000	General guarantee	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	2014/08/05	11,200	2015/04/17	3,300	General guarantee	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	2014/10/29	5,000	2015/02/11	2,000	General guarantee	1 year	No	No
Tianjin CSG Energy Conservation Glass	2013/10/22	5,000	2015/03/27	4,000	General	3 years	No	No

Co., Ltd					guarantee			
Dongguan CSG PV-tech Co., Ltd.	2014/08/05	6,000	2015/05/15	521	General guarantee	1 year	No	No
Qingyuan CSG Energy Conservation New-materials Co., Ltd.	2014/08/05	30,000	2014/12/26	4,850	General guarantee	1 year	No	No
Yichang CSG Photoelectric Glass Co., Ltd.	2014/03/25	8,000	2014/11/11	687	General guarantee	3 years	No	No
Yichang CSG Photoelectric Glass Co., Ltd.	2014/08/05	3,000	2015/01/08	3,000	General guarantee	1 year	No	No
Yichang CSG Photoelectric Glass Co., Ltd.	2013/08/06	10,000	2014/01/23	2,900	General guarantee	3 years	No	No
Xianning CSG Glass Co., Ltd.	2012/01/20	37,800	2012/08/15	9,700	General guarantee	4 years	No	No
Xianning CSG Glass Co., Ltd.	2013/06/19	20,000	2013/07/19	4,400	General guarantee	3 years	No	No
Xianning CSG Glass Co., Ltd.	2013/06/19	20,000	2013/06/27	6,250	General guarantee	4 years	No	No
Yichang CSG Polysilicon Co., Ltd.	2010/12/25	50,000	2011/04/27	629	General guarantee	8 years	No	No
Yichang CSG Polysilicon Co., Ltd.	2014/08/05	1,000	2014/10/16	1,000	General guarantee	1 year	No	No
Total amount of approving guarantee for subsidiaries in report period (B1)		194,314	Total amount of actual occurred guarantee for subsidiaries in report period (B2)					41,376
Total amount of approved guarantee for subsidiaries at the end of reporting period (B3)		404,056	Total balance of actual guarantee for subsidiaries at the end of reporting period (B4)					67,854
Total amount of guarantee of the Company(total of two abovementioned guarantee)								
Total amount of approving guarantee in report period (A1+B1)		194,314	Total amount of actual occurred guarantee in report period (A2+B2)					41,376
Total amount of approved guarantee at the end of report period (A3+B3)		404,056	Total balance of actual guarantee at the end of report period (A4+B4)					67,854
The proportion of the total amount of actually guarantee in the net assets of the Company(that is A4+ B4)								9.03%
Including:								
Amount of guarantee for shareholders, actual controller and its related parties(C)								0
The debts guarantee amount provided for the guaranteed parties whose assets-liability ratio exceed 70% directly or indirectly(D)								0
Proportion of total amount of guarantee in net assets of the Company exceed 50%(E)								0
Total amount of the aforesaid three guarantees(C+D+E)								0
Explanations on possibly bearing joint and several liquidating responsibilities for undue guarantees					The Company shall bear joint and several liabilities in guarantee range if the subsidiaries fail to fulfill the obligation of repayment.			
Explanations on external guarantee against regulated procedures					N/A			

Explanation on guarantee with complex way

Nil

VII. Commitments from the Company or shareholder with over 5% share held in the report period or continues to the report period

√ Applicable □ Not applicable

Commitments	Promisee	Content of commitments	Commitment date	Commitment term	Implementation
Commitments for Share Merger Reform	The original non-tradable shareholder Shenzhen International Holdings (SZ) Limited and Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd.	The Company has implemented share merger reform in May 2006. Till June 2008, the share of the original non-tradable shareholders which holding over 5% total shares of the Company had all released. Therein, the original non-tradable shareholder Shenzhen International Holdings (SZ) Limited and Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd. both are wholly-funded subsidiaries to Shenzhen International Holdings Limited (hereinafter Shenzhen International for short) listed in Hong Kong united stock exchange main board. Shenzhen International made commitment that it would strictly carry out related regulations of Securities Law, Administration of the Takeover of Listed Companies Procedures and Guiding Opinions on the Listed Companies' Transfer of Original Shares Released from Trading Restrictions issued by CSRC during implementing share decreasingly-held plan and take information disclosure responsibility timely.	2006-5-22	N/A	By the end of the report period, the above shareholders of the Company had strictly carried out their promises.
Commitments in report of acquisition or equity change	Foresea Life Insurance Co., Ltd, Shenzhen Jushenghua Co., Ltd and Chengtai Group Co., Ltd.	Foresea Life Insurance Co., Ltd., Shenzhen Jushenghua Co., Ltd. and Chengtai Group Co., Ltd. issued detailed report of equity change on 29 June 2015, in which, they undertook to keep independent from CSG in aspects of personnel, assets, finance, organization set-up and business as long as Foresea Life Insurance remained the largest shareholder of CSG. Meanwhile, they made commitment on regularizing related transaction and avoiding industry competition.	2015-6-29	During the period when Foresea Life remains the largest shareholder of the Company	By the end of the report period, the above shareholders of the Company had strictly carried out their promises.

Commitments in assets reorganization					
Commitments in initial public offering or re-financing					
Other commitments for medium and small shareholders					
Completed on time or not	Yes				
Detailed reasons for un-complement and further plan	Not applicable				

VIII. Engaging and dismissing of CPA

Whether the semi-annual report was audited or not

Yes No

IX. Statement on other important matters

Applicable Not applicable

1. Plan of non-public offering of A-share

Proposals of non-public offering of A-share to specific investors etc. were deliberated and approved by the interim meeting of the 7th session of the Board on 22 April 2015.

The Company planned to exercise equity financing by means of non-public offering of A-share. The total amount of non-public offering of A-share was 179,977,502 shares, 67,491,563 shares of which was specifically issued to China Northern Industries Corporation, and 112,485,939 shares of which was specifically issued to Foresea Life Insurance Co., Ltd.

The A shares subscribed by China Northern Industries Corporation and Foresea Life Insurance Co., Ltd. in this plan are not allowed to be transferred within 36 months from the listing date.

Pricing benchmark is the announcement day of board resolution for this issue. The offering price is RMB 8.89/share, no less than 90% of the average trading price of 20 trading days before pricing benchmark. Offering price shall be adjusted if issues such as dividends, bonus shares, capital reserve and other ex dividend issues occurred before offering.

The total amount of raised funds of non-public offering of A-share is no more than RMB1.6 billion, and the net capital will be used for the following investment projects after issuance costs deducted:

Unit: RMB'0,000

Serial	Project	Content	Proposed amount of fund-raising
1	Construction of high-aluminum glass production line in Qingyuan CSG	A production line of high-aluminum glass with monthly output of approximately one million square meters	43,666.00

Serial	Project	Content	Proposed amount of fund-raising
2	Upgrading and expanding project of electronic grade Polysilicon in Yichang CSG	Plant construction of Polysilicon with annual output of 5,000 tons	61,322.00
3	Repayment of bank loans	-	20,000.00
4	Supplement working capital	-	35,012.00
Total			160,000.00

Proposal of adjusting period of validity for the resolution of the non-public offering of A-share plan and period of validity which the general meeting of shareholders authorizes the Board to deal with all the specific issues associated with the non-public offering of A-share was deliberated and approved by the interim meeting of the 7th Board of Directors on 15 June 2015. The Board agreed to adjust period of validity for the resolution of the non-public offering of A-share plan and adjust period of validity which the general meeting of shareholders authorizes the Board to deal with all the specific issues associated with the non-public offering of A-share. The period of validity changed to 12 months commencing from the date on which the relevant resolution is approved at general meeting instead of the original 18 months commencing from that date.

Relevant items of the non-public offering of A-share had been considered and approved at the first extraordinary general meeting of 2015 convened by the Company on 2 July 2015, while it is still subject to approval from China Securities Regulatory Commission and other related authorities.

2. Plan of domestically listed foreign shares converting listing location to list and trade on the Main Board of Stock Exchange of Hong Kong by Means of Introduction

The proposal of domestically listed foreign shares converting listing location to list and trade on the Main Board of Stock Exchange of Hong Kong by Means of Introduction was deliberated and approved by the interim meeting of the 7th session of the Board of the Company on 22 April 2015.

The Board agreed B-share converting listing location to list and trade on the Main Board of Stock Exchange of Hong Kong by Means of Introduction.

The implement for the above items shall need deliberation and approval from the 2nd meeting of the Board, approval by shareholders' meeting, verification, confirmation or approved by regulators, Stock Exchange of Hong Kong and China Securities Regulatory Commission, and approvals from other government departments and authorities (if necessary).

As discussed at the extraordinary meeting held by the 7th Board of Directors on 15 June 2015, the Company would convene board meeting and general meeting of shareholders to consider the item of B-share converting to H-share after completion of the non-public offering of A-share. For details, please refer to the announcement relating to resolution of extraordinary meeting held by the 7th Board of Directors published by the Company on 16 June 2015 (2015-033).

3. Short-term Financing Bills

On 6 August 2012, the First Extraordinary Shareholders' General Meeting 2012 of CSG Holding Co., Ltd deliberated and approved the proposal of short-term financing bills offering with application of short-term financing bills within RMB 2.2 billion limit. On 11 January 2013, National Association of Financial market Institutional Investors (NAFMII) held its 1st registration meeting of 2013, in which NAFMII decided to accept the Company's short-term financing bills registration, amounting to RMB 1.1 billion, valid until January 25, 2015. China Merchants Bank Co., Ltd, and Shanghai Pudong Development Bank Co., Ltd were joint lead underwriters of these short-term financing bills, which could be issued by stages within the validity period of registration. On 7 March 2013, the

Company issued the 1st batch of short-term financing bills with a total amount of RMB 1.1 billion and deadline of one year, and cashed completed on 6 March 2014. On 27 June 2014, the Company continued to issue the 2nd batch of short-term financing bills for the year with a total amount of RMB 700 million and annual interest rate of 5.10%, and the expiry date is 27 June 2015. On 25 August 2014, the Company continued to issue the 3rd batch of short-term financing bills for the year with a total amount of RMB 400 million and annual interest rate of 5.10%, and the expiry date is 25 August 2015.

On 23 April 2013, annual general meeting of 2012 of CSG Holding Co., Ltd deliberated and approved the proposal of short-term financing bills offering with application of short-term financing bills with a total amount of no more than 40 percent of the Company's net assets (the issued short-term financing bills included). On 20 December 2013, National Association of Financial market Institutional Investors held its 74th registration meeting of 2013, in which NAFMII decided to accept the Company's short-term financing bills registration, amounting to RMB 1.1 billion, valid for two years. China CITIC Bank Corporation Limited and Agricultural Bank of China Co., Ltd were joint lead underwriters of these short-term financing bills, which could be issued by stages within the validity period of registration. On 14 March 2014, the Company issued short-term financing bills with a total amount of RMB 0.5 billion and deadline of one year, which was redeemed on 16 March 2015. On 22 April 2015, the Company issued the 1st batch of short-term financing bills for the year of 2015 with a total amount of RMB 0.6 billion and annual interest rate of 4.28%, and the expiry date is 23 April 2016.

For details, please refer to www.chinabond.com.cn and www.chinamoney.com.cn.

4. Ultra-short-term financing notes

On 10 December 2014, the First Extraordinary Shareholders' General Meeting 2014 of CSG Holding Co., Ltd deliberated and approved the proposal of application for registration and issuance of ultra-short-term financing bills with registered capital of RMB 4 billion at most and validity within 2 years. On 21 May 2015, National Association of Financial Market Institutional Investors (NAFMII) held the 32nd registration meeting of 2015, in which NAFMII decided to accept the registration of the Company's ultra-short-term financing bills, amounting to RMB 4 billion and valid for two years. China Merchants Bank Co., Ltd., Shanghai Pudong Development Bank Co., Ltd., Industrial Bank Co., Ltd., China CITIC Bank Co., Ltd. and China Agriculture Bank Co., Ltd. were joint lead underwriters of these ultra-short-term financing bills, which could be issued by stages within period of validity of the registration.

On 12 June 2015, the Company issued the first batch of ultra-short-term financing bills with total amount of RMB 0.8 billion and valid term of 270 days at the issuance rate of 4.25%, which will be redeemed on 11 March 2016.

For details, please refer to www.chinabond.com.cn and www.chinamoney.com.cn.

5. Medium term notes

On 10 December 2014, the First Extraordinary Shareholders' General Meeting 2014 of CSG Holding Co., Ltd deliberated and approved the proposal of application for registration and issuance of medium term notes with total amount of RMB 1.2 billion at most. On 21 May 2015, National Association of Financial Market Institutional Investors (NAFMII) held the 32nd registration meeting of 2015, in which NAFMII decided to accept the registration of the Company's medium term notes, amounting to RMB 1.2 billion and valid for two years. China Merchants Bank Co., Ltd. and Shanghai Pudong Development Bank Co., Ltd. were joint lead underwriters of these medium term notes which could be issued by stages within within period of validity of the registration.

On 10 July 2015, the Company issued the first batch of medium term notes with total amount of RMB 1.2 billion and valid term of 5 years at the issuance rate of 4.94%, which will be redeemed on 14 July 2020.

For details, please refer to www.chinabond.com.cn and www.chinamoney.com.cn.

Section VI. Changes in Shares and Particulars about Shareholders

I. Changes in Share Capital

Unit: Share

	Before the Change		Increase/Decrease in the Change (+, -)					After the Change	
	Amount	Proportion (%)	New shares issued	Bonus shares	Capitalization of public reserve	Others	Subtotal	Amount	Proportion (%)
I. Restricted shares	10,060,247	0.48%				249,494	249,494	10,309,741	0.50%
1. State-owned shares	0	0.00%					0	0	0.00%
2. State-owned legal person's shares	0	0.00%					0	0	0.00%
3. Other domestic shares	10,060,247	0.48%				249,494	249,494	10,309,741	0.50%
Including: Domestic legal person's shares	0	0.00%					0	0	0.00%
Domestic natural person's shares	10,060,247	0.48%				249,494	249,494	10,309,741	0.50%
4. Foreign shares	0	0.00%					0	0	0.00%
Including: Foreign legal person's shares	0	0.00%					0	0	0.00%
Foreign natural person's shares	0	0.00%					0	0	0.00%
II. Unrestricted shares	2,065,275,313	99.52%				-249,494	-249,494	2,065,025,819	99.50%
1. RMB Ordinary shares	1,302,768,571	62.77%				-216,444	-216,444	1,302,552,127	62.76%
2. Domestically listed foreign shares	762,506,742	36.75%				-33,050	-33,050	762,473,692	36.74%
3. Overseas listed foreign shares	0	0.00%							
4. Others	0	0.00%							
III. Total shares	2,075,335,560	100.00%						2,075,335,560	100.00%

Reasons for share changed

√ Applicable □ Not applicable

Removal & engagement for senior executives

Approval of share changed

□ Applicable √ Not applicable

Ownership transfer for changed shares

√ Applicable □ Not applicable

On 27 March 2015, the proposal of adjustment of senior management personnel of the Company was deliberated and approved by the 5th meeting of the 7th Board of Directors of the Company. Mr. Ding Jiuru no longer held the post of senior executive. According to relevant requirements, all the shares held by Mr. Ding Jiuru had to be locked up for six months, causing the total lock-up shares

held by senior management increased by 125,594 shares. On 23 May 2015, Mr. Zhang Bozhong who used to be a senior executive of the Company resigned from his office. According to relevant requirements, all the shares held by Mr. Zhang Bozhong had to be locked up for six months, causing the total lock-up shares held by senior management increased by 123,900 shares.

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

Applicable Not applicable

Other information necessary to be disclosed or need to be disclosed under requirement from security regulators

Applicable Not applicable

Explanation on changes in aspects of total shares, shareholder structure, assets of the Company and liability structure

Applicable Not applicable

II. Particulars about shareholder and actual controller of the Company

Unit: Share

Total shareholders at the end of the report period		156,909		Total preference shareholders with voting rights recovered at end of the report period (if applicable)		0		
Shareholder with above 5% shares hold or top 10 shareholders								
Full name of Shareholders	Nature of shareholder	Proportion of shares held (%)	Total shares held at the end of report period	Changes in report period	Amount of restricted shares held	Amount of un-restricted shares held	Number of share pledged/frozen	
							Share status	Amount
Foresea Life Insurance Co., Ltd. – Haili Niannian	Domestic non state-owned legal person	5.67%	117,697,420	117,697,420	0	117,697,420		
Foresea Life Insurance Co., Ltd. – universal insurance products	Domestic non state-owned legal person	3.92%	81,405,744	81,405,744	0	81,405,744		
China Northern Industries Corporation	State-owned legal person	3.62%	75,167,934	0	0	75,167,934		
Shenzhen Jushenghua Co., Ltd.	Domestic non state-owned legal person	2.87%	59,552,120	59,552,120	0	59,552,120		
Shenzhen International Holdings (Shenzhen) Co., Ltd.	Domestic non state-owned legal person	1.78%	37,040,200	-16,888,613	0	37,040,200		
Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd.	Domestic non state-owned legal person	1.59%	33,059,899	-28,992,946	0	33,059,899		
China Galaxy International	Foreign legal	1.14%	23,721,487	23,721,487	0	23,721,487		

Securities (H.K.) Co., Ltd.	person							
Taifook Securities Company Limited-Account Client	Foreign legal person	1.07%	22,270,712	22,270,712	0	22,270,712		
BOCI SECURITIES LIMITED	Foreign legal person	0.99%	20,541,927	19,477,328	0	20,541,927		
Foresea Life Insurance Co., Ltd.-own fund	Domestic non state-owned legal person	0.87%	17,999,950	17,999,950	0	17,999,950		
Strategic investors or general legal person becomes top 10 shareholders due to shares issued (if applicable)	N/A							
Explanation on associated relationship among the aforesaid shareholders	<p>Among shareholders as listed above, Foresea Life Insurance Co., Ltd.-Haili Niannian, Foresea Life Insurance Co., Ltd.-universal insurance products, Foresea Life Insurance Co., Ltd.-own fund are all held by Foresea Life Insurance Co., Ltd.. Shenzhen Jushenghua Co., Ltd. is a related legal person of Foresea Life Insurance Co., Ltd. and Chengtai Group Co., Ltd., another related legal person of Foresea Life Insurance Co., Ltd, which held 22,027,499 shares via China Galaxy International Securities (H.K.) Co., Ltd.</p> <p>Shenzhen International Holdings (Shenzhen) Co., Ltd. and Xin Tong Chan Development (Shenzhen) Co., Ltd. are holding enterprises and belong to controlling enterprise of Shenzhen International Holdings Co., Ltd.</p> <p>Except for the above-mentioned shareholders, It is unknown whether other shareholders belong to related party or have associated relationship regulated by the Management Regulation of Information Disclosure on Change of Shareholding for Listed Companies.</p>							
Particular about top ten shareholders with un-restrict shares held								
Shareholders' name	Amount of un-restrict shares held at year-end	Type of shares						
		Type	Amount					
Foresea Life Insurance Co., Ltd. – Haili Niannian	117,697,420	RMB ordinary shares						
Foresea Life Insurance Co., Ltd. – universal insurance products	81,405,744	RMB ordinary shares						
China Northern Industries Corporation	75,167,934	RMB ordinary shares						
Shenzhen Jushenghua Co., Ltd.	59,552,120	RMB ordinary shares						
Shenzhen International Holdings (Shenzhen) Co., Ltd.	37,040,200	RMB ordinary shares						
Xin Tong Chan Industrial Development (Shenzhen) Co., Ltd.	33,059,899	RMB ordinary shares						
China Galaxy International Securities (H.K.) Co., Ltd.	23,721,487	Domestically listed foreign shares						
Taifook Securities Company Limited-Account Client	22,270,712	Domestically listed foreign shares						
BOCI SECURITIES LIMITED	20,541,927	Domestically listed foreign shares						
Foresea Life Insurance Co., Ltd. –owned fund	17,999,950	RMB ordinary shares						

Statement on associated relationship or consistent action among the above shareholders:	<p>Among shareholders as listed above, Foresea Life Insurance Co., Ltd.-Haili Niannian, Foresea Life Insurance Co., Ltd.-universal insurance products, Foresea Life Insurance Co., Ltd.-own fund are all held by Foresea Life Insurance Co., Ltd.. Shenzhen Jushenghua Co., Ltd. is a related legal person of Foresea Life Insurance Co., Ltd. and Chengtai Group Co., Ltd., another related legal person of Foresea Life Insurance Co., Ltd, which held 22,027,499 shares via China Galaxy International Securities (H.K.) Co., Ltd.</p> <p>Shenzhen International Holdings (Shenzhen) Co., Ltd. and Xin Tong Chan Development (Shenzhen) Co., Ltd. are holding enterprises and belong to controlling enterprise of Shenzhen International Holdings Co., Ltd.</p> <p>Except for the above-mentioned shareholders, It is unknown whether other shareholders belong to related party or have associated relationship regulated by the Management Regulation of Information Disclosure on Change of Shareholding for Listed Companies.</p>
Explanation on shareholders involving margin business (if applicable)	<p>The Company's shareholder, Shenzhen Jushenghua Co., Ltd., held 59,552,120 shares in total with 0 share in its general account and 59,552,120 shares via the client credit trading guarantee account of China Galaxy Securities Co., Ltd.</p>

Buy back deals carried out by the shareholders in the report period

Yes No

There were no buy back deals carried out by the shareholders in the report period.

