



# China Baofeng (International) Limited 中國寶豐（國際）有限公司

(incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

**STOCK CODE 股份代號 : 3966**

**2018** 中 期 報 告  
INTERIM REPORT

# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Dang Yanbao (*Chairman*)  
Mr. Dang Zidong (*Chief executive officer*)  
Mr. Liu Yuanguan  
Mr. Gao Jianjun

#### Non-executive Directors

Mr. Cheng Hoo  
Mr. Chung Kin Shun, Jimmy

#### Independent Non-executive Directors

Mr. Xia Zuoquan  
Dr. Tyen Kan Hee, Anthony  
Mr. Guo Xuewen

### COMPANY SECRETARY

Ms. Jiao Yingchen

### AUDIT COMMITTEE

Dr. Tyen Kan Hee, Anthony (*Chairman*)  
Mr. Xia Zuoquan  
Mr. Guo Xuewen

### REMUNERATION COMMITTEE

Mr. Guo Xuewen (*Chairman*)  
Mr. Xia Zuoquan  
Dr. Tyen Kan Hee, Anthony

### NOMINATION COMMITTEE

Mr. Dang Yanbao (*Chairman*)  
Mr. Xia Zuoquan  
Dr. Tyen Kan Hee, Anthony  
Mr. Guo Xuewen

### AUTHORISED REPRESENTATIVES

Mr. Chung Kin Shun, Jimmy  
Mr. Dang Zidong

### 董事會

#### 執行董事

黨彥寶先生(*主席*)  
黨自東先生(*行政總裁*)  
劉元管先生  
高建軍先生

#### 非執行董事

鄭豪先生  
鍾建舜先生

#### 獨立非執行董事

夏佐全先生  
田耕熹博士  
郭學文先生

### 公司秘書

焦穎辰女士

### 審核委員會

田耕熹博士(*主席*)  
夏佐全先生  
郭學文先生

### 薪酬委員會

郭學文先生(*主席*)  
夏佐全先生  
田耕熹博士

### 提名委員會

黨彥寶先生(*主席*)  
夏佐全先生  
田耕熹博士  
郭學文先生

### 授權代表

鍾建舜先生  
黨自東先生

## PRINCIPAL BANKERS

Bank of Communications Co., Ltd. Hong Kong Branch  
Bank of Shanghai (Hong Kong) Limited  
Chinese Mercantile Bank

## AUDITOR

Deloitte Touche Tohmatsu

## REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 1301-1304, 13/F  
Two Pacific Place  
88 Queensway  
Admiralty  
Hong Kong

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited  
Suites 3301-4, 33/F  
Two Chinachem Exchange Square  
338 King's Road, North Point  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman  
KY1-1110  
Cayman Islands

## CORPORATE WEBSITE

[www.baofengintl.com](http://www.baofengintl.com)

## STOCK CODE

3966

## 主要往來銀行

交通銀行股份有限公司香港分行  
上海銀行(香港)有限公司  
華商銀行

## 核數師

德勤