III. Changes of controlling shareholder or actual controller

Changes of controlling shareholder in the report period

Applicable Not applicable

There was no change of controlling shareholder in the report period.

Changes of actual controller in the report period

Applicable Not applicable

There was no change of actual controller in the report period.

IV. Particulars about shareholding increase scheme proposed or implemented in the report period by shareholder of the Company and its concerted action person

Applicable Not applicable

As far as the Company knows, no shareholder of the Company and its concerted action person proposed or implemented any shareholding increase scheme in the report period.

Section VII. Particulars about Directors, Supervisors and Senior Executives and Employees

I. Changes of shares held by directors, supervisors and senior executives

√ Applicable □ Not applicable

Name	Title	Status	Shares held at the beginning of the period (Share)	Amount of shares increased in the period (Share)	Amount of shares decreased in the period (Share)	Shares held at the end of the period (Share)	Amount of the granted restricted shares at the beginning of the period (Share)	Amount of the granted restricted shares in the period (Share)	Amount of the granted restricted shares at the end of the period (Share)
Ding Jiuru	Vice-president	Leave office	1,374,375		218,000	1,156,375	0	0	0
Zhang Bozhong	Vice-president	Leave office	466,400	7,300		473,700	0	0	0
Total	--	--	1,840,775	7,300	218,000	1,630,075	0	0	0

II. Changes of the directors, supervisors and senior executives

√ Applicable □ Not applicable

Name	Title	Type	Date	Reason
Ding Jiuru	Vice-president	Leave office	2015-03-27	Adjustment of senior management personnel of the Company
Zhang Bozhong	Vice-president	Leave office	2015-05-23	Submitted resignation to the Board due to personal reason

Section VIII . Financial Report

(I) Auditors' Report

Whether the Semi-annual Report is audited or not

Yes No

The Semi-annual Report of the Company is not audited.

(II) Financial Statements

All figures in the Notes to the Financial Statements are in RMB.

1. Consolidated Balance Sheet

Prepared by CSG Holding Co., Ltd.

Unit: RMB

Items	Ending balance	Beginning balance
Current asset:		
Monetary capital	187,082,438	158,139,050
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable	123,465,016	155,588,629
Account receivable	565,467,966	318,274,574
Prepayment	96,221,318	84,231,553
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable	60,372	
Other account receivable	30,554,101	25,973,156
Repurchasing of financial assets		
Inventories	495,803,892	390,652,618
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	180,133,439	219,908,717

Total of current asset	1,678,788,542	1,352,768,297
Non-current assets		
Loans and payment on other's behalf disbursed		
Available-for-sale financial asset	156,121,811	145,568,100
Expired investment in possess		
Long-term receivable		
Long-term share equity investment	661,556,594	751,623,543
Investment real estates		
Fixed assets	9,860,402,122	9,851,117,915
Construction in process	1,884,884,402	1,934,595,736
Engineering goods		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	929,930,540	946,586,310
R&D expense	29,304,542	17,675,656
Goodwill	3,039,946	3,039,946
Long-term amortizable expenses	2,002,104	2,391,824
Differed income tax asset	108,085,637	103,781,894
Other non-current asset	7,659,084	7,659,084
Total of non-current assets	13,642,986,782	13,764,040,008
Total of assets	15,321,775,324	15,116,808,305
Current liabilities		
Short-term loans	3,305,677,847	1,957,123,175
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into		
Derivative financial liabilities		
Notes payable	19,500,000	3,500,000
Account payable	844,336,904	960,537,876
Prepayment received	87,483,610	113,994,747
Selling of repurchased financial assets		

Fees and commissions receivable		
Employees' wage payable	96,861,087	159,040,363
Tax payable	78,065,350	57,213,608
Interest payable	101,511,752	74,556,982
Dividend payable		
Other account payable	214,699,792	147,269,978
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liability due in 1 year	2,138,453,119	2,119,066,755
Other current liability	300,000	300,000
Total of current liability	6,886,889,461	5,592,603,484
Non-current liabilities		
Long-term borrowings	386,250,000	383,817,820
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable employees's remuneration		
Special payable		
Anticipated liabilities		
Differed income	426,659,196	444,909,519
Differed income tax liability	44,623,619	42,029,332
Other non-recurring liabilities		
Total of non-current liabilities	857,532,815	870,756,671
Total of liability	7,744,422,276	6,463,360,155
Owners' equity		
Share capital	2,075,335,560	2,075,335,560
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,260,958,134	1,340,090,907

Less: Shares in stock		
Other comprehensive income	66,700,434	-13,521,093
Special reserves	14,800,775	14,562,826
Surplus reserves	830,772,731	830,772,731
Common risk provision		
Undistributed profit	3,269,420,398	4,101,320,834
Total of owner's equity belong to the parent company	7,517,988,032	8,348,561,765
Minor shareholders' equity	59,365,016	304,886,385
Total of owners' equity	7,577,353,048	8,653,448,150
Total of liability and owners' equity	15,321,775,324	15,116,808,305

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

2. Balance Sheet of the Parent Company

Unit: RMB

Items	Ending balance	Beginning balance
Current asset:		
Monetary capital	63,900,184	69,089,926
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable		
Account receivable		
Prepayment		
Interest receivable		
Dividend receivable	60,372	
Other account receivable	4,241,592,692	3,574,791,409
Inventories		
Assets held for sales		
Non-current asset due in 1 year		
Other current asset		
Total of current asset	4,305,553,248	3,643,881,335
Non-current assets		
Available-for-sale financial asset	156,121,811	139,854,780
Expired investment in possess		

Long-term receivable	1,679,290,000	1,636,290,000
Long-term share equity investment	4,687,585,927	4,733,050,730
Investment real estates		
Fixed assets	29,723,281	32,554,885
Construction in process		
Engineering goods		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	1,983,937	2,205,836
R&D expense		
Goodwill		
Long-term amortizable expenses	1,247,166	1,701,424
Differed income tax asset		
Other non-current asset		
Total of non-current assets	6,555,952,122	6,545,657,655
Total of assets	10,861,505,370	10,189,538,990
Current liabilities		
Short-term loans	2,885,000,200	1,681,000,000
Financial liabilities measured at fair value with variations accounted into		
Derivative financial liabilities		
Notes payable		
Account payable	92,771	169,337
Prepayment received		
Employees' wage payable	2,223,590	50,356,110
Tax payable	19,827,433	1,323,122
Interest payable	38,994,477	54,281,022
Dividend payable		
Other account payable	200,451,360	270,915,072
Liabilities held for sales		
Non-current liability due in 1 year	1,998,415,159	1,995,783,205
Other current liability		
Total of current liability	5,145,004,990	4,053,827,868

Non-current liabilities		
Long-term borrowings	239,000,000	196,000,000
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable employees's remuneration		
Special payable		
Anticipated liabilities		
Differed income	10,855,800	11,167,800
Differed income tax liability	37,101,906	30,553,445
Other non-recurring liabilities		
Total of non-current liabilities	286,957,706	237,721,245
Total of liability	5,431,962,696	4,291,549,113
Owners' equity		
Share capital	2,075,335,560	2,075,335,560
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,404,169,597	1,403,806,545
Less: Shares in stock		
Other comprehensive income	64,566,633	-15,223,855
Special reserves		
Surplus reserves	845,318,091	845,318,091
Undistributed profit	1,040,152,793	1,588,753,536
Total of owners' equity	5,429,542,674	5,897,989,877
Total of liability and owners' equity	10,861,505,370	10,189,538,990

3. Consolidated Income Statement

Unit: RMB

Items	Balance of this period	Balance of last period
I. Total revenue	3,323,039,502	3,262,681,672
Incl. Business income	3,323,039,502	3,262,681,672
Interest income		

Insurance fee earned		
Fee and commission received		
II. Total business cost	3,214,501,324	2,960,932,907
Incl. Business cost	2,646,020,710	2,438,593,004
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net insurance policy reserves provided		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	12,148,234	16,421,798
Sales expense	136,462,518	114,315,080
Administrative expense	282,368,089	280,194,020
Financial expenses	132,742,464	109,025,628
Asset impairment loss	4,759,309	2,383,377
Plus: gains from change of fair value (“-“ for loss)		
Investment gains (“-“ for loss)	42,454,450	320,762,071
Incl. Investment gains from affiliates	-14,452,010	9,407,007
Exchange gains (“-“ for loss)		
III. Operational profit (“-“ for loss)	150,992,628	622,510,836
Plus: non-operational income	76,155,971	57,283,254
Incl. Income from disposal of non-current assets	2,675,438	619,737
Less: non-operational expenditure	25,532	1,599,736
Incl. Loss from disposal of non-current assets	18,755	1,446,174
IV. Gross profit (“-“ for loss)	227,123,067	678,194,354
Less: Income tax expenses	6,526,647	60,997,406
V. Net profit (“-“ for net loss)	220,596,420	617,196,948
Net profit attributable to the owners of parent company	205,767,344	589,210,439
Minor shareholders' equity	14,829,076	27,986,509
VI. Net amount of other gains after tax	80,050,980	11,104,135
Net amount of other gains after tax attributable to owners of parent company	80,221,527	11,105,543
(I) Other comprehensive income that will not be reclassified into gains/losses afterward		

1. Change of net liability or asset of beneficiary plan from recalculating		
2. The share of comprehensive income in invested entities under equity method which can not be reclassified into profit or loss		
(II) Other comprehensive income items that will be reclassified into gains/losses in the subsequent accounting period	80,221,527	11,105,543
1. The share of comprehensive income in invested entities under equity method which can be reclassified into profit or loss afterward		
2. Gains and losses from changes in fair value available for sale financial assets	80,536,743	10,115,238
3. Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4. The effective portion of cash flow hedges and losses		
5. Translation differences in currency financial statements	-315,216	990,305
6. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity	-170,547	-1,408
VII. Total of misc. incomes	300,647,400	628,301,083
Total of misc. incomes attributable to the owners of the parent company	285,988,871	600,315,982
Total misc gains attributable to the minor shareholders	14,658,529	27,985,101
VIII. Earnings per share:		
(I) Basic earnings per share	0.10	0.28
(II) Diluted earnings per share	0.10	0.28

When merger under common control in current period, the net profits realized by the combined party before merger was RMB 0, the net profits realized by the combined party in the last period was RMB 0.

Legal Representative: Zeng Nan

CFO: Luo Youming

Manager of the financial department: Zhang Guoming

4. Income Statement of the Parent Co.

Unit: RMB

Items	Balance of this period	Balance of last period
I. Revenue	0	0
Less: business cost	0	0
Business tax and surcharge		

Sales expense		
Administrative expense	17,964,162	42,738,239
Financial expenses	71,363,481	54,974,113
Asset impairment loss	7,044	1,209
Plus: gains from change of fair value (“-“ for loss)		
Investment gains (“-“ for loss)	536,119,358	771,542,246
Incl. Investment gains from affiliates	-14,452,010	69,828,686
II. Operational profit (“-“ for loss)	446,784,671	673,828,685
Plus: non-operational income	22,234,014	866,216
Incl. Income from disposal of non-current assets	450	
Less: non-operational expenditure		
Incl. Loss from disposal of non-current assets		
III. Gross profit (“-“ for loss)	469,018,685	674,694,901
Less: Income tax expenses	-20,048,352	-9,462,390
IV. Net profit (“-“ for net loss)	489,067,037	684,157,291
V. Net amount of other gains after tax	79,790,488	7,558,785
(I) Other comprehensive income that will not be reclassified into gains/losses afterward		
1. Change of net liability or asset of beneficiary plan from recalculating		
2. The share of comprehensive income in invested entities under equity method which can not be reclassified into profit or loss		
(II) Other comprehensive income items that will be reclassified into gains/losses in the subsequent accounting period	79,790,488	7,558,785
1. The share of comprehensive income in invested entities under equity method which can be reclassified into profit or loss afterward		
2. Gains and losses from changes in fair value available for sale financial assets	79,790,488	7,558,785
3. Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4. The effective portion of cash flow hedges and losses		
5. Translation differences in currency financial statements		
6. Other		
VI. Total of misc. incomes	568,857,525	691,716,076

VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated Cash Flow Statement

Unit: RMB

Items	Balance of this period	Balance of last period
I. Net cash flow from business operation		
Cash received from sales of products and providing of services	3,678,762,331	3,730,356,839
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of disposal of the financial assets measured by fair value with the changes included in the current gains and losses		
Cash received as interest, processing fee, and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	22,976,079	20,278,992
Other cash received from business operation	36,428,636	34,582,138
Sub-total of cash inflow from business activities	3,738,167,046	3,785,217,969
Cash paid for purchasing of merchandise and services	2,463,302,682	2,279,746,228
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	448,537,986	411,035,715
Taxes paid	243,006,911	309,660,571
Other cash paid for business activities	230,755,647	203,847,248
Sub-total of cash outflow from business activities	3,385,603,226	3,204,289,762

Cash flow generated by business operation, net	352,563,820	580,928,207
II. Cash flow generated by investing		
Cash received from investment retrieving	153,447,723	
Cash received as investment profit	75,777,221	444,816
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	2,758,651	10,631,070
Net cash received from disposal of subsidiaries or other operational units	-14,631,399	463,160,123
Other investment-related cash received	9,799,515	99,101,310
Sub-total of cash inflow due to investment activities	227,151,711	573,337,319
Cash paid for construction of fixed assets, intangible assets and other long-term assets	534,162,825	998,359,544
Cash paid as investment	208,540,307	55,971,894
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	4,209,881	6,616,080
Sub-total of cash outflow due to investment activities	746,913,013	1,060,947,518
Net cash flow generated by investment	-519,761,302	-487,610,199
III. Cash flow generated by financing		
Cash received as investment	0	21,136,000
Incl. Cash received as investment from minor shareholders	0	21,136,000
Cash received as loans	3,793,199,608	3,206,640,372
Cash received from bond placing		
Other financing-related cash received	19,650,025	353,460,920
Subtotal of cash inflow from financing activities	3,812,849,633	3,581,237,292
Cash to repay debts	2,425,458,345	2,917,823,729
Cash paid as dividend, profit, or interests	1,190,310,895	747,047,327
Incl. Dividend and profit paid by subsidiaries to minor shareholders	41,417,660	56,362,791
Other cash paid for financing activities	2,158,619	
Subtotal of cash outflow due to financing activities	3,617,927,859	3,664,871,056
Net cash flow generated by financing	194,921,774	-83,633,764
IV. Influence of exchange rate alternation on cash and cash equivalents		
	-1,042,904	400,331
V. Net increase of cash and cash equivalents		
	26,681,388	10,084,575

Plus: Balance of cash and cash equivalents at the beginning of term	156,838,260	276,450,869
VI. Balance of cash and cash equivalents at the end of term	183,519,648	286,535,444

6. Cash Flow Statement of the Parent Co.

Unit: RMB

Items	Balance of this period	Balance of last period
I. Net cash flow from business operation		
Cash received from sales of products and providing of services		
Tax returned		
Other cash received from business operation	1,758,593	1,181,264
Sub-total of cash inflow from business activities	1,758,593	1,181,264
Cash paid for purchasing of merchandise and services		1,500
Cash paid to staffs or paid for staffs	50,046,583	51,858,713
Taxes paid	198,269	16,935,417
Other cash paid for business activities	6,450,318	10,024,290
Sub-total of cash outflow from business activities	56,695,170	78,819,920
Cash flow generated by business operation, net	-54,936,577	-77,638,656
II. Cash flow generated by investing		
Cash received from investment retrieving	145,377,279	
Cash received as investment profit	571,159,803	526,558,273
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	450	294
Net cash received from disposal of subsidiaries or other operational units	1,271,535	468,000,000
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	717,809,067	994,558,567
Cash paid for construction of fixed assets, intangible assets and other long-term assets	637,788	471,676
Cash paid as investment	45,791,650	114,778,929
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	4,229,882	
Sub-total of cash outflow due to investment activities	50,659,320	115,250,605
Net cash flow generated by investment	667,149,747	879,307,962
III. Cash flow generated by financing		

Cash received as investment		
Cash received as loans	3,455,447,602	3,369,164,069
Cash received from bond placing		
Other financing-related cash received		
Subtotal of cash inflow from financing activities	3,455,447,602	3,369,164,069
Cash to repay debts	2,211,297,402	3,079,164,069
Cash paid as dividend, profit, or interests	1,119,056,925	667,937,522
Other cash paid for financing activities	736,881,547	409,586,399
Subtotal of cash outflow due to financing activities	4,067,235,874	4,156,687,990
Net cash flow generated by financing	-611,788,272	-787,523,921
IV. Influence of exchange rate alternation on cash and cash equivalents	-5,614,641	-81,486
V. Net increase of cash and cash equivalents	-5,189,743	14,063,899
Plus: Balance of cash and cash equivalents at the beginning of term	67,898,286	129,337,516
VI. Balance of cash and cash equivalents at the end of term	62,708,543	143,401,415

7. Statement of Change in Owners' Equity (Consolidated)

Prepared by CSG Holding Co., Ltd.

Amount of the Current Term

Unit: RMB

Items	Amount of the Current Term												
	Owners' Equity Attributable to the Parent Company											Minority shareholders' Total of owners' equity	Total of owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Common risk provision	Retained profit		
Preferred share		Perpetual capital securities	Others										
I. Balance at the end of the previous year	2,075,335,560				1,340,090,907		-13,521,093	14,562,826	830,772,731		4,101,320,834	304,886,385	8,653,448,150
Plus: change of accounting policy													
Correction of errors in previous periods													
Business combination under the same control													
Others													
II. Balance at the beginning of current year	2,075,335,560				1,340,090,907		-13,521,093	14,562,826	830,772,731		4,101,320,834	304,886,385	8,653,448,150
III. Amount of change in current term ("-" for decrease)					-79,132,773		80,221,527	237,949			-831,900,436	-245,521,369	-1,076,095,102

(I) Total amount of the comprehensive income							80,221,527				205,767,344	14,658,529	300,647,400
(II) Capital paid in and reduced by owners													
1. Common shares invested by the shareholders													
2. Capital invested by the owners of other equity instruments													
3. Amounts of share-based payments recognized in owners' equity													
4. Others													
(III) Profit distribution											-1,037,667,780	-41,417,660	-1,079,085,440
1. Appropriations to surplus reserves													
2. Appropriations to general risk provisions													
3. Appropriations to owners (or shareholders)											-1,037,667,780	-41,417,660	1,079,085,440
4. Others													

(IV) Internal carry-forward of owners' equity													
1. New increase of capital (or share capital) from capital public reserves													
2. New increase of capital (or share capital) from surplus reserves													
3. Surplus reserves for making up losses													
4. Others													
(V) Specific reserve								237,949					237,949
1. Withdrawn for the period								2,691,116					2,691,116
2. Used in the period								2,453,167					2,453,167
(VI) Others					-79,132,773							-218,762,238	-297,895,011
IV. Balance at the end of this term	2,075,335,560				1,260,958,134	66,700,434	14,800,775	830,772,731		3,269,420,398	59,365,016		7,577,353,048

Amount of Last Year

Unit: RMB

Items	Amount of the same period of last year												
	Owners' Equity Attributable to the Parent Company											Minority shareholders' Total of owners' equity	Total of owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Common risk provision	Retained profit		
Preferred share		Perpetual capital securities	Others										
I. Balance at the end of the previous year	2,075,335,560				1,345,450,916		-68,437,400	14,503,860	773,239,059		3,907,802,144	353,018,443	8,400,912,582
Plus: change of accounting policy													
Correction of errors in previous periods													
Business combination under the same control													
Others													
II. Balance at the beginning of current year	2,075,335,560				1,345,450,916		-68,437,400	14,503,860	773,239,059		3,907,802,144	353,018,443	8,400,912,582
III. Amount of change in current term ("-" for decrease)					-5,360,009		54,916,307	58,966	57,533,672		193,518,690	-48,132,058	252,535,568
(I) Total amount of the comprehensive							54,916,307				873,653,030	65,561,668	994,131,005

income													
(II) Capital paid in and reduced by owners												58,636,000	58,636,000
1. Common shares invested by the shareholders												58,636,000	58,636,000
2. Capital invested by the owners of other equity instruments													
3. Amounts of share-based payments recognized in owners' equity													
4. Others													
(III) Profit distribution								57,533,672		-680,134,340	-56,362,791	-678,963,459	
1. Appropriations to surplus reserves								57,533,672		-57,533,672			
2. Appropriations to general risk provisions													
3. Appropriations to owners (or shareholders)										-622,600,668	-56,362,791	-678,963,459	
4. Others													
(IV) Internal carry-forward of owners' equity													

1. New increase of capital (or share capital) from capital public reserves													
2. New increase of capital (or share capital) from surplus reserves													
3. Surplus reserves for making up losses													
4. Others													
(V) Specific reserve								58,966					58,966
1. Withdrawn for the period								3,007,776					3,007,776
2. Used in the period								2,948,810					2,948,810
(VI) Others					-5,360,009							-115,966,935	-121,326,944
IV. Balance at the end of this term	2,075,335,560				1,340,090,907		-13,521,093	14,562,826	830,772,731		4,101,320,834	304,886,385	8,653,448,150

8. Statement of Change in Owners' Equity (Parent Co.)

Amount of the Current Term

Unit: RMB

Items	Amount of the Current Term										
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Retained profit	Total of owners' equity
		Preferred share	Perpetual capital securities	Others							
I. Balance at the end of the previous	2,075,335,560				1,403,806,545		-15,223,855		845,318,091	1,588,753,536	5,897,989,877
Plus: change of accounting policy											
Correction of errors in previous periods											
Others											
II. Balance at the beginning of current year	2,075,335,560				1,403,806,545		-15,223,855		845,318,091	1,588,753,536	5,897,989,877
III. Amount of change in current term ("-" for decrease)					363,052		79,790,488			-548,600,743	-468,447,203
(I) Total amount of the comprehensive income							79,790,488			489,067,037	568,857,525
(II) Capital paid in and reduced by owners											
1. Common shares invested by the shareholders											
2. Capital invested by the owners of other equity instruments											

3. Amounts of share-based payments recognized in owners' equity											
4. Others											
(III) Profit distribution										-1,037,667,780	-1,037,667,780
1. Appropriations to surplus reserves											
2. Appropriations to general risk										-1,037,667,780	-1,037,667,780
3. Others											
(IV) Internal carry-forward of owners' equity											
1. New increase of capital (or share capital) from capital public reserves											
2. New increase of capital (or share capital) from surplus reserves											
3. Surplus reserves for making up losses											
4. Others											
(V) Specific reserve											
1. Withdrawn for the period											
2. Used in the period											
(VI) Others					363,052						363,052
IV. Balance at the end of this term	2,075,335,560				1,404,169,597		64,566,633		845,318,091	1,040,152,793	5,429,542,674

Amount of Last Year

Unit: RMB

Items	Amount of the same period of last year										
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Retained profit	Total of owners' equity
		Preferred share	Perpetual capital securities	Others							
I. Balance at the end of the previous	2,075,335,560				1,402,034,992		-49,497,250		787,784,419	1,693,551,152	5,909,208,873
Plus: change of accounting policy											
Correction of errors in previous periods											
Others											
II. Balance at the beginning of current year	2,075,335,560				1,402,034,992		-49,497,250		787,784,419	1,693,551,152	5,909,208,873
III. Amount of change in current term ("-" for decrease)					1,771,553		34,273,395		57,533,672	-104,797,616	-11,218,996
(I) Total amount of the comprehensive income							34,273,395			575,336,724	609,610,119
(II) Capital paid in and reduced by owners											
1. Common shares invested by the shareholders											
2. Capital invested by the owners of other equity instruments											

3. Amounts of share-based payments recognized in owners' equity												
4. Others												
(III) Profit distribution									57,533,672	-680,134,340	-622,600,668	
1. Appropriations to surplus reserves									57,533,672	-57,533,672		
2. Appropriations to general risk										-622,600,668	-622,600,668	
3. Others												
(IV) Internal carry-forward of owners' equity												
1. New increase of capital (or share capital) from capital public reserves												
2. New increase of capital (or share capital) from surplus reserves												
3. Surplus reserves for making up losses												
4. Others												
(V) Specific reserve												
1. Withdrawn for the period												
2. Used in the period												
(VI) Others						1,771,553						1,771,553
IV. Balance at the end of this term	2,075,335,560					1,403,806,545		-15,223,855	845,318,091	1,588,753,536	5,897,989,877	

III. Basic Information of the Company

CSG Holding Co Ltd (the “Company”) was incorporated in September of 1984, known as China South Glass Company, as a joint venture enterprise by Hong Kong China Merchants Shipping Co., LTD (香港招商局轮船股份有限公司), Shenzhen Building Materials Industry Corporation(深圳建筑材料工业集团公司), China North Industries Corporation (中国北方工业深圳公司) and Guangdong International Trust and Investment Corporation (广东国际信托投资公司). The Company was registered in Shenzhen, Guangdong Province of the People's Republic of China and its headquarter locates in Guangdong Province of the People's Republic of China. The registered capital upon incorporation was USD 500,000. In October 1991, as approved by the Shenzhen municipal government with document SFBF (1991) 828, China South Glass Company was reorganized as joint stock limited company. The registered capital was RMB71,232,550, with nominal value of RMB1 per share.

As approved by People’s Bank of China Shenzhen Branch with document No. SRYFZ (1991)087 and SRYFZ (1992) 010, the Company issued, by public offering, the domestic shares (“A shares”) of 20,300,000 shares and domestically listed foreign shares (“B shares”) of 16,000,000 shares, in October 1991 and January 1992, respectively. Both shares were listed in Shenzhen Stock Exchange in February 1992. The total share capital of the Company increased to 107,532,550 shares.

As approved by China Securities Regulatory Committee with document (1995) No. 16, State Planning Committee with document JWZ (1994) No. 1748 and State Administrative of Foreign Exchange with document HZF (95) No. 191, the Company issued USD 45 million convertible bonds on Swiss between June and July 1995. The 44-million-USD convertible bonds had been converted into 75,411,268 B shares by 31 December 1997, and the remaining balances were repaid upon maturity.

The Company issued new share capital of 832,519,306 shares during the period from 1993 to 2005 by the means of warrants, bonus issue and capitalisation of capital reserve.

As approved by China Security Regulatory Committee with document ZJFX (2007) No. 231, the Company issued, by private placement, 172,500,000 A shares during the period from 20 September to 27 September 2007, at subscription price of RMB 8. per share. The registered capital of the Company increased to 1,187,963,124 upon the completion of the placement.

According to the Company’s restricted A-share stock incentive scheme, the Company granted 49,140,000 A shares to employees through a non-public placement on 16 June 2008, at price of RMB 8.58 per share. The total share capital of the Company increased to 1,237,103,124 shares upon the completion of the issuance.

Since, in 2008, the Group failed to meet the vesting conditions of the A share stock incentive scheme and certain employees resigned from the Group, the Company repurchased and cancelled 13,365,000 A shares in 2009. The Company's registered capital was reduced to 1,223,738,124 shares.

Since certain employees resigned from the Group, the Company repurchased and cancelled 1,042,500 A shares in 2010. The Company's total share capital was reduced to 1,222,695,624 shares.

Pursuant to the resolutions of shareholder’s meeting on 20 April 2010, the Company paid scrip dividend of 855,886,936 shares, on the basis of issuing 7 shares for each 10 shares by capitalisation of capital surplus out of a total capital of 1,222,695,624 shares. The Company’s total share capital was increased to 2,078,582,560 shares thereafter.

As certain employees resigned from the Group during 2010-2012, the Company repurchased and cancelled 3,247,000 A -shares. The Company's total capital was reduced to 2,075,335,560 shares.

The Company and its subsidiaries (collectively referred to the “Group”) are mainly engaged in the manufacture and sales of floating glass, specialized glass, engineering glass, energy saving glass, silicon related materials, and solar panels.

The subsidiary newly brought into the consolidation scope this year mainly includes Shenzhen CSG Financial Leasing Co., Ltd. The subsidiary not in the consolidation scope this year mainly includes China Southern Glass (Australia) Limited.

The financial statements were authorized for issue by the board of directors on 18 August 2015.

IV. Basis of the preparation of financial statements

1. Basis of the preparation

The financial statements are prepared in accordance with the Accounting Standard for Business Enterprises - Basic Standard, and the specific accounting standards and other relevant regulations issued by the Ministry of Finance on 15 February 2006 and in subsequent periods (hereafter collectively referred to as “the Accounting Standard for Business Enterprises” or “CAS”), and “Information Disclosure Rule No. 15 for Companies with Public Traded Securities - Financial Reporting General Provision” issued by China Security Regulatory Commission.

2. Going concern

As at 30 June 2015, the Group had net current liabilities of about RMB 5.208 billion and committed capital expenditure of RMB165 million. The directors of the Company has assessed the following facts and conditions: a) the Group has been able to generate positive operating cash flows in prior years and expect to do so during the coming year; b) the Group has maintained good relationship with banks so the Group has been able to successfully get adequate financing credit; As at 30 June 2015, the Group had unutilised internal banking facilities of approximately RMB 5.2 billion, including the long-term banking facilities of approximately RMB 1.6 billion. In addition, the Group also has other available financing channels, such as short-term financing bills, ultra-short-term financing notes and medium term notes. The directors are of view that the above banking facilities can meet the funding requirements of the Group’s debt servicing and capital commitment. Accordingly, the directors of the Company had adopted the going concern basis in the preparation of this financial statement of the Company and the Group.

V. Significant accounting policies and accounting estimates

The Group determines its specific accounting policies and estimates according to manufacturing and operation feature. It mainly reflected in provision for bad debts of receivables, inventory costing method, the criteria for determining impairment for available-for-sale equity instruments, amortization of fixed assets and intangible assets, criteria for determining capitalised development expenditure, and timing for revenue recognition.

Please see the note V (29) for the key judgements adopted by the Group in applying important accounting policies.

1. Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements of the Company for the first half year of 2015 truly and completely present the financial position as of 30 June 2015 and the operating results, cash flows and other information for January to June of 2015 of the Group and the Company in compliance with the Accounting Standards for Business Enterprises.

2. Accounting period

The Company’s accounting year starts on 1 January and ends on 31 December.

3. Operating cycle

The Company’s operating cycle starts on 1 January and ends on 31 December.

4. Recording currency

The recording currency is Renminbi (RMB).

5. Accounting process method of Business combinations under common and different controlling.

(a) Business combinations involving entities under common control

The assets and liabilities that the combining party obtains in a business combination shall be measured on the basis of their carrying amount in the combined party. As for the balance between the carrying amount of the net assets obtained by the combining party and the carrying amount of the consideration paid by it, the additional paid-in capital shall be adjusted. If the additional paid-in capital is not sufficient to be offset, the retained earnings shall be adjusted. Costs directly attributable to business combination are recorded into the profits and losses once incurred. Transaction costs attributed to issue equity securities or debt securities for business combination are recorded into initial recognition amounts of equity securities or debt securities.

(b) Business combinations involving entities not under common control

The cost of combination and identifiable net assets obtained by the acquirer in a business combination are measured at the fair value at the acquisition date. The excess of the cost of acquisition over the Group's share of the fair value of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement. Costs directly attributable to business combination are included in the profits and losses once incurred. Transaction costs attributed to issue equity securities or debt securities for business combination are recorded into initial recognition amounts of equity securities or debt securities.

6. Basis of preparation of consolidated financial statements

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries.

Subsidiaries are consolidated from the date when the Group obtains control and are de-consolidated from the date when control ceases. For a subsidiary that is acquired in a business combination involving enterprises under common control, it is included in the consolidated financial statements from the date when it, together with the Company, comes under common control of the ultimate controlling party. The portion of the net profits realised before the combination date is presented separately in the consolidated income statement.

When preparing the consolidated financial statements, if the accounting policies and the accounting periods of the Company and subsidiaries are inconsistent, the financial statements of the subsidiaries are adjusted in accordance with the accounting policies and the accounting period of the Company. For subsidiaries acquired from business combinations involving enterprises not under common control, the individual financial statements of the subsidiaries are adjusted based on the fair value of the identifiable net assets at the acquisition date.

All significant intra-group balances, transactions and unrealised profits are eliminated in the consolidated financial statements. The portion of subsidiaries' equity and the portion of a subsidiaries' net profits and losses and comprehensive incomes for the period not attributable to Company are recognised as minority interests and presented separately in the consolidated financial statements under equity, net profits and total comprehensive income respectively. Unrealized profits and losses resulting from the sale of assets by the Company to the subsidiary fully eliminate the net profits attributable to equity holders of the parent; unrealized profits and losses

resulting from the sale of assets by the subsidiary to the Company are eliminated and allocated between net profit attributable to owners of the parent and minority interests in accordance with the allocation proportion of the Company in the subsidiary. Unrealized profits and losses resulting from the sale of assets by one subsidiary to another are eliminated and allocated between net profit attributable to owners of the parent and minority interests in accordance with the allocation proportion of the parent in the subsidiary.

If the accounting treatment of a transaction which considers the Group as an accounting entity is different from that considers the Company or its subsidiaries as an accounting entity, it is adjusted from the perspective of the Group.

7. Confirmation standard of cash and cash equivalent

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

8. Translating of foreign currency operations and foreign currency report form

(a) Foreign currency transactions

Foreign currency transactions are translated into RMB using the exchange rates prevailing at the dates of the transactions.

At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rates on the balance sheet date. Exchange differences arising from these translations are recognised in profit or loss for the current period, except for those attributable to foreign currency borrowings that have been taken out specifically for the acquisition or construction of qualifying assets, which are capitalised as part of the cost of those assets. Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the balance sheet date using the spot exchange rates at the date of the transactions. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(b) Translation of foreign currency financial statements

The asset and liability items in the balance sheets for overseas operations are translated at the spot exchange rates on the balance sheet date. Among the owners' equity items, the items other than "undistributed profits" are translated at the spot exchange rates of the transaction dates. The income and expense items in the income statements of overseas operations are translated at the spot exchange rates of the transaction dates. The differences arising from the above translation are presented separately in the owners' equity. The cash flows of overseas operations are translated at the spot exchange rates on the dates of the cash flows. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

9. Financial instruments

(a) Financial assets

(i) Classifications of financial assets

Financial assets are classified into the following categories at initial recognition: financial assets at fair value through profit or loss, receivables, available-for-sale financial assets and held-to-maturity investments. The classification of financial assets depends on the Group's intention and ability to hold the financial assets. The Group has no financial assets at fair value through profit or loss and held-to-maturity investments for 2014.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables comprise notes receivable, accounts receivable and other receivables.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories at initial recognition. Available-for-sale financial assets are included in other current assets on the balance sheet if management intends to dispose of them within 12 months after the balance sheet date.

(ii) Recognition and measurement

Financial assets are recognised at fair value on the balance sheet when the Group becomes a party to the contractual provisions of the financial instrument. The related transaction costs that are attributable to the acquisition of receivables and available-for-sale financial assets are included in their initial recognition amounts.

Available-for-sale financial assets are subsequently measured at fair value. Investments in equity instruments are measured at cost when they do not have a quoted market price in an active market and whose fair value cannot be reliably measured. Receivables are measured at amortised cost using the effective interest method.

Gains or losses arising from change in fair value of available-for-sale financial assets are recognised directly in equity, except for impairment losses and foreign exchange gains and losses arising from translation of monetary financial assets. When such financial assets are derecognised, the cumulative gains or losses previously recognised directly into equity are recycled into profit or loss for the current period. Interests on available-for-sale investments in debt instruments calculated using the effective interest method during the period in which such investments are held and cash dividends declared by the investee on available-for-sale investments in equity instruments are recognised as investment income, which is recognised in profit or loss for the period.

(iii) Impairment of financial assets

The Group assesses the carrying amounts of financial assets at each balance sheet date. If there is objective evidence that a financial asset is impaired, an impairment loss is provided for.

Objective evidence indicating impairment of financial assets refers to the matter that actually occurs after the initial recognition of financial assets, it will affect estimated future cash flows of financial assets, and its impact can be reliably measured.

Objective evidence which indicates the occurrence of impairment for available-for-sale equity instruments includes significant or non-temporary decrease of fair value of equity instruments investment. The Group conducts individual inspection on each available-for-sale equity instruments investment at balance sheet date, if the fair value of the available-for-sale equity instrument is less than its initial investment cost for more than 50% (including 50%) or less than its initial investment cost continually for more than 1 year, that means impairment incurred; if the fair value of the available-for-sale equity instrument is less than its initial investment cost for more than 20% (including 20%) but has not reached 50%, the Group will comprehensively consider other factors such as price volatility to determine whether the equity instrument investment has been impaired. The Group calculates the initial investment cost of initial available-for-sale equity instruments investment using the weighted average method.

When an impairment loss on a financial asset carried at amortised cost has occurred, the amount of loss is provided for at the difference between the asset's carrying amount and the present value of its estimated future cash flows (excluding future credit losses that have not been incurred). If there is objective evidence that the value of the financial asset recovered and the recovery is related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed and the amount of reversal is recognised in profit or loss.

If an impairment loss on available-for-sale financial assets measured at fair value is incurred, the cumulative losses arising from the decline in fair value that had been recognised directly in shareholders' equity are transferred out from equity and into impairment loss. For an investment in debt instrument classified as available-for-sale on which impairment losses have been recognised, if, in a subsequent period, its fair value increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the previously recognised impairment loss is reversed into profit or loss for the current period. For an investment in an equity instrument classified as available-for-sale on which impairment losses have been recognised, the increase in its fair value in a subsequent period is recognised directly in equity.

(iv) Derecognition of financial assets

Financial assets are derecognised when: i) the contractual rights to receive the cash flows from the financial assets have expired; or ii) all substantial risks and rewards of ownership of the financial assets have been transferred; or iii) the control over the financial asset has been waived even if the Group does not transfer or retain nearly all of the risks and rewards relating to the ownership of a financial asset.

On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received and the cumulative changes in fair value that had been recognised directly in owner's equity, is recognised in profit or loss.

(b) Financial liabilities

Financial liabilities are classified into two categories at initial recognition: financial liabilities at fair value through profit or loss and other financial liabilities. The financial liabilities in the Group mainly comprise of other financial liabilities, including payables, borrowings and bonds payable.

Payables comprise accounts payable, notes payable and other payables, which are recognised initially at fair value and measured subsequently at amortised cost using the effective interest method.

Borrowings and bonds payable are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities within one year (including one year) is presented as current liabilities, while non-current financial liabilities due with one year (including one year) is reclassified as non-current liabilities due within one year. Others are presented as non-current liabilities.

A financial liability (or a part of a financial liability) is derecognised when all or part of the obligation is extinguished. The difference between the carrying amount of a financial liability (or a part of financial liability) extinguished and the consideration paid is recognised in the income statement.

(c) Determination of fair value of financial instruments

The fair value of a financial instrument that is traded in an active market is determined at the quoted price in the active market. The fair value of a financial instrument that is not traded in an active market is determined by using a valuation technique. During valuation, the Group adopts a valuation technique suitable for current situation, which is supported by sufficient available data and other information, chooses the inputs consistent with the feature of assets or liabilities considered in the transaction thereof with market participants, and uses related observable inputs in preference to the greatest extent. Unobservable inputs are used when it is unable to obtain or is infeasible for related observable inputs.

10. Recognition standard impairment and receivables

Receivables comprise accounts receivable and other receivables. Accounts receivable arising from sale of goods or rendering of services are initially recognized at fair value of the contractual payments from the buyer.

(1) Bad debt provision on receivable accounts with major amount individually

Basis of recognition or standard amount of Receivables that are individually significant	The basis or amount for individually significant receivables is individually greater than 20 million.
Basis of bad debt provision	Receivables that are individually significant are subject to separate impairment assessment. A provision for impairment of the receivable is recognized if there is objective evidence that the Group will not be able to collect the full amounts according to the original terms.

(2) Receivables that are provided for provision based on their credit risk characteristics

Name of the portfolio	Basis of bad debt provision
Portfolio 1	according to percentage of balance method
Portfolio 2	according to percentage of balance method

Accounts on age basis in the portfolio:

Applicable Non-applicable

Accounts on percentage basis in the portfolio:

Applicable Non-applicable

Name of the portfolio	Percentage of provision for accounts receivable(%)	Percentage of provision for other receivables(%)
Portfolio 1	2%	2%
Portfolio 2	2%	2%

Accounts on other basis in the portfolio:

Applicable Non-applicable

(3) The method of provision for impairment of receivables that are individually significant

Reason for providing bad debt individually:	A provision for impairment of the receivable is recognized if there is objective evidence that the Group will not be able to collect the full amounts according to the original terms.
Basis of bad debt provision:	The provision for impairment of the receivable is established at the difference between the carrying amount of the receivable and the present value of estimated future cash flows.

11. Inventories**(a) Classification**

Inventories refer to manufacturing sector, including raw materials, work in progress, finished goods and turnover materials, and are measured at the lower of cost and net realisable value.

(b) Inventory costing method

Cost is determined using the weighted average method. The cost of finished goods and work in progress comprise raw materials, direct labour and systematically allocated production overhead based on the normal production capacity.

(c) Amortisation methods of low value consumables and packaging materials

Turnover materials include low value consumables and packaging materials, which are expensed when issued.

(d) The determination of net realisable value and the method of provision for impairment of inventories

Provision for decline in the value of inventories is determined at the excess amount of the carrying amounts of the inventories over their net realisable value. Net realisable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs to completion and estimated costs necessary to make the sale and related taxes.

(e) The Group adopts the perpetual inventory system.**12. Classified as assets held for sale**

A non-current asset or a disposal group is classified as held for sale when all of the following conditions are satisfied: (1) the non-current asset or the disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such non-current asset or disposal group; (2) the Group has made a resolution and obtained appropriate approval for disposal of the non-current asset or the disposal group; (3) the Group has signed an irrevocable transfer agreement with the transferee; and (4) the transfer is to be completed within one year.

Non-current assets (except for financial assets and deferred tax assets) that meet the recognition criteria for held for sale are recognised at the amount equal to the lower of the fair value less costs to sell and the carrying amount. The difference between fair value less costs to sell and carrying amount, should be presented as impairment loss.

Such non-current assets and assets included in disposal groups as classified as held for sale are accounted for as current assets;

while liabilities included in disposal groups classified as held for sale are accounted for as current liabilities.

A discontinued operation is a component of the Group that either has been disposed of or is classified as held for sale, and is separately identifiable operationally and for financial reporting purposes, and satisfies one of the following conditions: (1) represents a separate major line of business or geographical area of operations; (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; and (3) is a subsidiary acquired exclusively with a view to resale.

13. Long-term equity investments

Long-term equity investments comprise the Company's long-term equity investments in its subsidiaries, and the Group's long-term equity investments in its associates.

Subsidiaries are the investees over which the Company is able to exercise control. Associates are the investees that the Group has significant influence on their financial and operating policies.

Investments in subsidiaries are measured using the cost method in the Company's financial statements, and adjusted by using the equity method when preparing the consolidated financial statements. Investments in associates are accounted for using the equity method. Long-term equity investments where the Group does not have control, joint control or significant influence over the investees, and which are not quoted in an active market and whose fair value cannot be reliably measured are measured using the cost method.

a. Initial recognition

For long-term equity investments formed in business combination: when obtained from business combinations involving entities under common control, the long-term equity investment is stated at carrying amount of equity for the combined parties at the time of merger; when the long-term equity investment obtained from business combinations involving entities not under common control, the investment is measured at combination cost.

For long-term equity investments not formed in business combination: the one paid by cash is initially measured at actual purchase price; the long-term investment obtained by issuing equity securities is stated at fair value of equity securities as initial investment cost.

b. Subsequent measurement and recognition method of profit or loss

Long-term equity investments accounted for using the cost method are measured at initial investment cost. Cash dividend or profit distribution declared by the investees is recognised as investment income in profit or loss.

For long-term equity investments accounted for using the equity method, where the initial investment cost exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the investment is initially measured at cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is included in profit or loss for the current period and the cost of the long-term equity investment is

adjusted upwards accordingly.

For long-term equity investments accounted for using the equity method, the Group recognises the investment income according to its share of net profit or loss of the investee. The Group discontinues recognising its share of the net losses of an investee after the carrying amounts of the long-term equity investment together with any long-term interests that in substance form part of the investor's net investment in the investee are reduced to zero. However, if the Group has obligations for additional losses and the criteria with respect to recognition of provisions under the accounting standards on contingencies are satisfied, the Group continues recognising the investment losses and the provisions. For changes in owners' equity of the investee other than those arising from its net profit or loss, its proportionate share is directly recorded into capital surplus, provided that the proportion of shareholding of the Group in the investee remains unchanged. The carrying amount of the investment is reduced by the Group's share of the profit distribution or cash dividends declared by an investee. The unrealised profits or losses arising from the transactions between the Group and its investees are eliminated in proportion to the Group's equity interest in the investees, based on which the investment gain or losses are recognised. Any losses resulting from transactions between the Group and its investees attributable to asset impairment losses are not eliminated.

c. Definition of control, joint control and significant influence over the investees

The term "control" refers to the power in the investees, to obtain variable returns by participating in the related business activities of the investees, and the ability to affect the returns by exercising its power over the investees.

The term "significant influence" refers to the power to participate in the formulation of financial and operating policies of an enterprise, but not the power to control, or jointly control, the formulation of such policies with other parties.

d. Impairment of long-term equity investments

The carrying amount of long-term equity investments in subsidiaries and associates is reduced to the recoverable amount when the recoverable amount is less than the carrying amount.

14. Fixed assets

(1) Recognition and initial measurement

Fixed assets comprise buildings, machinery and equipment, motor vehicles, computers and electronic equipment and office equipment. Fixed assets are recognised when it is probable that the related economic benefits will flow to the Group and the costs can be reliably measured. Fixed assets purchased or constructed by the Group are initially measured at cost at the time of acquisition. Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset when it is probable that the associated economic benefits will flow to the Group and the related cost can be reliably measured. The carrying amount of the replaced part is derecognised. All the other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

(2) Depreciation

Categories	Depreciation method	Depreciation age (year)	Salvage Value Rate (%)	Annual depreciation rate
------------	---------------------	-------------------------	------------------------	--------------------------

				(%)
Houses & buildings	straight-line method	20–35	5%	2.71%~4.75%
Equipment & machinery	straight-line method	8–15	5%	6.33%~11.88%
Transportation equipment and others	straight-line method	5–8	0%	12.5%~20%

15. Construction in progress

Construction in progress is measured at actual cost. Actual cost comprises construction costs, installation costs, borrowing costs that are eligible for capitalisation and other costs necessary to bring the fixed assets ready for their intended use. Actual cost also includes net of trial production cost and trial production income before construction in progress is put into production.

Construction in progress is transferred to fixed assets when the assets are ready for their intended use, and depreciation begins from the following month.

The carrying amount of construction in progress is reduced to the recoverable amount when the recoverable amount is below the carrying amount.

16. Borrowing costs

The borrowing costs that are directly attributable to the acquisition and construction of a fixed asset that needs a substantially long period of time for its intended use commence to be capitalised and recorded as part of the cost of the asset when expenditures for the asset and borrowing costs have been incurred, and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use and the borrowing costs incurred thereafter are recognised in profit or loss for the current period. Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

For the specific borrowings obtained for the acquisition or construction of a fixed asset qualifying for capitalisation, the amount of borrowing costs eligible for capitalisation is determined by deducting any interest income earned from depositing the unused specific borrowings in the banks or any investment income arising on the temporary investment of those borrowings during the capitalisation period.

For the general borrowings obtained for the acquisition or construction of a fixed asset qualifying for capitalisation, the amount of borrowing costs eligible for capitalisation is determined by applying the weighted average effective interest rate of general borrowings, to the weighted average of the excess amount of cumulative expenditures on the asset over the amount of specific borrowings. The effective interest rate is the rate at which the estimated future cash flows during the period of expected duration of the borrowings or applicable shorter period are discounted to the initial amount of the borrowings.

17. Intangible assets

(1) Pricing of intangible assets

Intangible assets including land use rights and, patents and exploitation rights, intangible assets are measured at cost.

(a) Land use rights

Land use rights are amortised on the straight-line basis over their approved use period of 30 to 70 years. If the acquisition costs of the land use rights and the buildings located thereon cannot be reasonably allocated between the land use rights and the buildings, all of the acquisition costs are recognised as fixed assets.

(b) Patents

Patents are amortised on a straight-line basis over the patent protection period of 10 years as stipulated by the laws.

(c) Exploitation rights

Exploitation rights are amortized on a straight-line basis over permitted exploitation periods of 10 years set out on the exploitation certificate.

(d) Periodical review of useful life and amortisation method

For an intangible asset with a finite useful life, review of its useful life and amortisation method is performed at each year-end, with adjustment made as appropriate.

(e) If the recoverable amount of intangible asset is less than its carrying value, the carrying value is deducted to recoverable amount.

(2) Research and development

The expenditure on an internal research and development project is classified into expenditure on the research phase and expenditure on the development phase based on its nature and whether there is material uncertainty that the research and development activities can form an intangible asset at end of the project.

Expenditure on the research phase related to planned survey, evaluation and selection for research on manufacturing technique is recognised in profit or loss in the period in which it is incurred. Prior to mass production, expenditure on the development phase related to the design and testing phase in regards to the final application of manufacturing technique is capitalised only if all of the following conditions are satisfied:

the development of manufacturing technique has been fully demonstrated by technical team;

the management has approved the budget for the development of manufacturing technique;

there exists research and analysis of pre-market research explaining that products manufactured with such technique are capable of marketing;

there is sufficient technical and capital to support the development of manufacturing technique and subsequent mass production; and the expenditure on manufacturing technique development can be reliably gathered.

Other development expenditures that do not meet the conditions above are recognised in profit or loss in the period in which they are incurred. Development costs previously recognised as expenses are not recognised as an asset in a subsequent period. Capitalised expenditure on the development phase is presented as development costs in the balance sheet and transferred to intangible assets at the date that the asset is ready for its intended use.

18. Impairment of long-term assets

Fixed assets, construction in progress, intangible assets with finite useful lives and long-term equity investments in joint ventures and associates are tested for impairment if there is any indication that the assets may be impaired at the balance sheet date; intangible assets not ready for their intended use are tested at least annually for impairment, irrespective of whether there is any indication that they may be impaired. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment and an impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognised on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs is determined. A group of assets is the smallest group of assets that is able to generate independent cash inflows.

Goodwill that is separately presented in the financial statements is tested at least annually for impairment, irrespective of whether there is any indication that it may be impaired. In conducting the test, the carrying value of goodwill is allocated to the related asset groups or groups of asset groups which are expected to benefit from the synergies of the business combination. If the result of the test indicates that the recoverable amount of an asset group or group of asset groups, including the allocated goodwill, is lower than its carrying amount, the corresponding impairment loss is recognised. The impairment loss is first deducted from the carrying amount of goodwill that is allocated to the asset group or group of asset groups, and then deducted from the carrying amounts of other assets within the asset groups or groups of asset groups in proportion to the carrying amounts of assets other than goodwill.

Once the above asset impairment loss is recognised, it will not be reversed for the value recovered in the subsequent periods.

19. Long-term prepaid expenses

Long-term prepaid expenses include the expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. Long-term prepaid expenses are amortised on the straight-line basis over the expected beneficial period and are presented at actual expenditure net of accumulated amortisation.

20. Employee benefits

Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits provided in various forms of consideration in exchange for service rendered by employees or compensations for the termination of employment relationship.

(1) Short-term employee benefits

Short-term employee benefits include employee wages or salaries, bonus, allowances and subsidies, staff welfare, premiums or contributions on medical insurance, work injury insurance and maternity insurance, housing funds, union running costs and employee education costs, short-term paid absences. The employee benefit liabilities are recognised in the accounting period in which the service

is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets. Employee benefits which are non-monetary benefits shall be measured at fair value.

(2) Post-employment benefits

The Group classifies post-employment benefit plans as either defined contribution plans or defined benefit plans. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into a separate fund and will have no obligation to pay further contributions; and Defined benefit plans are post-employment benefit plans other than defined contribution plans. During the reporting period, the Group's post-employment benefits mainly include basic pensions and unemployment insurance, both of which belong to the defined contribution plans.

Basic pensions

The Group's employees participate in the basic pension plan set up and administered by local authorities of Ministry of Human Resource and Social Security. Monthly payments of premiums on the basic pensions are calculated according to prescribed bases and percentage by the relevant local authorities. When employees retire, the relevant local authorities are obliged to pay the basic pensions to them. The amounts based on the above calculations are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

(3) Termination benefits

The Group provides compensation for terminating the employment relationship with employees before the end of the employment contracts or as an offer to encourage employees to accept voluntary redundancy before the end of the employment contracts. The Group recognises a liability arising from compensation for termination of the employment relationship with employees, with a corresponding charge to profit or loss at the earlier of the following dates: 1) when the Group cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; 2) when the Group recognises costs or expenses related to the restructuring that involves the payment of termination benefits.

Early retirement benefits

The Group offers early retirement benefits to those employees who accept early retirement arrangements. The early retirement benefits refer to the salaries and social security contributions to be paid to and for the employees who accept voluntary retirement before the normal retirement date prescribed by the State, as approved by the management. The Group pays early retirement benefits to those early retired employees from the early retirement date until normal retirement date. The Group accounts for the early retirement benefits in accordance with the treatment of termination benefits, in which the salaries and social security contributions to be paid to and for the early retired employees from the off-duty date to the normal retirement date are recognised as liabilities with a corresponding charge to the profit or loss for the current period. The differences arising from the changes in the respective actuarial assumptions of the early retirement benefits and the adjustments of benefit standards are recognised in profit or loss in the period in which they occur.

The termination benefits expected to be paid within one year since the balance sheet date are classified as current liabilities.

21. Provisions

Business restructuring, provisions for product warranties, onerous contracts etc. are recognised when the Group has a present obligation,

it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors surrounding a contingency, such as the risks, uncertainties and the time value of money, are taken into account as a whole in reaching the best estimate of a provision. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The increase in the discounted amount of the provision arising from passage of time is recognised as interest expense.

The carrying amount of provisions is reviewed at each balance sheet date and adjusted to reflect the current best estimate.

22. Dividend distribution

Cash dividends distribution is recognised as a liability in the period in which the dividends are approved by the shareholders' meeting.

23. Revenue recognition

The amount of revenue is determined in accordance with the fair value of the consideration received or receivable for the Sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of discounts, rebates and returns.

Revenue is recognised when the economic benefits associated with the transaction will flow to the Group, the related revenue can be reliably measured, and the specific revenue recognition criteria have been met for each type of the Group's activities as described below:

(a) Sale of goods

The Group mainly sells flat and engineer glass, fine glass, and products related to solar energy. For domestic sales, the Group delivers the products to a certain place specified in the contract. When the buyer takes over the goods, the Group recognizes revenue. For export sales, the Group recognizes the revenue when it finished clearing goods for export and deliver the goods on board the vessel, or when the goods are delivered to a certain place specified in the contract. For above sales, when the buyer takes over the goods, the buyer has the right to sell the products, and should bear the risk of price fluctuation or goods damage

(b) Rendering of services

Revenue is recognized for the rendering of service by the Group to external parties upon the completion of related service.

(c) Transfer of asset use rights

Interest income is recognized on a time-proportion basis using the effective interest method.

24. Government grants

Government grants are the monetary asset the Group receives from the government for free, including tax refund, government subsidies, etc.

Grants from the government are recognised when there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions. Monetary government grants are measured at the amounts received or receivable. Non-monetary

government grant are measured at fair value, if the fair value cannot be reliably obtained, it is measured at nominal amount.

Government grants related to an asset refer to the government assets which are obtained by enterprises for the purposes of purchase or construction of, or which form the long-term assets by other ways. Government grants related to income refers to government grants other than those related to assets.

Deferred income is recognized for government grants related to an asset and evenly allocated over the useful life of the related assets, which are recognised in profit or loss for the current period. Government grants measured at nominal amount is directly recognised in profit or loss for current period.

Government grants relating to income, which is used to compensate the costs or losses incurred in future, are recognised as deferred income and recognised in profit or loss over the period in which related costs are recognised.

25. Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are calculated and recognised based on the differences arising between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax asset is recognised for the deductible losses that can be carried forward to subsequent years for deduction of the taxable profit in accordance with the tax laws. No deferred tax liability is recognised for a temporary difference arising from the initial recognition of goodwill. No deferred tax asset or deferred tax liability is recognised for the temporary differences resulting from the initial recognition of assets or liabilities due to a transaction other than a business combination, which affects neither accounting profit nor taxable profit (or deductible loss). At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

Deferred tax assets are only recognised for deductible temporary differences, deductible losses and tax credits to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences, deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for temporary differences arising from investments in subsidiaries and associates, except where the Group is able to control the timing of reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. When it is probable that the temporary differences arising from investments in subsidiaries and associates will be reversed in the foreseeable future and that the taxable profit will be available in the future against which the temporary differences can be utilised, the corresponding deferred tax assets are recognised.

Deferred tax assets and liabilities are offset when:

- the deferred taxes are related to the same tax payer within the Group and the same taxation authority; and,
- that tax payer within the Group has a legally enforceable right to offset current tax assets against current tax liabilities.

26. Leases

A lease that transfers substantially all the risks and rewards incidental to ownership of an asset is a finance lease. An operating lease is a lease other than a finance lease. The Group has no finance lease this year.

Lease payments under an operating lease are recognised on a straight-line basis over the period of the lease, and are either capitalised as

part of the cost of related assets, or charged as an expense for the current period.

27. Other significant accounting policies and accounting estimates

Safety production reserve

According to relevant regulations of the Ministry of Finance and National Administration of Work Safety, a subsidiary of the Group which is engaged in producing and selling polysilicon appropriates safety production reserve on following basis:

- (a)4% for revenue below RMB 10 million of the year;
- (b)2% for the revenue between RMB 10 million to RMB 100 million of the year;
- (c)0.5% for the revenue between RMB 100 million to RMB 1 billion of the year;
- (d)0.2% for the revenue above RMB 1 billion of the year.

The safety production reserve is mainly used for the overhaul, renewal and maintenance of safety facilities. The safety production costs are charged to costs of related products or profit and loss when appropriated, and safety production reserve in equity account are credited correspondingly. When using the special reserve, if the expenditures are expenses in nature, the expenses incurred are offset against the special reserve directly when incurred. If the expenditures are capital expenditures, when projects are completed and transferred to fixed assets, the special reserve should be offset against the cost of fixed assets, and a corresponding accumulated depreciation are recognised. The fixed assets are no longer be depreciated in future.

Segment information

The Group identifies operating segments based on the internal organisation structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments.

An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenues and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment.

28. Changes in significant accounting policies

(1) Changes in significant accounting policies

Applicable Not applicable

(2)Changes in significant accounting estimates

Applicable Not applicable

29. Others

Critical accounting estimates and judgements

The Group continually evaluates the critical accounting estimates and key assumption applied based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

The critical accounting estimates and key assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are outlined below:

(a)Income taxes

The Group is subject to income taxes in numerous jurisdictions. There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is required from the Group in determining the provision for income taxes in each of these jurisdictions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b)Deferred income tax

Estimates on deferred tax assets are based on estimates on amount of taxable income and applicable tax rate for every year. Realization of deferred income tax are subject to sufficient taxable income that are possible to be obtained by the Group in the future. Change of the future tax rate as well as the reversed time of temporary difference might have effects on tax expense (income) and the balance of deferred tax assets or liabilities. Those estimates may also cause significant adjustment on deferred tax.

(c)Impairment of long-term assets (excluding goodwill)

Long-term assets at the balance sheet date should be subject to impairment testing if there are any indications of impairment. The management determines whether the long-term assets impaired or not by evaluating and analysing following aspects: (1) whether the event affecting assets impairment occurs; (2) whether the expected obtainable present value of future cash flows is lower than the asset's carrying amount by continually using the assets or disposal; and (3) whether the assumptions used in expected obtainable present value of future cash flows are appropriate.

Various assumptions, including the discount rate and growth rate applied in the method of present value of future cash flow, are required in evaluating the recoverable amount of assets. If these assumptions cannot be conformed, the recoverable amount should be modified, and the long-term assets may be impaired accordingly.

(d)The useful life of fixed assets

The management estimates the useful life of fixed assets, based on historical experiences on using fixed assets that have similar properties and functions. When there are differences between actually useful life and previously estimation, the management will adjust estimation to useful life of fixed assets. The fixed assets would be written off or written down when fixed assets been disposed or became redundant. There will be difference between the results of estimation and actual results for next accounting period, so significant adjustments may be made to the carrying amount of fixed assets in balance sheet.

VI. Taxation

1. The main categories and rates of taxes

Tax items	Tax basis	Tax rate
Value added tax ("VAT")	Taxable value added amount (Tax payable is calculated using the taxable sales amount multiplied by the effective tax rate less current period's deductible VAT input)	17%
Urban construction tax	Total VAT, Business tax and GST	1%-7%
Enterprise income tax	Taxable income	15%-25%
Educational surtax	Total VAT, Business tax and GST	3%-5%
Resource tax	Quantities of Silica sold	RMB 3 per ton

2. Tax incentives

Tianjin Energy Conservation Glass Co. Ltd. was recognised as a high and new tech enterprise in 2012, and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2012. For the Certificate of High and New Tech Enterprise is under review at present, it temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Dongguan CSG Architectural Glass Co. Ltd. was recognised as a high and new tech enterprise in 2013, and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2013.

Wujiang CSG North-east Architectural Glass Co., Ltd. passed the review on a high and new tech enterprise in 2014, and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2014.

Dongguan CSG Solar Glass Co., Ltd. passed the review on a high and new tech enterprise in 2014, and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2014.

Yichang CSG Silicon Co. Ltd. passed the review on a high and new tech enterprise in 2014, and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2014.

Dongguan CSG PV-tech Co. Ltd. was recognised as a high and new tech enterprise in 2013, and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2013.

Hebei Sichuan Glass Co., Ltd. was recognised as a high and new tech enterprise in 2013, and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2013.

Wujiang CSG Glass Co. Ltd. was recognised as a high and new tech enterprise in 2014, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2014.

Xianning CSG Glass Co. Ltd. was recognised as a high and new tech enterprise in 2014, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2014.

Sichuan CSG Energy Conservation Glass Co. Ltd. obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Chengdu CSG Glass Co., Ltd. obtains enterprise income tax preferential treatment for Western Opening-up, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

3. Others

Some subsidiaries of the Group have used the “exempt, credit, refund” method on goods exported and the refund rate is 5%-17%.

VII. Notes to the consolidated financial statements

1. Cash at bank and on hand

Unit: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Cash on hand	24,252	17,163
Cash at bank	183,333,591	156,633,575
Other cash balances	3,724,595	1,488,312
Total	187,082,438	158,139,050
Including: Total overseas deposit	54,105,327	19,445,274

Other cash balances include margin deposits for issuing letters of credit and bank acceptance notes, amounting to RMB 3,562,790 (31 Dec. 2014: RMB 1,300,790), which is restricted cash.

2. Notes receivable

(1) Notes receivable listed by classification

Unit: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Bank acceptance notes	74,411,622	120,429,904
Trade acceptance notes	49,053,394	35,158,725
Total	123,465,016	155,588,629

(2) Notes receivable which has been endorsed or discounted at the end of the term by the Company but not yet due at balance sheet date

Unit: RMB

Item	Amount of recognition termination	Amount of not terminated recognition at the
------	-----------------------------------	---

	at the period-end	period-end
Bank acceptance notes	1,868,250,539	
Trade acceptance notes	288,367,705	
Total	2,156,618,244	

3. Accounts receivable

(1) Accounts receivable disclosed by category

Unit: RMB

Categories	End of term					Beginning of term				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion %	Amount	Proportion %		Amount	Proportion %	Amount	Proportion %	
Accounts receivable withdrawn bad debt provision according to credit risks characteristics	576,778,898	100%	11,310,932	2%	565,467,966	324,794,381	100%	6,519,807	2%	318,274,574
Account receivable with minor individual amount but bad debt provision is provided	976,233	0%	976,233	100%	0	1,055,500	0%	1,055,500	100%	0
Total	577,755,131	100%	12,287,165	2%	565,467,966	325,849,881	100%	7,575,307	2%	318,274,574

Accounts receivable with large amount individually and bad debt provisions were provided

Applicable Non-applicable

Accounts receivable on which bad debt provisions are provided on age analyze basis in the portfolio

Applicable Non-applicable

Accounts receivable on which bad debt provisions are provided on percentage analyze basis in a portfolio

Applicable Non-applicable

Unit: RMB

Name of portfolio	Closing balance		
	Accounts receivable	Bad debt provision	Proportion %
Portfolio 1	570,656,481	11,188,484	2%
Portfolio 2	6,122,417	122,448	2%

Total	576,778,898	11,310,932	2%
-------	-------------	------------	----

(2) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision during the reporting period was of RMB 4,969,351. The amount of the reversed or collected part during the reporting period was of RMB 257,493.

(3) The actual write-off accounts receivable

There were no accounts receivables written off this year.

(4) Top 5 of the closing balance of the accounts receivable collected according to the arrears party

	Balance	Provision for bad debts	Percentage in total accounts receivable balance
Total balances for the five largest accounts receivable	157,603,833	(3,152,077)	27%

a. As at 30 June 2015, the Company had no accounts receivable with amounts that were individually significant and that the related provision for bad debts was provided on the individual basis(31 December 2014: Nil).

b. As at 30 June 2015, accounts receivable of RMB 976,233 (31 December 2014: RMB 1,055,500) was not individually significant but provided for bad debts separately. It represented the trade receivables of the subsidiary of Dongguan South Glass Photovoltaic Technology Co., Ltd. (" Dongguan South CSG PV "). Due to the business dispute, Dongguan South CSG PV made full provision against this receivable.

4. Advances to suppliers

(1) Listed by aging analysis

Unit: RMB

Age	Closing balance		Opening balance	
	Amount	Proportion ratio (%)	Amount	Proportion ratio (%)
within 1 year	93,911,565	98%	79,212,988	94%
1-2 years	1,156,377	1%	2,380,189	3%
2-3 years			1,153,376	1%
Over 3 years	1,153,376	1%	1,485,000	2%
Total	96,221,318	--	84,231,553	--

Notes of the reasons of the advances to suppliers ageing over 1 year with significant amount but failed settled in time:

As at 30 June 2015, advances to suppliers ageing over one year amount to RMB 2,309,753 (31 December 2014: RMB 5,018,565). They

were mainly the advances of materials, and the payment had not been selected because the materials had not been received.

(2) Top 5 of the closing balance of the advances to suppliers collected according to the target

As at 30 June 2015, the top five largest advances to supplies are set out as below:

	Balance	Percentage in total advances balance
Total advances for the five largest advances	39,084,582	41%

5. Dividend Receivable

(1) Dividend Receivable

Unit: RMB

Item(or invested company)	Closing balance	Opening balance
Dividend Receivable from Golden Glass	60,372	
Total	60,372	

6. Other account receivable

(1) Other accounts receivable disclosed by category:

Unit: RMB

Categories	Closing balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion %	Amount	Proportion %		Amount	Proportion %	Amount	Proportion %	
Accounts receivable withdrawn bad debt provision according to credit risks characteristics	31,131,670	100%	577,569	2%	30,554,101	26,503,274	100%	530,118	2%	25,973,156
Total	31,131,670	100%	577,569	2%	30,554,101	26,503,274	100%	530,118	2%	25,973,156

Statement on categories of other receivable accounts:

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

Applicable Non-applicable

Other receivable accounts in the portfolio on which bad debt provisions were provided on age analyze basis

Applicable Non-applicable

Other receivable accounts in the portfolio on which bad debt provisions were provided on percentage basis

Applicable Non-applicable

Unit: RMB

Name of portfolio	Closing balance		
	Other receivable accounts	Bad debt provision	proportion%
portfolio 1	30,411,297	563,162	2%
Portfolio 2	720,373	14,407	2%
Total	31,131,670	577,569	2%

Notes of the basis of recognizing the portfolio:

Other receivable accounts in the portfolio on which bad debt provisions were provided on other basis

Applicable Non-applicable

(2) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision during the reporting period was of RMB115,740. The amount of the reversed or collected part during the reporting period was of RMB 68,289.

(3) Other accounts receivable classified by the nature of accounts

Unit: RMB

Nature	Closing balance	Opening balance
Payments made on behalf of other parties	14,623,272	10,877,574
Deposits	11,076,199	11,722,126
Petty cash	1,624,850	1,100,583
Export tax rebates receivable	888,336	885,580
Amounts due from related parties	720,373	
Others	2,198,640	1,917,411
Total	31,131,670	26,503,274

(4) Top 5 of the closing balance of the other accounts receivable collated according to the arrears party

Unit: RMB

Name of the companies	Nature	Closing balance	Ages	Proportion of the total year end balance of the accounts receivable (%)	Closing balance of bad debt provision
Industrial					
Company A	Independent third party	9,676,084	Within 1 year	31%	193,522

Company B	Independent third party	5,050,000	Within 1 year	16%	101,000
Company C	Independent third party	2,230,165	Within 1 year	7%	44,603
Company D	Independent third party	1,000,000	Within 1 year	3%	20,000
Company E	Independent third party	1,000,000	Within 1 year	3%	20,000
Total	--	18,956,249	--	60%	379,125

7. Inventories

(1) Categories of inventory

Unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Raw materials	119,099,395	2,549,603	116,549,792	182,724,650	2,635,772	180,088,878
Product in process	13,379,301		13,379,301	13,529,352		13,529,352
Products in stock	334,086,153	21,848	334,064,305	166,376,712	187,065	166,189,647
Material in circulation	31,810,494		31,810,494	30,844,741		30,844,741
Total	498,375,343	2,571,451	495,803,892	393,475,455	2,822,837	390,652,618

(2) Inventory impairment provision

Unit: RMB

Categories	Opening balance	Increased this term		Decreased this term		Closing balance
		Withdrawal	Other	Reverse or write-off	Other	
Raw materials	2,635,772			86,169		2,549,603
Products in stock	187,065			165,217		21,848
Total	2,822,837			251,386		2,571,451

The provisions for declines in the value of inventories is analysed below:

	Basis for accrued inventory write-down provision	Reasons of inventory write-down provision reversal
Finished goods	The amount of carrying amount less net realisable value	-
Raw materials	The amount of book value less net realisable value	-

8. Other current assets

Unit: RMB

Item	Closing balance	Opening balance
VAT to be offset	149,021,086	177,597,527
Prepaid enterprise income tax	31,112,353	42,311,190
Total	180,133,439	219,908,717

9. Available-for-sale financial asset**(1) Available-for-sale financial assets**

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Depreciation reserves	Book value	Book balance	Impairment provision	Book value
Available-for-sale equity instruments:	156,121,811		156,121,811	145,568,100		145,568,100
Measured at fair value	156,121,811		156,121,811	145,568,100		145,568,100
Total	156,121,811		156,121,811	145,568,100		145,568,100

(2) Available-for-sale financial assets measured at fair value at the end of period

Unit: RMB

Category of available-for-sale financial assets	Available-for-sale equity instruments	Available-for-sale debt instruments	Total
Cost of equity instruments/ Amortized cost of debt instruments	70,033,036		70,033,036
fair value	156,121,811		156,121,811
The amount of fair value changes in the accumulated other comprehensive income	86,088,775		86,088,775

10. Long-term equity investment

Unit: RMB

Investee	Opening balance	Increase/decrease								Closing balance	Closing balance of
		Additio nal	Reduced investmen	Gains and losses	Adjustme	Changes of other	Cash bonus or	Withdraw al of	Other		

	investment	st	recognized under the equity method	nt of other comprehensive income	equity	profits announced to issue	impairment provision			impairment provision
I. Joint ventures										
II. Associated enterprises										
Shenzhen CSG Display Technology Co., Ltd	751,623,543		-14,452,010		162,282	75,777,221			661,556,594	
Subtotal	751,623,543		-14,452,010		162,282	75,777,221			661,556,594	
Total	751,623,543		-14,452,010		162,282	75,777,221			661,556,594	

11. Fixed assets

(1) Particulars of fixed assets

Unit: RMB

Items	Buildings	Machinery and equipment	Motor vehicles and others	Total
I. Original book value:				
1. Opening balance	3,161,138,920	9,197,302,560	179,847,700	12,538,289,180
2. Increased amount of the period	79,420,372	317,613,988	5,836,380	402,870,740
(1) Acquisition		5,797,240	2,473,907	8,271,147
(2) Transfers from construction in progress	77,427,482	308,852,544	2,523,852	388,803,878
(3) Other	1,992,890	2,964,204	838,621	5,795,715
3. Decreased amount of the period		386,539	1,314,033	1,700,572
(1) Disposal or retirement		157,031	1,314,033	1,471,064
Transfer in construction in progress		229,508		229,508
4. Closing balance	3,240,559,292	9,514,530,009	184,370,047	12,939,459,348
II. Accumulative depreciation and accumulative amortization				
1. Opening balance	400,776,254	1,962,883,229	131,218,015	2,494,877,498
2. Increased amount of the period	51,203,446	329,428,354	12,234,594	392,866,394
(1) Withdrawal	51,203,446	329,428,354	12,234,594	392,866,394
3. Decreased amount of the period		265,650	714,783	980,433

(1) Disposal or retirement		78,810	714,783	793,593
Transfer in construction in progress		186,840		186,840
4. Closing balance	451,979,700	2,292,045,933	142,737,826	2,886,763,459
III. Depreciation reserves				
1. Opening balance		192,293,767		192,293,767
2. Increased amount of the period				
(1) Withdrawal				
3. Decreased amount of the period				
(1) Disposal or retirement				
4. Closing balance		192,293,767		192,293,767
IV. Book value				
1. Closing book value	2,788,579,592	7,030,190,309	41,632,221	9,860,402,122
2. Opening book value	2,760,362,666	7,042,125,564	48,629,685	9,851,117,915

(2) Fixed asset not licensed yet

Unit: RMB

Items	Book value	Reason for not granted
Buildings	842,369,460	Have submitted the required documents and are in the process of application, or the related land use right certificate pending

Other notes

During Jan.-Jun. 2015, the depreciation amount provided for fixed assets was RMB 392,866,394 (Jan.-Jun. 2014: RMB 333,251,017), and the amount of depreciation expense charged to cost of sales, selling expenses and general and administrative expenses were RMB 380,055,258, RMB 619,699 and RMB 12,191,437 (Jan.-Jun. 2014: RMB 315,822,549, RMB 642,394 and RMB 16,786,074).

The fixed assets transferred from constructions in progress were RMB 388,803,878. (2014: RMB 3,047,793,889).

12. Construction in process**(1) Particulars of construction in process**

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Qingyuan high-performance ultrathin electronic glass project	428,762,273		428,762,273	329,196,892		329,196,892
Hebei float 900T	212,196,668		212,196,668	206,731,167		206,731,167

tech-innovation project						
Dongguan CSG solar on-line coated project	202,838,775		202,838,775	151,377,587		151,377,587
Dongguan Solar Glass Phase I and II improvement project	198,222,378	33,075,116	165,147,262	198,222,378	33,075,116	165,147,262
Chengdu Float 700T line tech-renovation	154,473,253		154,473,253	125,046,580		125,046,580
Dongguan PV Tech 200MV PV-tech Battery Expansion project	141,708,743		141,708,743	137,416,428		137,416,428
Sichuan energy-saving project Phase III	128,636,455		128,636,455	121,483,787		121,483,787
Yichang CSG Electronic Silicon products expansion project with annual capacity of 1000 tons	128,044,721		128,044,721	78,039,730		78,039,730
Wujiang float glass project	70,799,955	19,876,460	50,923,495	70,831,532	19,876,460	50,955,072
Xianning energy-saving glass project	59,446,006		59,446,006	59,279,228		59,279,228
Wujiang new energy distributed generation project	56,574,290		56,574,290	52,761,779		52,761,779
Suzhou PV distributed generation project	36,670,408		36,670,408	36,670,408		36,670,408
Qingyuan new energy distributed generation project	23,356,890		23,356,890			
Wujiang Photovoltaic packaging materials project	10,561,968		10,561,968	16,203,036		16,203,036
Yichang 700MW silicon slice expansion project phase III	3,369,095		3,369,095	3,179,106		3,179,106
Yichang ultrathin electronic glass project	482,512		482,512	331,017,838		331,017,838
Others	81,691,588		81,691,588	70,089,836		70,089,836
Total	1,937,835,978	52,951,576	1,884,884,402	1,987,547,312	52,951,576	1,934,595,736

(2) Movement of significant project

Unit: RMB

Projects	Budget	Opening balance	Increased this term	Transferred into fixed assets	Other decreases	Closing balance	Investment on budget (%)	Progress	Accumulate of interest capitalized	Including: interest capitalized this term	Capitalizing rate of interest this period %	Fund recourse
Qingyuan high-performance ultrathin electronic glass project	471,660,000	329,196,892	100,717,774	1,152,393		428,762,273	98%	100%	5,903,797	4,700,974	5.05%	Internal fund and bank loan
Hebei float 900T tech-innovation project	341,871,140	206,731,167	6,349,733		884,232	212,196,668	5%	5%				Internal fund
Dongguan CSG solar on-line coated project	250,000,000	151,377,587	78,395,239	118,800	26,815,251	202,838,775	72%	100%	4,271,006	3,074,822	4.82%	Internal fund and bank loan
Dongguan Solar Glass Phase I and II improvement project	396,410,000	198,222,378				198,222,378	12%	75%				Internal fund
Chengdu Float 700T line tech-renovation	106,053,391	125,046,580	29,426,673			154,473,253	31%	60%	291,705	291,705	4.54%	Internal fund and bank loan
Dongguan PV Tech 200MW PV-tech Battery Expansion project	697,000,000	137,416,428	4,356,418	64,103		141,708,743	95%	95%	31,419,833	645,999	5.03%	Internal fund and bank loan
Sichuan energy-saving project Phase III	222,817,517	121,483,787	8,352,668	1,200,000		128,636,455	91%	99%	66,505	66,505	4.70%	Internal fund and bank loan
Yichang CSG Electronic Silicon products	112,485,200	78,039,730	50,105,930	100,939		128,044,721	93%	97%	3,634,881	2,665,501	5.21%	Internal fund and bank loan

expansion project with annual capacity of 1000 tons												
Wujiang float glass project	845,630,000	70,831,532	244,838	50,000	226,415	70,799,955	100%	100%	20,120,444			Internal fund and bank loan
Xianning energy-saving glass project	295,270,606	59,279,228	16,674,186	16,490,994	16,414	59,446,006	90%	98%	11,226,428	829,012	5.82%	Internal fund and bank loan
Wujiang new energy distributed generation project	76,320,000	52,761,779	3,812,511			56,574,290	85%	95%				Internal fund
Suzhou PV distributed generation project	50,122,360	36,670,408				36,670,408	73%	90%				Internal fund
Qingyuan new energy distributed generation project	45,130,000		23,356,890			23,356,890	52%	90%				Internal fund
Wujiang Photovoltaic packaging materials project	500,000,000	16,203,036	2,249,434	7,890,502		10,561,968	95%	100%	6,321,397			Internal fund and bank loan
Yichang 700MW silicon slice expansion project phase III	1,980,000,000	3,179,106	15,129,338	14,939,349		3,369,095	26%	60%	15,430,832	187,800	5.21%	Internal fund and bank loan
Yichang ultrathin electronic glass project	320,000,000	331,017,838	3,093,290	333,628,616		482,512	91%	100%	4,882,329	1,281,160	5.47%	Bank loan
Others	1,050,388,869	70,089,836	30,365,754	13,168,182	5,595,820	81,691,588			14,635,527	536,516		Internal fund and bank loan
Total	7,761,159,083	1,987,547,312	372,630,676	388,803,878	33,538,132	1,937,835,978	--	--	118,204,684	14,279,994		--

13. Intangible assets**(1) Particulars of intangible assets**

Unit: RMB

Item	Land use rights	Patents	Non-patent technology	Others	Total
I. Original book value:					
1. Opening balance	931,090,930	135,336,024	4,456,536	23,661,302	1,094,544,792
2. Increased amount of the period		58,960		47,687	106,647
(1) Acquisition		58,960		47,687	106,647
(2) Internal R & D					
(3) Increase from enterprise combination					
(4) Others					
3. Decreased amount of the period				411,538	411,538
(1) Disposal					
(2) Others				411,538	411,538
4. Closing balance	931,090,930	135,394,984	4,456,536	23,297,451	1,094,239,901
II. Total accrued amortization					
1. Opening balance	85,968,450	34,580,234	2,504,801	11,694,517	134,748,002
2. Increased amount of the period	9,492,299	4,513,540	200,321	2,144,719	16,350,879
(1) Withdrawal	9,492,299	4,513,540	200,321	2,144,719	16,350,879
(2) Others					
3. Decreased amount of the period					
(1) Disposal					
(2) Others					
4. Closing balance	95,460,749	39,093,774	2,705,122	13,839,236	151,098,881
III. Impairment provision					
1. Opening balance		13,201,347		9,133	13,210,480
2. Increased amount of the period					
(1) Withdrawal					
(2) Others					
3. Decreased amount of the period					
(1) Disposal					
(2) Others					

4. Closing balance		13,201,347		9,133	13,210,480
IV. Book value					
1. Closing book value	835,630,181	83,099,863	1,751,414	9,449,082	929,930,540
2. Opening book value	845,122,480	87,554,443	1,951,735	11,957,652	946,586,310

At the end of the period, the intangible assets arising from internal research and development accounted for 8.59% of total of intangible assets.

(2) Land use right not licensed yet

Unit: RMB

Item	Book value	Reason for not granted
Land	5,292,834	Have submitted the required documents and are in the process of application

Other notes:

As at 30 June 2015, ownership certificates of land use right (“Land ownership Certificates”) for certain land use rights of the Group with carrying amounts of approximately RMB 5,292,834 (cost: RMB 5,650,712) had not yet been obtained by the Group (as at 31 December 2014, carrying amount: RMB 17,966,349, cost: RMB 18,273,829). The Company’s management is of the view that there is no legal restriction for the Group to apply for and obtain the Land Ownership Certificates and has no adverse effect on the Group’s business operation. The management estimates that the land use right certificates can be obtained within two years.

14. Development expenditure

Unit: RMB

Item	Opening balance	The increased amount in the period			The decrease amount in the period			Closing balance
		Internal development expenditure	Others		Recognised as intangible assets	Transfer in gains and losses		
Development expenditure	17,675,656	13,605,928				1,977,042		29,304,542
Total	17,675,656	13,605,928				1,977,042		29,304,542

Other notes:

During Jan.-Jun. 2015, the total amount of research and development expenditures of the Group was RMB 130,265,531 (Jan.-Jun. 2014: RMB 94,805,902), including RMB 118,636,645 (Jan.-Jun. 2014: RMB 88,311,535) recorded in income statement for current period and no intangible assets were recognized for current period (Jan.-Jun. 2014: RMB 5,926,905). The development expenditures accounted for 10.44% of total research and development expenditures (Jan.-Jun. 2014: 62%). As at 30 June 2015, the intangible assets arising from internal research and development accounted for 8.59% of total of intangible assets (Jan.-Jun. 2014:8.44%).

15. Goodwill

(1)Book value of goodwill

Unit: RMB

Name of the companies or goodwill item	Opening balance	Increased this term		Decreased this term		Closing balance
		Arising from enterprise merger		Disposal		
Goodwill (i)	3,039,946					3,039,946
Total	3,039,946					3,039,946

16. Long-term expenses to be amortized

Unit: RMB

Item	Opening balance	Increased this term	Amortized this term	Other decrease	Closing balance
Expenses to be amortized	2,391,824	115,926	505,646		2,002,104
Total	2,391,824	115,926	505,646		2,002,104

17. Deferred income tax asset/deferred income tax liabilities

(1) Deferred income tax assets had not been off-set

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for asset impairments	321,081,182	48,534,340	331,582,423	50,084,878
Deductible loss	256,994,840	45,823,733	228,839,385	39,358,381
Government grants	112,932,187	16,939,828	118,438,100	17,765,715
Accrued expenses	11,504,059	1,725,609	11,695,801	1,856,243
Depreciation of fixed assets	55,091,906	9,365,624	62,001,185	11,479,038
Impairment not yet approved by the tax authority	1,686,604	421,651	1,686,604	421,651
Total	759,290,778	122,810,785	754,243,498	120,965,906

(2) Deferred income tax liabilities had not been off-set

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary difference	Deferred income tax liabilities	Deductible temporary difference	Deferred income tax liabilities

Changes in fair value of available-for-sale financial assets	148,394,204	37,098,551	127,174,500	31,044,915
Depreciation of fixed assets	142,629,590	22,250,216	148,485,447	23,330,396
Withholding income tax			96,760,660	4,838,033
Total	291,023,794	59,348,767	372,420,607	59,213,344

(3) The net balances of deferred tax assets or liabilities

Unit: RMB

Item	Off-set amount of deferred income tax assets and liabilities at the period-end	Closing balance of deferred income tax assets or liabilities after off-set	Off-set amount of deferred income tax assets and liabilities at the period-beginning	Opening balance of deferred income tax assets or liabilities after off-set
Deferred tax assets	14,725,148	108,085,637	17,184,012	103,781,894
Deferred tax liabilities	14,725,148	44,623,619	17,184,012	42,029,332

(4) Details of unrecognised deferred income tax assets

Unit: RMB

Item	Closing balance	Opening balance
Deductible losses	40,268,533	17,574,997
Total	40,268,533	17,574,997

(5) Deductible losses of unrecognized deferred income tax assets will due the following years

Unit: RMB

Year	Closing balance	Opening balance	Note
Year of 2015	5,878,284	5,878,284	
Year of 2016	5,224,377	5,224,377	
Year of 2017			
Year of 2018			
Year of 2019	6,472,336	6,472,336	
Year of 2020	22,693,536		
Total	40,268,533	17,574,997	--

18. Other non-current assets

Unit: RMB

Item	Closing balance	Opening balance
Prepayment of land premium	6,510,000	6,510,000
Prepayment for software upgrading	1,149,084	1,149,084
Total	7,659,084	7,659,084

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

Unit: RMB

Item	Closing balance	Opening balance
Guaranteed	381,247,147	276,123,175
Unsecured	1,124,430,700	81,000,000
Short-term finance bonds (ii)(iii)	1,000,000,000	1,600,000,000
Ultra-short-term finance bonds (iv)	800,000,000	
Total	3,305,677,847	1,957,123,175

Notes of categories of short-term loans:

(i) As at 30 June 2015, short-term loans of certain subsidiaries of the Company amounting to RMB 381,247,147 (31 December 2014: RMB 276,123,175) were guaranteed by the Company, of which the minority shareholders provided a back to back guarantee to the Company amounting to RMB 9,741,028 (31 December 2014: RMB 5,346,960).

(ii) Approved by file No. [2013]CP20 of Inter Bank Market Trading Association, the Company is entitled to issue short-term financial bonds with the limit of RMB1,100,000,000, which expires on 25 January 2015.

The Company issued short-term bonds of RMB 700,000,000 on 27 June 2014 for the second time in 2014. The bonds above matured on 27 June 2015, with an annual interest rate of 5.10%.

The Company issued short-term bonds of RMB 400,000,000 on 25 August 2014 for the third time in 2014. The bonds above matured on 25 August 2015, with an annual interest rate of 5.10%.

(iii) Approved by file No. [2013]CP20 of Inter Bank Market Trading Association, the Company is entitled to issue short-term financial bonds with the limit of RMB1,100,000,000, which expires on 14 January 2016.

The Company issued short-term bonds of RMB 600,000,000 on 24 April 2015 for the first time in 2015. The bonds above matured on 23 April 2016, with an annual interest rate of 4.28%.

(iv) Approved by file No. [2015] SCP163 of Inter Bank Market Trading Association, the Company is entitled to issue ultra-short-term

financial bonds with the limit of RMB4,000,000,000, which expires on 28 May 2017.

The Company issued ultra-short-term bonds of RMB 800,000,000 on 15 June 2015 for the first time in 2015. The bonds above matured on 11 March 2016, with an annual interest rate of 4.25%.

As at 30 June 2015, the interest of short-term borrowings varied from 2.0% to 5.6% (31 December 2014: 2.10% to 6 %).

20. Notes payable

Unit: RMB

Category	Closing balance	Opening balance
Bank acceptance notes	19,500,000	3,500,000
Total	19,500,000	3,500,000

The total amount of notes payable which were due but not paid was RMB 0.

21. Accounts payable

(1) Particulars of accounts payable

Unit: RMB

Item	Closing balance	Opening balance
Account payable for materials	455,820,324	439,372,650
Account payable for equipments	189,336,109	297,341,486
Account payable for constructions	129,058,117	161,767,036
Account payable for freight	40,534,273	39,476,466
Account payable for water and electricity	29,376,217	17,886,165
Others	211,864	4,694,073
Total	844,336,904	960,537,876

(2) Significant accounts payable due for over one year

Unit: RMB

Item	Closing balance	Unpaid reason
Account payable for construction work.	127,124,307	As the construction work had not passed the final acceptance test yet, the balance was not yet settled.
Total	127,124,307	--

22. Advances from customers**(1) List of advance from customers**

Unit: RMB

Item	Closing balance	Opening balance
Advances from customers	87,483,610	113,994,747
Total	87,483,610	113,994,747

23. Employee benefits payable**(1) List of Employee benefits payable**

Unit: RMB

Items	Opening balance	Increased this term	Decreased this term	Closing balance
I. Short-term employee benefits	159,038,971	421,198,394	483,388,250	96,849,115
II. Welfare after departure- defined contribution plans	1,392	35,931,834	35,921,254	11,972
Total	159,040,363	457,130,228	519,309,504	96,861,087

(2) List of short-term employee benefits

Unit: RMB

Items	Opening balance	Increased this term	Decreased this term	Closing balance
1. Wages and salaries, bonuses, allowances and subsidies	96,466,760	375,219,813	391,543,122	80,143,451
2. Social security contributions	763	23,369,338	23,364,752	5,349
Including: Medical insurance	605	20,754,106	20,750,579	4,132
Work injury insurance	121	1,880,994	1,880,287	828
Maternity insurance	37	734,238	733,886	389
3. Housing funds	1,811,213	16,663,275	16,530,751	1,943,737
4. Labour union funds and employee education funds	13,560,235	5,945,968	4,749,625	14,756,578
5. Management bonus	47,200,000		47,200,000	
Total	159,038,971	421,198,394	483,388,250	96,849,115

(3) List of defined contribution plans payable

Unit: RMB

Items	Opening balance	Increased this term	Decreased this term	Closing balance
1. Basic pensions	1,210	33,579,356	33,569,288	11,278
2. Unemployment insurance	182	2,352,478	2,351,966	694
Total	1,392	35,931,834	35,921,254	11,972

24. Tax payable

Unit: RMB

Item	Closing balance	Opening balance
Value-added-tax payable	22,474,359	13,020,627
Corporate income tax payable	22,463,837	31,803,614
Individual income tax payable	21,301,028	2,417,752
Urban maintenance and construction tax	1,270,588	1,151,060
Urban maintenance and construction tax	4,502,654	3,062,512
Education surcharge	1,587,348	1,451,458
Others	4,465,536	4,306,585
Total	78,065,350	57,213,608

Other notes:

Among individual income tax payable, the individual incometax payable collecting from dividends of A-share and B-share was RMB 19,650,025.

25. Interest payable

Unit: RMB

Item	Closing balance	Opening balance
Interest payable for long-term borrowings	1,532,775	1,063,746
Interest for corporate bonds	74,505,389	21,205,379
Interest payable for short-term borrowings	1,814,730	4,304,657
Interest payable for short-term financing	23,658,858	47,983,200
Total	101,511,752	74,556,982

26. Other account payable**(1) List of other account payable by nature**

Unit: RMB

Item	Closing balance	Opening balance
Payable for equity repurchase	86,284,365	
Guarantee deposits received from construction contractors	55,786,220	56,379,162
Accrued cost of sales	26,734,771	29,715,316
Payable for contracted labour costs	14,124,130	12,588,566
Temporary receipts	11,916,239	5,017,670
Dispatching capital for industrial production	10,000,000	10,000,000
Deposit for disabled	3,897,605	2,280,516
Payment made on behalf of Shenzhen CSG Float Glass Co., Ltd.		25,471,189
Withholding income tax		1,744,586
Others	5,956,462	4,072,973
Total	214,699,792	147,269,978

27. Non-current liabilities due within one year

Unit: RMB

Item	Closing balance	Opening balance
Long-term borrowing due within 1year(i)	140,037,960	123,283,550
Bonds payable due within 1year(ii)	1,998,415,159	1,995,783,205
Total	2,138,453,119	2,119,066,755

Other notes:

(i) The loans were guaranteed by the Company in favour of the subsidiaries, of which RMB 3,698,800 (31 December 2014: RMB 5,284,000) were back to back guaranteed by the minority shareholders of the subsidiaries of the Company.

(ii) Bonds payable due within 1year

	31 December 2014	Amortization of premium and discount	30 June 2015
Corporate bonds	1,995,783,205	2,631,954	1,998,415,159

The information of corporate bonds as following:

	Par value	Issuing date	Bond maturity	Issuing amount
Corporate bonds	1,000,000,000	20 October 2010	5 years	989,100,000
Corporate bonds	1,000,000,000	20 October 2010	7 years	989,100,000

According to the China Securities Regulatory Commission license [2010] No 1369 published by the China Securities Regulatory Commission, the Company issued the corporate bonds on 20 October 2010, with a par value of RMB 2 billion. The Corporate Bonds include RMB 1 billion that will mature in 5 years (“5 year Bonds”) and another RMB 1 billion that will mature in 7 years (“7 year Bonds”). The 7 year Bonds holders have a put option over the Company to repurchase at the end of the fifth year. The Corporate Bonds carries at fixed interest rate of 5.33% per year, with interest paid annually. The Bonds are recorded at actual discounted issuing amount, and the effective interest rate is 5.59% annually.

28. Other current liability

Unit: RMB

Items	Closing balance	Opening balance
Others	300,000	300,000
Total	300,000	300,000

29. Long-term borrowings

(1) Categories of long-term borrowings

Unit: RMB

Items	Closing balance	Opening balance
Guarantee	147,250,000	187,817,820
Unsecured	239,000,000	196,000,000
Total	386,250,000	383,817,820

Statement on categories of long-term borrowings, including interest range:

As at 30 June 2015, loans of certain subsidiaries of the Company were guaranteed by the Company, of which, the minority shareholders provided a back to back guarantee to the Company amounting to RMB 3,963,000 (31 December 2014: RMB 5,284,000). The interest should be paid monthly or quarterly. The principals will be repaid between July 2016 and July 2018.

As at 30 June 2015, the interest of long term borrowings varied from 5.23% to 6.15% (31 December 2014: 5.7% to 6.15%).

30. Deferred revenue

Unit: RMB

Items	Opening balance	Increased this term	Decreased this term	Closing balance	reason
-------	-----------------	---------------------	---------------------	-----------------	--------

Government grants	444,909,519	8,290,000	26,540,323	426,659,196	
Total	444,909,519	8,290,000	26,540,323	426,659,196	--

Government grants are analysed below:

Unit: RMB

Item in debt	Opening balance	Increase in current period	Included in non-business income	Other changes	Closing balance	Related to assets or income
Tianjin CSG Golden Sun Project(i)	63,841,795		1,687,446		62,154,349	Related to assets
Dongguan CSG Golden Sun Project(ii)	51,600,000		1,376,000		50,224,000	Related to assets
Hebei CSG Golden Sun Project(iii)	45,894,500	6,690,000	1,709,500		50,875,000	Related to assets
Xianning CSG Golden Sun Project(iv)	57,074,417		1,515,250		55,559,167	Related to assets
Infrastructure compensation for Wujiang CSG Glass Co., Ltd(v)	51,753,511		2,020,769		49,732,742	Related to assets
Ylichang Photoconductive glass project(vi)	41,719,660				41,719,660	Related to assets
Yichang Silicon products project (vii)	30,234,375		1,406,250		28,828,125	Related to assets
Yichang CSG crucible project(viii)	14,586,362	1,600,000	382,317		15,804,045	Related to assets
Sichuan energy-saving glass project(ix)	15,437,520		827,010		14,610,510	Related to assets
Group Coating Film experimental project(x)	11,167,800		312,000		10,855,800	Related to assets
Enterprise supporting fund for Xianning CSG Glass Co., Ltd.(xi)	28,632,400		14,317,850		14,314,550	Related to income
Others	32,967,179		985,931		31,981,248	Related to assets and income
Total	444,909,519	8,290,000	26,540,323		426,659,196	--

Other notes:

(i)The allowance was granted by Tianjin Municipal Government. The allowance was used for establishing PV power station by Tianjin CSG Architectural Glass Co., Ltd.("Tianjin project"). When the facilities were set up, they belonged to Tianjin CSG. The allowance will be credited to income statement in 20 years, the useful life of the PV power station.

(ii)The allowance was granted by Dongguan Municipal Government. The allowance was used for establishing PV power station by

Dongguan CSG Architectural Glass Co. Ltd. ("Dongguan project"). When the facilities were set up, they belonged to Dongguan CSG. The allowance will be credited to income statement in 20 years, the useful life of the PV power station.

(iii) The allowance was granted by Langfang Municipal Government. The allowance was used for establishing PV power station by Hebei CSG Glass Co., Ltd. ("Hebei project"). When the facilities were set up, they belonged to Hebei CSG. The allowance will be credited to income statement in 20 years, the useful life of the PV power station.

(iv) The allowance was granted by Xianning Municipal Government. The allowance was used for establishing PV power station by Xianning CSG Glass Co Ltd. ("Xianning project"). When the facilities were set up, they belonged to Xianning CSG. The allowance will be credited to income statement in 20 years, the useful life of the PV power station.

(v) The allowance was infrastructure compensation granted by Wujiang municipal government, and will be credited to income statement in 15 years, the shortest operating period as committed by the Group.

(vi) The allowance was granted by Wujiang municipal government, and will be credited to income statement in 15 years, in accordance with the minimum operating period committed by the Group.

(vii) The balance represented amounts granted to Yi Chang CSG Silicon Materials Co., Ltd. ("Yichang Silicon") by Yichang City Dongshan Development Corporation under the provisions of the investment contract signed between the Group and the Municipal Government of Yi Chang. The proceeds were designed for the construction of electricity transformer and the pipelines. Yichang Silicon is entitled to the ownership of the facilities, which will be amortised by 15 years according to the useful life of the converting station.

(viii) It represented the government supporting fund obtained by Yichang Silicon from the acquiring of the assets and liabilities of Crucible project of Yichang Hejing Photoelectric Ceramic Co., LTD. The proceeds would be amortized and credited to income statement by 15 years after related assets were put into use.

(ix) It represented the funds granted by Chengdu local government for energy glass project. It will be amortised and credited to income statement in 15 years, in accordance with the minimum operating period committed by the Group.

(x) The allowance was granted by Shenzhen City Development and Reform Commission for the development of Group Coating Film experimental project. The grant will be amortised and credited to income statement by 20 years in the estimated useful life of the relevant fixed assets.

(xi) The allowance was granted by Hubei Xianning Economic Development Management Centre. According to the document Xian Kai Cai Fa [2012] No. 3 issued by the Centre, the allowance was used to support the development of Xianning CSG from 2012 to 2015.

31. Share Capital

Unit: RMB

	Opening	Changed in the report period (+,-)	Closing
--	---------	------------------------------------	---------

	balance	Issuing of new shares	Bonus shares	Transferred from reserves	Others	Sub-total	balance
Total of capital shares	2,075,335,560						2,075,335,560

32. Capital surplus

Unit: RMB

Items	Opening balance	Increased this term	Decreased this term	Closing balance
Capital premium	1,345,264,670			1,345,264,670
Other capital surplus	-5,173,763	162,282	79,295,055	-84,306,536
Total	1,340,090,907	162,282	79,295,055	1,260,958,134

Other notes, including the changes and the reason for changes

The reason for the decrease of Capital reserve—other in current year is the acquisition of minority interest, with the detail as follows:

(i) On 1 March 2015, the Company purchased 25% of the equities of Chengdu Float, the subsidiary of the Company, from Yunbang Investment Co., Ltd. The share transfer procedures were completed on 21 April 2015, and the Company thus held 100% equities of Chengdu Float. The adjustment to capital surplus due to such transaction is set out as below:

Acquisition cost—

Cash paid for acquisition of minority interests	109,274,438
Less: Share of identifiable net assets in the subsidiary continually calculated at the proportion of increased part of shares which the Company is entitled to as of the date of consolidation	98,998,340
Decrease capital surplus of the Group's consolidated statements	10,276,098

(ii) On 20 April 2015, the Company purchased 25% equities of Xianning CSG Energy-saving Glass Co Ltd, the subsidiary of the Company, from Jinfeng Co., Ltd. The share transfer procedures were completed on 25 May 2015, and the Company thus held 100% equities of Xianning CSG Energy-saving Glass Co Ltd. The adjustment to capital surplus due to such transaction is set out as below:

Acquisition cost—

Cash paid for acquisition of minority interests	93,994,143
Less: Share of identifiable net assets in the subsidiary continually calculated at the proportion of increased part of shares which the Company is entitled to as of the date of consolidation	58,746,339
Decrease capital surplus of the Group's consolidated statements	35,247,804

(iii) On 4 May 2015, the Company purchased 25% equities of Sichuan CSG Energy-saving Glass Co Ltd, the subsidiary of the Company, from Jinfeng Co., Ltd. The share transfer procedures were completed on 9 June 2015, and the Company thus held 100% equities of Sichuan CSG Energy-saving Glass Co Ltd. The adjustment to capital surplus due to such transaction is set out as below:

Acquisition cost—

Cash paid for acquisition of minority interests	93,585,939
Less: Share of identifiable net assets in the subsidiary continually calculated at the proportion of increased part of shares which the Company is entitled to as of the date of consolidation	59,814,786
Decrease capital surplus of the Group's consolidated statements	33,771,153

33. Other comprehensive income

Unit: RMB

Item	Opening balance	Occuring in current period					Closing balance
		Amount incurred before income tax	Less: Amount transferred into profit and loss in the current period that recognized into other comprehensive income in prior period	Less: income tax expense	After-tax attribute to the parent company	After-tax attribute to minority shareholder	
II. Other comprehensive income reclassified into profit and loss in future	-13,521,093	116,176,753	6,960,144	29,165,629	80,221,527	-170,547	66,700,434
Gains or losses arising from changes in fair value of available-for-sale financial assets	-15,970,110	116,662,516	6,960,144	29,165,629	80,536,743		64,566,633
Differences on translation of foreign currency financial statements	-100,983	-485,763			-315,216	-170,547	-416,199
Finance incentives for energy and technical transformation	2,550,000						2,550,000
Total of other comprehensive income	-13,521,093	116,176,753	6,960,144	29,165,629	80,221,527	-170,547	66,700,434

34. Special reserves

Unit: RMB

Items	Opening balance	Increased this term	Decreased this term	Closing balance
Safety production cost	14,562,826	2,691,116	2,453,167	14,800,775
Total	14,562,826	2,691,116	2,453,167	14,800,775

Other notes, including the changes and the reason for changes

Yichang CSG is a high risk chemical production enterprise. Therefore, the Company appropriated such reserve in accordance with relevant regulations.

35. Surplus reserves

Unit: RMB

Items	Beginning of term	Increased this term	Decreased this term	End of term
Statutory surplus reserve	702,920,163			702,920,163
Discretionary surplus reserve	127,852,568			127,852,568
Total	830,772,731			830,772,731

Statement on surplus reserves:

According to the PRC Corporation Law and the regulation of the Company, the Company must accrue statutory surplus reserve at the amount of 10% of the net profit until when the accumulated statutory surplus reserve reached at least 50% of the capital. After the Company obtained the approval from shareholders' meeting, the statutory surplus reserve can be used to make up the loss, or to increase the capital. The Company didn't accrue statutory surplus reserve in the report period. (2014: as accrued statutory surplus reserve at the amount of 10%, RMB 57,533,672 in total).

The appropriation to discretion surplus reserve shall be proposed by the board of the directors of the Company and approved by the annual general meeting of the shareholders. The discretion can be utilized to offset the deficit or increase the share capital. The Company did not appropriate to discretion surplus reserve during the report period.

36. Retained earnings

Unit: RMB

Items	The current period	The same period of last year
Retained earnings at the end of last year before adjustment	4,101,320,834	3,803,574,842
Retained earnings at the beginning of this year after adjustment	4,101,320,834	3,803,574,842
Add: net profits belonging to equity holders of the Company	205,767,344	589,210,439
Dividends payable	1,037,667,780	622,600,668
Retained earnings in the end	3,269,420,398	3,770,184,613

List of adjustment of opening retained profits:

- 1) RMB 0 opening retained profits was affected by retrospective adjustment conducted according to the Accounting Standards for Business Enterprises and relevant new regulations.
- 2) RMB 0 opening retained profits was affected by changes on accounting policies.
- 3) RMB 0 opening retained profits was affected by correction of significant accounting errors.
- 4) RMB 0 opening retained profits was affected by changes in combination scope arising from same control.
- 5) RMB 0 opening retained profits was affected totally by other adjustments.

37. Revenue and cost

Unit: RMB

Item	Occurred in current term		Occurred in previous term	
	Revenue	Cost	Revenue	Cost
Revenue from main operations	3,288,940,455	2,633,737,214	3,221,711,569	2,418,951,748
Revenue from other operations	34,099,047	12,283,496	40,970,103	19,641,256
Total	3,323,039,502	2,646,020,710	3,262,681,672	2,438,593,004

38. Tax and surcharge

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Business tax	46,887	71,030
City maintenance and construction tax	6,011,224	8,095,005
Educational surcharge	5,740,579	7,772,638
Others	349,544	483,125
Total	12,148,234	16,421,798

39. Selling Expenses

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Freight expenses	61,321,659	49,873,261
Employee benefits	45,338,403	41,052,113
Travelling expenses	5,361,529	4,620,055
Entertainment expenses	6,054,706	4,370,807
Vehicle use fee	3,684,785	3,149,565
Compensation	1,129,260	309,618
General office expenses	2,273,989	2,553,771
Rental expenses	2,727,898	2,277,960
Depreciation expenses	619,699	642,394
Others	7,950,590	5,465,536
Total	136,462,518	114,315,080

40. Administrative Expenses

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Employee benefits	61,211,246	85,457,660
Research and development expenses	118,636,645	88,311,535
Taxation Expenses	26,466,641	25,509,353
Depreciation expenses	12,191,437	16,786,074
General office expenses	10,083,571	9,281,665
Amortisation of intangible assets	16,350,879	15,022,106
Water and electricity expense	3,926,447	2,504,210
Canteen costs	3,103,106	3,309,614
Travelling expenses	3,140,356	2,927,354
Rental expenses	2,436,882	2,460,865
Vehicle use fee	2,259,201	2,381,902
Entertainment expenses	3,007,056	2,956,059
Labour union funds	5,447,319	3,538,457
Others	14,107,303	19,747,166
Total	282,368,089	280,194,020

41. Finance Expenses

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Loan interest	142,044,190	119,115,961
Less: interest in construction in progress	14,279,994	19,192,935
Interest expenses	127,764,196	99,923,026
Amortization of corporate bond issue costs	2,631,954	2,306,226
Less: Interest income	1,390,764	1,841,127
Exchange losses/(gains)	-280,387	3,357,025
Others	4,017,465	5,280,478
Total	132,742,464	109,025,628

42. Asset impairment loss

Unit: RMB

Items	Occurred in current term	Occurred in previous term
I. Provision for bad debts	4,759,309	2,383,377
Total	4,759,309	2,383,377

43. Investment income**(1) Details of investment income**

Unit: RMB

Items	Occurred in current term	Occurred in previous term
long-term equity investment accounted by equity method	-14,452,010	9,407,007
Gain from disposal of equity interests	66,812	311,247,064
Cash dividend earned during the holding period of available-for-sale financial assets	60,372	108,000
Gain from disposal of available-for-sale financial assets	56,779,276	
Total	42,454,450	320,762,071

Other notes:

There is no significant restriction on the remittance of investment income to the Group.

44. Non-operating income

Unit: RMB

Items	Occurred in current term	Occurred in previous term	Amount of non-recurring gain and loss included in the report period
Total of gains from disposal of non-current assets	2,675,438	619,737	2,675,438
Incl.: Gain on disposal of fixed assets	2,675,438	619,737	2,675,438
Government grants	42,944,737	44,447,997	42,944,737
Default income(a)		3,700	
Compensation income	547,445	403,692	547,445
Funds unpayable	26,682,486	9,149,730	26,682,486
Others	3,305,865	2,658,398	3,305,865
Total	76,155,971	57,283,254	76,155,971

Government grants included in current profit and loss:

Unit: RMB

Items	Occurred in current term	Occurred in previous term	Related to assets or income	Whether belongs to extraordinary gains/loss
Government grants amortization	26,540,323	28,973,405	Related to assets and income	Yes

Industry supporting fund	10,000,000	11,392,846	Related to income	Yes
Subsidies for research and development	2,316,000	463,245	Related to income	Yes
Interest subsidies for technical transformation	1,991,455	740,800	Related to income	Yes
Advanced energy saving	940,000		Related to income	Yes
Government awards fund	912,399	1,037,505	Related to income	Yes
Energy saving subsidy		20,000	Related to income	Yes
Others	244,560	1,820,196	Related to income	Yes
Total	42,944,737	44,447,997	--	--

45. Non-operating expenses

Unit: RMB

Items	Occurred in current term	Occurred in previous term	Amount of non-recurring gain and loss included in the report period
Total of loss from disposal of non-current assets	18,755	1,446,174	18,755
Incl. Loss from disposal of fixed assets	18,755	1,446,174	18,755
Donation	1,000	20,000	1,000
Loss on compensations	2,981		2,981
Others	2,796	133,562	2,796
Total	25,532	1,599,736	25,532

46. Income tax expenses

(1) List of income tax expenses

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Current income tax	34,915,839	53,996,024
Deferred income tax	-28,389,192	7,001,382
Total	6,526,647	60,997,406

(2) Adjustment process of accounting profit and income tax expense

Unit: RMB

Items	Occurred in current term
Total profit	227,123,067

Current income tax expense accounted by tax and relevant regulations	31,503,318
Influence of different tax rates on subsidiaries	-4,645,984
Influence of the adjustment of previous term	-27,205,737
Influence of income not subject to tax	-60,137
Costs, expenses and losses not deductible for tax purposes	1,261,803
Influence of deductible temporary difference or deductible losses of unrecognized deferred income tax assets	5,673,384
Income tax expenses	6,526,647

47. Other comprehensive income

The details can be found at Note VII (34).

48. Items of the cash flow statement

(1) Cash received relating to other operating activities

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Interest income	1,390,764	1,841,127
Government grant	16,404,414	15,474,592
Others	18,633,458	17,266,419
Total	36,428,636	34,582,138

(2) Cash paid relating to other operating activities

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Transportation expense	73,203,113	48,709,437
Canteen cost	16,993,798	14,947,648
Office expenses	14,119,050	14,964,148
R&D fees	15,487,820	9,252,825
Travelling expenses	10,250,438	9,748,816
Entertainment expenses	8,785,380	7,708,778
Insurance expenses	8,317,028	7,924,670
Consultant expenses	6,347,562	4,158,343
Vehicle use fee	6,215,840	6,979,520

Rental expenses	4,011,703	2,460,865
Repairing fees	3,870,337	6,562,243
Bank fees	4,017,465	5,387,563
Compensation	1,129,260	309,618
Others	58,006,853	64,732,774
Total	230,755,647	203,847,248

(3)Cash received relating to other investing operating activities

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Receivables of insurance indemnities		72,000,000
Government grants received relating to assets	8,290,000	10,788,804
Received deposit	1,509,515	
Cash received from merger of CSG Australia		16,312,506
Total	9,799,515	99,101,310

(4)Cash paid relating to other investing activities

Unit: RMB

Items	Occurred in current term	Occurred in previous term
paid for come-and-go money of Shenzhen CSG(former subsidiary)		5,000,000
Payment for Shenzhen CSG	4,209,881	
paid for deposit and margin		1,616,080
Total	4,209,881	6,616,080

(5)Cash received relating to other financing activities

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Shenzhen CSG received come-and-go money from Golden Time		330,000,000
Received return money from Shenzhen CSG Display		19,610,000
Collection of income tax of dividends of	19,650,025	

A-share & B-share		
Return deposit of bills		3,850,920
Total	19,650,025	353,460,920

(6)Cash paid relating to other financing activities

Unit: RMB

Items	Occurred in current term	Occurred in previous term
Cash paid for Commission fee of borrowing and bills	2,158,619	
Total	2,158,619	

49. Supplement notes of cash flow statement**(1) Supplement notes of cash flow statement**

Unit: RMB

Supplementary Info.	Amount of this term	Amount of last term
1. Net profit adjusted to cash flow of business operation	--	--
Net profit	220,596,420	617,196,948
Add: Provisions for assets impairment	4,759,309	2,383,377
Depreciation of fixed assets, gas and petrol depreciation production goods depreciation	392,866,394	333,251,017
Amortisation of intangible assets	16,350,879	15,022,106
(Gains)/Losses on disposal of fixed assets and intangible assets (“-“ for gains)	-2,656,683	826,437
Finance expenses (“-“ for gains)	130,396,150	100,371,172
Investment loss(“-“ for gains)	-42,454,450	-320,762,071
Decrease in deferred tax assets (“-“ for increase)	-4,058,450	10,205,895
Increase of deferred income tax liability (“-“ for decrease)	-24,330,742	-3,204,513
Decrease of inventory (“-“ for increase)	-105,151,274	-64,473,835
Decrease of operational receivable items (“-“ for increase)	-250,156,934	-92,874,548
Increase of operational payable items (“-“ for decrease)	16,403,201	-17,013,778
Cash flow generated by business operation, net	352,563,820	580,928,207
2. Major investment and financing operation not involving with	--	--

cash		
3. Net change of cash and cash equivalents	--	--
Balance of cash at period end	183,519,648	286,535,444
Less: Initial balance of cash	156,838,260	276,450,869
Net increasing of cash and cash equivalents	26,681,388	10,084,575

(2) Net cash received from disposal of subsidiaries

Unit: RMB

	Amount
Cash and cash equivalents received from the disposal of subsidiaries	1,323,009
Including:	--
Less: Cash held by subsidiary on the date which control losses	15,954,408
Including:	--
Including:	--
Net proceeds from disposal of subsidiaries	-14,631,399

(3) Formation of cash and cash equivalents

Unit: RMB

Items	Closing balance	Opening balance
I. Cash	183,519,648	156,838,260
Incl: Cash on hand	24,252	17,163
Cash at bank without restriction	183,333,591	156,633,575
others without restriction	161,805	187,522
III. Balance of cash and cash equivalents at end of term	183,519,648	156,838,260

50. Foreign currency monetary items**(1) Foreign currency monetary items**

Unit: RMB

Item	Closing balance of foreign currency	Exchange rate	Closing balance convert to RMB
Cash at bank and on hand	--	--	51,365,887
Incl: USD	1,540,145	6.1136	9,415,830

EUR	31,311	6.8699	215,103
HKD	52,663,474	0.7886	41,530,416
AUD	43,525	4.6993	204,537
JPY	20	0.0501	1
Accounts receivable	--	--	29,077,871
Incl: USD	4,756,260	6.1136	29,077,871
Short-term borrowings			118,498,074
Incl: USD	11,809,437	6.1136	72,198,174
EUR	1,000,000	6.8699	6,869,900
HKD	50,000,000	0.7886	39,430,000
Non-current liabilities due within one year			6,287,960
Incl: USD	1,028,520	6.1136	6,287,960
Accounts payable			43,024,956
Incl: USD	5,241,369	6.1136	32,043,634
EUR	1,598,469	6.8699	10,981,322

VIII. Changes in the scope of consolidation

1. Disposal of subsidiaries

Was there any single disposal of subsidiary investment which means losing control right?

Yes No

Unit: RMB

Company name	Disposal consideration	Disposal percentage	Disposal method	Timing for Control right losing	Basis for determining timing for Control right losing	Difference between disposal consideration and disposed investment and corresponding net asset shares in such subsidiary at consolidated statements level	Retained percentage of equity at the date of losing control right	Book value of equity at the date of losing control right	Fair value of equity at the date of losing control right	Gains and losses from the retained equity recalculated by fair value	Method and assumptions for Fair value of the retained equity at the date of losing control right	The amount of other comprehensive income related to investment of original subsidiary transferred into investment gains or losses

CSG (Australia) Limited	1,318,678	51%	sale	2015-05-27	An irrevocable equity transfer agreement is signed, with related procedures completed	66,812						
-------------------------------	-----------	-----	------	------------	---	--------	--	--	--	--	--	--

Other notes:

Does it exist that the Company disposed subsidiary investment by several transactions and lost its control right in the period?

Yes No

2. Changes in the scope of consolidation for other reasons

On 7 April 2015, the company invested a new subsidiary “Shenzhen CSG Financial Leasing Co., Ltd.” by cash, holding 100% of its equity.

IX. Interest in other entities

1. Interest in subsidiary

(1) Composition of the Group

Name of subsidiary	Major business location	Place of registration	Scope of business	Shareholding (%)		Way of acquisition
				Direct	Indirect	
Chengdu CSG Glass Co., Ltd.	Chengdu, the PRC	Chengdu, the PRC	Development, production and sales of specialized glass	75%	25%	Establishment
Sichuan CSG Energy Conservation	Chengdu, the PRC	Chengdu, the PRC	Development, production and sales of specialized glass and processed glass	75%	25%	Split-off
Tianjin Energy Conservation Glass Co. Ltd	Tianjin, the PRC	Tianjin, the PRC	Development, production and sales of specialized energy-efficient glass	75%	25%	Establishment
Dongguan CSG Architectural Glass Co., Ltd.	Dongguan, the PRC	Dongguan, the PRC	Processed glass	75%	25%	Establishment
Dongguan CSG Solar Glass Co., Ltd.	Dongguan, the PRC	Dongguan, the PRC	Production and sales of solar glass	75%	25%	Establishment
Yichang CSG Silicon Co., Ltd.	Yichang, the PRC	Yichang, the PRC	Production and sales of silicon related materials	75%	25%	Establishment
Wujiang CSG North-east Architectural Glass Co., Ltd.	Wujiang, the PRC	Wujiang, the PRC	Processed glass	75%	25%	Establishment

Dongguan CSG PV-tech Co., Ltd.	Dongguan, the PRC	Dongguan, the PRC	Production and sales of solar battery and applications	99.66%	0.34%	Establishment
Hebei CSG Glass Co., Ltd.	Yongqing, the PRC	Yongqing, the PRC	Production and sales of specialized glass	75%	25%	Establishment
Wujiang CSG Glass Co., Ltd.	Wujiang, the PRC	Wujiang, the PRC	Production and sales of specialized glass	100%		Establishment
China Southern Glass (Hong Kong) Limited	Hong Kong	Hong Kong	Trading and investment holding	100%		Establishment
Hebei Sichuan Glass Co., Ltd.	Yongqing, the PRC	Yongqing, the PRC	Production and sales of ultra-thin electronic glass	100%		Establishment
Xianning CSG Glass Co Ltd.	Xianning, the PRC	Xianning, the PRC	Production and sales of specialized glass	75%	25%	Establishment
Xianning CSG Energy Conservation Glass Co Ltd.	Xianning, the PRC	Xianning, the PRC	Processed glass	75%	25%	Split-off
Qingyuan CSG Energy Saving New Materials Co.,Ltd	Qingyuan, the PRC	Qingyuan, the PRC	Production and sales of ultra-thin electronic glass	100%		Establishment
Yichang CSG photoelectric Glass Co, Ltd.	Yichang, the PRC	Yichang, the PRC	Production and sales of ultra-thin electronic glass	73.58%		Purchase
Jiangyou CSG Mining Develop Co.Ltd.	Jiangyou, the PRC	Jiangyou, the PRC	Production and sales of silica and by-products	100%		Establishment

(2)The significant non-fully-owned subsidiaries of the Group

Unit: RMB

Subsidiaries	Shareholding of minority shareholders	Total profit or loss attributable to minority shareholders for the year ended 30 June 2015	Dividends distributed to minority interests for the year ended 30 June 2015	Minority interest as at 30 June 2015
Chengdu CSG Glass Co., Ltd.		1,291,809		
Sichuan CSG Energy Conservation Glass Co Ltd.		5,389,870	21,981,311	
Xianning CSG Energy Conservation Glass Co Ltd.		3,143,296	15,764,831	
China Southern Glass (Australia) Limited		707,466	3,671,518	
Yichang CSG photoelectric Glass Co, Ltd.	26.42%	4,048,036		56,537,977
Yingde Hongsheng Silica Sand Mine. Co., Ltd.	25%	248,599		2,827,039
Total		14,829,076	41,417,660	59,365,016

(3) The major financial information of the significant non-fully-owned subsidiaries of the Group

Unit: RMB

Name of Subsidiary	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Chengdu CSG Glass Co., Ltd.							72,598,205	818,530,242	891,128,447	219,009,505	281,292,818	500,302,323
Sichuan CSG Energy Conservation Glass Co Ltd.							71,926,599	556,538,831	628,465,430	118,073,003	204,767,520	322,840,523
Xianning CSG Energy Conservation Glass Co Ltd.							80,177,475	579,883,664	660,061,139	240,732,351	133,857,295	374,589,646
China Southern Glass (Australia) Co Ltd							17,678,078	992,581	18,670,659	9,818,877		9,818,877
Yichang CSG photoelectric Glass Co, Ltd.	61,004,137	410,432,512	471,436,649	187,648,515	57,719,660	245,368,175	39,943,879	398,767,782	438,711,661	177,328,186	62,719,660	240,047,846
Yingde Hongsheng Silica Sand Mine. Co., Ltd.	16,269,890	27,152,325	43,422,215	32,114,059		32,114,059	7,084,585	27,102,119	34,186,704	23,872,946		23,872,946

Unit: RMB

Name of Subsidiary	Occurred in current term				Occurred in previous term			
	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Chengdu CSG Glass Co., Ltd.					481,361,347	35,165,742	35,165,742	105,354,549
Sichuan CSG Energy Conservation Glass Co Ltd.					230,935,561	39,679,134	39,679,134	95,166,079
Xianning CSG Energy Conservation Glass Co Ltd.					113,942,677	19,926,235	19,926,235	30,607,304
China Southern Glass (Australia) Co Ltd					26,764,284	2,317,629	2,317,629	753,495
Yichang CSG photoelectric Glass Co, Ltd.	44,489,079	15,321,861	15,321,861	22,190,918	1,608,439	-1,941,673	-1,941,673	-906,853
Yingde Hongsheng Silica Sand Mine. Co., Ltd.	14,035,998	994,398	994,398	-6,406,518	15,988,652	2,074,073	2,074,073	2,302,755

2. Equity in joint venture or associated enterprise

(1) Significant joint venture or associated enterprise

joint venture or associated enterprise	Major business location	Place of registration	Nature of business	Shareholding (%)		Accounting treatment of the investment of joint venture or associated enterprise
				Direct	Indirect	
Shenzhen CSG Display Technology Co., Ltd.	Shenzhen, the PRC	Shenzhen, the PRC	Manufacturing	44.70%		Equity method

(2) Main financial information of significant associated enterprise

Unit: RMB

	Closing balance	Opening balance
Current assets	289,824,265	347,033,778
Non-current assets	1,440,620,518	1,430,207,838
Total assets	1,730,444,783	1,777,241,616
Current liabilities	678,597,208	551,890,216
Non-current liabilities	216,764,013	187,877,492
Total liabilities	895,361,221	739,767,708
Equity attributable to equity holders of the Company	835,083,562	1,037,473,908
Shares of net assets in proportion	373,282,352	463,349,301
-Goodwill	288,274,242	288,274,242
Carrying amount of investment in associates	661,556,594	751,623,543
Revenue	216,088,674	614,918,196
Net profit	-32,332,356	20,871,310
Total comprehensive income	-32,332,356	20,871,310
Dividends received from associates by the Group for the current year	75,777,221	26,235,366

Other notes:

Main financial information of significant associated enterprise

The Group calculates the shares of net assets in proportion of the shareholdings and based on the amount attributable to the parent company of the associates in their consolidated financial statements, which has taken into account the impact of both the fair value of the identifiable assets and liabilities of the associates upon the acquisition of investment and accounting policy unifying.

3. Others**X. Risk related to financial instrument**

The Group's activities expose it to a variety of financial risks: market risk (primarily currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(1) Market risk

(a) Foreign exchange risk

The Group's major operational activities are carried out in Mainland China and a majority of the transactions are denominated in RMB. However, some of the export business are settled in foreign currency. Besides, the Group is exposed to foreign exchange risk arising from the recognised assets and liabilities, and future transactions denominated in foreign currencies, primarily with respect to US dollars and Euro. The Group monitors the scale of foreign currency transactions, foreign currency assets and liabilities, and adjust settlement currency of export business, to furthest reduce the currency risk.

As at 30 June 2015, the carrying amounts in RMB equivalent of the Group's assets and liabilities denominated in foreign currencies are summarized below:

	30 June 2015		
	USD	Others	Total
Financial assets denominated in foreign currency-			
Cash at bank and on hand	9,415,830	41,950,057	51,365,887
Receivables	29,077,871	-	29,077,871
	38,493,701	41,950,057	80,443,758
Financial liabilities denominated in foreign currency-			
Short-term borrowings	72,198,174	46,299,900	118,498,074
Payables	32,043,634	10,981,322	43,024,956
Current portion of non-current liabilities	6,287,960	-	6,287,960
	110,529,768	57,281,222	167,810,990
	31 December 2014		
	USD	Others	Total
Financial assets denominated in foreign currency-			
Cash at bank and on hand	4,560,723	3,083,205	7,643,928
Accounts receivable	24,941,950	11,789,370	36,731,320
	29,502,673	14,872,575	44,375,248
Financial liabilities denominated in foreign currency-			
Short-term borrowings	72,423,260	16,983,857	89,407,117
Accounts payable	26,210,492	27,927,082	54,137,574
Current portion of non-current liabilities	6,293,514	-	6,293,514
	104,927,266	44,910,939	149,838,205

As at 30 June 2015, if the currency had strengthened /weakened by 10% against the USD while all other variables had been held constant, the Group's net profit for the year would have been approximately RMB 6,123,066 (31 December 2014: approximately RMB 6,411,090) higher/lower for various financial assets and liabilities denominated in USD. Other changes in exchange rate had no significant influence on the Group's operating activities.

(b) Interest rate risk

The Group's interest rate risk arises from long-term interest bearing borrowings including long-term borrowings and bonds payable. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed rate and floating rate contracts depending on the prevailing market conditions. As at 30 June 2015, the Group's long-term interest-bearing debt at variable rates and fixed rates as illustrated below:

	30 June 2015	31 December 2014
Debt at fixed rates	1,998,415,159	1,995,783,205
Debt at variable rates	386,250,000	383,817,820
	2,384,665,159	2,379,601,025

The Group continuously monitors the interest rate position of the Group. Increases in interest rates will increase the cost of new borrowing and the interest expenses with respect to the Group's outstanding floating rate borrowings, and therefore could have a material adverse effect on the Group's financial position. The Group makes adjustments timely with reference to the latest market conditions, which includes increasing/decreasing long-term fixed rate debts at the anticipation of increasing/decreasing interest rate.

As at 30 June 2015, if interest rates on the floating rate borrowings had risen/fallen by 50 basis points while all other variables had been held constant, the Group's net profit would have decreased/increased by approximately RMB 1,642,563 (2014: about RMB 1,631,226).

(2) Credit risk

Credit risk is managed on the grouping basis. Credit risk mainly arises from cash at bank, notes receivable, accounts receivable and other receivables, etc.

The Group expects that there is no significant credit risk associated with cash at bank since they are deposited at state-owned banks and other medium or large size listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties. Furthermore, as the Group's bank acceptance notes receivable are generally accepted by the state-owned banks and other large and medium listed banks, the management believes the credit risk should be limited.

In addition, the Group has policies to limit the credit exposure on accounts receivable, other receivables and trade acceptance notes receivable. The Group assesses the credit quality of and sets credit limits on its customers by taking into account their financial position, the availability of guarantee from third parties, their credit history and other factors such as current market conditions. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

(3) Liquidity risk

Cash flow forecasting is performed by each subsidiary of the Group and aggregated by the Group's finance department in its

headquarters. The Group's finance department at its headquarters monitors rolling forecasts of the Group's short-term and long-term liquidity requirements to ensure it has sufficient cash reserve, while maintaining sufficient headroom on its undrawn committed borrowing facilities from major financial institutions so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities to meet the short-term and long-term liquidity requirements.

As at 30 June 2015, the Group had net current liabilities of approximately RMB 5.208 billion and committed capital expenditures of approximately RMB 165 million. Management will implement the following measures to ensure the liquidation risk limited to a controllable extent:

- (a) The Group will have steady cash inflows from operating activities;
- (b) The Group will pay the debts that mature and finance the construction projects through the existing bank facilities; and
- (c) The Group will closely monitoring the payment of construction expenditure in terms of payment time and amount.

The financial liabilities of the Group at the balance sheet date are analysed by their maturity date below at their undiscounted contractual cash flows :

	30-Jun-15				Total
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Short-term borrowings	3,385,900,489	-	-	-	3,385,900,489
Payables	1,180,048,448	-	-	-	1,180,048,448
Current portion of non-current liabilities	2,253,409,399	-	-	-	2,253,409,399
Long-term borrowings	21,666,525	223,047,010	178,240,209		422,953,744
	6,841,024,861	223,047,010	178,240,209		7,242,312,080

	31 December 2014				Total
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Short-term borrowings	2,005,285,324	-	-	-	2,005,285,324
Payables	1,185,864,836	-	-	-	1,185,864,836
Current portion of non-current liabilities	2,233,956,338	-	-	-	2,233,956,338
Long-term borrowings	22,605,105	243,563,587	162,793,358		428,962,050
	5,447,711,603	243,563,587	162,793,358		5,854,068,548

XI. Disclosure of fair value

1. Fair value at the end of the term of assets and liabilities measured at fair value

Unit: RMB

Item	Fair value at the end of the term			
	First level fair value measurement	Second level fair value measurement	Third level fair value measurement	Total
I. Sustained fair value measurement	--	--	--	--
(II) Available-for-sale financial assets	156,121,811			156,121,811
(2) investment interest tools	156,121,811			156,121,811
II. Non sustained fair value measurement	--	--	--	--

2. Fair value of financial assets and financial liabilities not measured at fair value

Other than the available-for-sale financial asset, the Group's financial assets and liabilities are not measured at fair value in current year.

Except for financial liabilities listed below, the carrying amount of the other financial assets and liabilities not measured at fair value is a reasonable approximation of their fair value.

	30 June 2015		31 December 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Current portion of bonds payable(i)	1,998,415,159	2,017,010,000	1,995,783,205	2,002,490,000

(i) The fair value of bonds payable that are traded in an active market is determined at the quoted price in the active market.

XII. Related party and related Transaction

1. Subsidiaries of the Company

The information of subsidiaries of the Company can be found at Note IX.

2. Joint venture and associated enterprise of the Company

The information of significant joint venture and associated enterprise of the Company can be found at Note IX.

Other joint venture or associated enterprise of the Company formed balance due to related transactions with the Company in this term or in previous term as follows:

Joint venture or associated enterprise	Relationship with the Company
Shenzhen CSG Display Technology Co., Ltd.	Associated enterprise

3. Related transaction

(1) Transaction of acquisition of goods, offering and reception of labor service

List of selling goods/offering labor service

Unit: RMB

Related party	Contents of related transaction	Occurred in this term	Occurred in previous term
Shenzhen CSG Display Technology Co., Ltd.	sale of ultra-thin glass	12,418,959	4,553,216

(2) Related lease

The Company as the Lessor:

Unit: RMB

Lessee	Type of leased asset	Rental income recognized in this term	Rental income recognized in previous term
Shenzhen CSG Display Technology Co., Ltd.	plant	456,000	456,000

4. Receivables and payables of related parties**(1) Receivables**

Unit: RMB

Item	Related party	Closing balance		Opening balance	
		Book balance	bad debt provision	Book balance	bad debt provision
Accounts receivable	Shenzhen CSG Display Technology Co., Ltd.	6,122,417	122,448	421,124	8,422
Other receivables	Shenzhen CSG Display Technology Co., Ltd.	720,373	14,407		

5. Commitments in relation to related parties

The commitments in relation to related parties contracted for but not yet necessary to be recognised on the balance sheet by the Group as at the balance sheet date are as follows:

Lease	30 June 2015	31 December 2014
- Rent out		
Shenzhen CSG Display Technology Co., Ltd.	3,192,000	3,648,000

XIII. Commitments and Contingency**1. Significant commitments**

Significant commitments at the balance sheet date

(1) Capital expenditures commitments

Capital expenditures contracted for by the Group at the balance sheet date but are not yet necessary to be recognised on the balance sheet are as follows:

	30 June 2015	31 December 2014
Buildings, machinery and equipment	164,952,951	195,050,992

(2) Fulfilment of previous commitment

The commitment relating to capital expenditures and external investments at 31 December 2014 has been fulfilled as agreed.

XIV. Other significant events**1. Discontinued operation**

Unit: RMB

Item	Revenue	Cost	Total profit	Income tax expenses	Net profit	Discontinued operation profit attributable to the owner of the parent company
CSG (Australia) Limited	23,262,581	21,200,352	2,062,229	618,420	1,443,809	736,343

Other notes:

On 1 May 2015, the Company signed an irrevocable equity transfer agreement with a third party, Truly Wealth Co., Ltd., to transfer 51% of equity that it held in CSG (Australia) Limited, and such transfer was completed on 27 May. Thus the control over CSG (Australia) Limited was lost on that day.

4. Segment information**(1) Definition foundation and accounting policy of segment**

The reportable segments of the Group are the business units that provide different products or service. As different businesses require different technologies and marketing strategies, the Group, therefore, separately manages the production and operation of each reportable segment and evaluates their operating results respectively, in order to make decisions about resources to be allocated to these segments and to assess their performance.

The Group identified 3 reportable segments as follows:

- Flat glass segment, being engaged in the production and sales of flat glass products and the silica for the production thereof
- Engineering glass segment, being engaged in the production and sales of engineering glass products
- Solar Energy Segment, being engaged in the production and sales of polycrystalline silicon and solar battery and applications

Inter-segment transfer prices are measured by reference to selling prices to third parties.

The assets are allocated based on the operations of the segment and the physical location of the asset. The liabilities are allocated based on the operations of the segment. Expenses indirectly attributable to each segment are allocated to the segments based on the proportion of each segment's revenue.

(2) Financial information of segment

Unit: RMB

Item	Floating glass	Engineer glass	Solar energy	Others	Unallocated	Elimination	Total
Revenue from external customers	1,375,285,435	1,328,746,420	619,007,647				3,323,039,502
Inter-segment revenue	307,478,550	13,729,189	10,657,580			-331,865,319	
Interest income	196,508	138,162	56,612	213	999,269		1,390,764
Interest expenses	30,348,542	14,618,062	16,563,393		66,234,199		127,764,196
Investment income from associates and joint ventures					-14,452,010		-14,452,010
Asset impairment reversal	1,606,141	1,866,002	1,280,122		7,044		4,759,309
Depreciation and amortization expenses	180,337,927	117,406,804	110,636,644		3,352,493	2,516,595	409,217,273
Total profit / (loss)	32,576,351	206,941,101	5,944,095	-42,264	-20,269,255	1,973,039	227,123,067
Income tax (expenses) income	-7,871	29,331,598	156,695		-22,953,775		6,526,647
Net profit / (loss)	32,584,222	177,609,503	5,787,400	-42,264	2,684,520	1,973,039	220,596,420
Total assets	6,888,174,562	3,610,121,576	3,884,283,379	170,481	939,025,326		15,321,775,324
Total liabilities	1,497,103,919	985,244,648	422,813,100	2,502,814	4,836,757,795		7,744,422,276
Non-cash expenses other than depreciation and amortisation					162,282		162,282
Long-term equity investments in associates and joint ventures					661,556,594		661,556,594
Additions of non-current assets other than long-term equity investments	248,847,177	45,419,753	80,121,796		4,630,069		379,018,795

(2) Other statement

The Group's revenue from external customers domestically and in foreign countries or geographical areas, and the total non-current assets other than financial assets and deferred tax assets located domestically and in foreign countries or geographical areas are as follows:

Revenue from external customers	Jan.-Jun. 2015	Jan.-Jun. 2014
Mainland	3,014,978,672	2,940,011,268
Hong Kong	4,678,449	34,873,594
Europe	37,623,285	87,392,381
Asia (other than Mainland and Hong Kong)	222,259,536	117,272,638
Australia	33,265,222	46,764,284
North America	8,601,218	33,917,410
Other region	1,633,120	2,450,097
	3,323,039,502	3,262,681,672
Total non-current assets	Jan.-Jun. 2015	Jan.-Jun. 2014
Mainland	13,366,420,758	13,501,317,408
Hong Kong	12,358,576	12,788,090
Australia		584,516
	13,378,779,334	13,514,690,014

The Group has a large number of customers, and no revenue from a single customer exceed 10% or more of the Group's revenue.

XVI. Notes to Financial Statements of the Parent Company**1. Other account receivable****(1) Disclosure of other account receivable****(1) Other accounts receivable disclosed by category:**

Unit: RMB

Categories	Closing balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion %	Amount	Proportion %		Amount	Proportion %	Amount	Proportion %	
Accounts receivable	4,241,606,919	100%	14,227	0%	4,241,592,692	3,574,798,592	100%	7,183	0%	3,574,791,409

withdrawn bad debt provision according to credit risks characteristics										
Total	4,241,606,919	100%	14,227	0%	4,241,592,692	3,574,798,592	100%	7,183	0%	3,574,791,409

Statement on categories of other receivable accounts:

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

Applicable Non-applicable

Other receivable accounts in the portfolio on which bad debt provisions were provided on age analyze basis

Applicable Non-applicable

Other receivable accounts in the portfolio on which bad debt provisions were provided on percentage basis

Applicable Non-applicable

Unit: RMB

Name of portfolio	Closing balance		
	Other receivable accounts	Bad debt provision	proportion%
Related party	4,241,081,745	3,723	0%
Non related party	525,174	10,504	2%
Total	4,241,606,919	14,227	0%

Notes of the basis of recognizing the portfolio:

Other receivable accounts in the portfolio on which bad debt provisions were provided on other basis

Applicable Non-applicable

(2) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision during the reporting period was of RMB 7,044. The amount of the reversed or collected part during the reporting period was of RMB 0.

(3) Other accounts receivable classified by the nature of accounts

Unit: RMB

Nature	Closing balance	Opening balance
Fund of related party	4,241,081,745	3,574,439,444
Fund of non related party	525,174	359,148
Total	4,241,606,919	3,574,798,592

(4) Top 5 of the closing balance of the other accounts receivable collated according to the arrears party

Unit: RMB

Name of the companies	Nature	Closing balance	Ages	Proportion of the	Closing balance of
-----------------------	--------	-----------------	------	-------------------	--------------------

Industrial				total year end balance of the accounts receivable (%)	bad debt provision
Yichang CSG Silicon Co., Ltd.	Fund of related party	1,535,591,991	Within 1 year	36%	0
Wujiang CSG Glass Co., Ltd.	Fund of related party	694,178,036	Within 1 year	16%	0
Dongguan CSG Solar Glass Co., Ltd.	Fund of related party	288,771,955	Within 1 year	7%	0
Chengdu CSG Glass Co., Ltd.	Fund of related party	255,738,636	Within 1 year	6%	0
Dongguan CSG PV-tech Co., Ltd.	Fund of related party	202,794,867	Within 1 year	5%	0
Total	--	2,977,075,485	--	70%	

2. Long-term equity investment

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	impairment provision	Book value	Book balance	impairment provision	Book value
Investment in subsidiaries	4,432,241,791	15,000,000	4,417,241,791	4,387,840,415	15,000,000	4,372,840,415
Investment in joint venture and associated enterprise	270,344,136		270,344,136	360,210,315		360,210,315
Total	4,702,585,927	15,000,000	4,687,585,927	4,748,050,730	15,000,000	4,733,050,730

(1) Investment in subsidiaries

Unit: RMB

Invested company	Opening balance	Increase in the term	Decrease in the term	Closing balance	Provision for impairment of the current period	Closing balance of impairment provision
Chengdu CSG Glass Co., Ltd.	76,674,073			76,674,073		
Sichuan CSG Energy Conservation Glass Co Ltd.	115,290,583			115,290,583		
Tianjin Energy Conservation Glass Co., Ltd	242,902,974			242,902,974		

Dongguan CSG Architectural Glass Co., Ltd.	193,618,971			193,618,971		
Dongguan CSG Solar Glass Co., Ltd.	349,446,826			349,446,826		
Yichang CSG Silicon Co., Ltd.	632,958,044			632,958,044		
Yichang CSG photoelectric Glass Co., Ltd.	157,461,200			157,461,200		
Wujiang CSG North-east Architectural Glass Co., Ltd.	251,313,658			251,313,658		
Dongguan CSG PV-tech Co., Ltd.	308,122,789			308,122,789		
Hebei CSG Glass Co., Ltd.	261,998,368			261,998,368		
China Southern Glass (Hong Kong) Limited	85,742,211			85,742,211		
Wujiang CSG Glass Co., Ltd.	562,179,564			562,179,564		
Hebei Sichuan Glass Co., Ltd.	243,062,801			243,062,801		
China Southern Glass (Australia) Limited	1,393,524		1,393,524	0		
Jiangyou CSG Mining Develop Co.Ltd.	100,725,041			100,725,041		
Xianning CSG Glass Co Ltd.	177,041,818			177,041,818		
Xianning CSG Energy Conservation Glass Co Ltd.	161,281,576			161,281,576		
Qingyuan CSG energy saving new materials Co.,Ltd.	300,185,609			300,185,609		
Shenzhen CSG Financial Leasing Co., Ltd.		45,000,000		45,000,000		
Others	166,440,785	794,900		167,235,685		15,000,000
Total	4,387,840,415	45,794,900	1,393,524	4,432,241,791		15,000,000

(2) Investment in joint venture

Unit: RMB

Investee	Opening balance	Increase/decrease								Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	Gains and losses recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Other		
I. Joint ventures											
II. Associated enterprises											
Shenzhen	360,210,315			-14,452,010		363,052	75,777,221			270,344,136	

CSG Display Technology Co., Ltd										
Subtotal	360,210,315			-14,452,010		363,052	75,777,221			270,344,136
Total	360,210,315			-14,452,010		363,052	75,777,221			270,344,136

3. Investment income

Unit: RMB

Item	Occurred in this term	Occurred in previous term
Long-term equity investment accounted by cost method	495,382,766	497,796,216
Long-term equity investment accounted by equity method	-14,452,010	69,828,686
Investment income accounted by disposal of long-term equity investment	-128,814	203,314,745
Investment income earned during the holding period of available-for-sale financial assets	60,372	82,836
Investment income gained from disposal of equity interests	55,257,044	
writeoff impairment provision of long-term receivables of subsidiaries		519,763
Total	536,119,358	771,542,246

XVII. Supplementary Information

1. Items and amounts of extraordinary profit (gains)/loss

√Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	2,656,683	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	42,944,737	
Gains on disposal of available-for-sale financial assets, gains and losses from change of fair values of held-for-transaction financial assets and financial liabilities except for the effective hedge business related to normal business of the Company, and investment income from disposal of transactional financial assets and liabilities and financial assets available for sale	56,839,648	

Other non-operating income and expenditure except for the aforementioned items	30,529,019	
Other item that satisfied the definition of non-recurring gains and losses	18,861,324	
Less: Impact on income tax	8,940,971	
Impact on minority shareholders' equity (post-tax)	1,390,779	
Total	141,499,661	--

Explain reasons for the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*.

Applicable Not applicable

Item	Amount involved (RMB)	Reasons
Other item that satisfied the definition of non-recurring gains and losses	66,812	Disposal of 51% equity of CSG (Australia) Limited.
Other item that satisfied the definition of non-recurring gains and losses	18,794,512	The deferred income tax recognized for the previous period had been written off by the disposal of financial assets available-for-sale.

2. Return on equity and earnings per share

Profit in the report period	The weighted average net assets ratio	Earnings per share	
		basic earnings per share (RMB/share)	diluted earnings per share (RMB/share)
Net profit attributable to shareholders of the listed company(RMB)	2.47%	0.10	0.10
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	0.77%	0.03	0.03

Section IX. Documents available for Reference

- I. Text of the Semi-annual Report carrying the legal representative's signature;
- II. Text of the financial report carrying the signatures and seals of the legal representative, C.F.O and person in charge of financial organization;
- III. All texts of the Company's documents and original public notices disclosed in the papers appointed by CSRC in the report period.

**Board of Directors of
CSG Holding Co., Ltd.**

18 August 2015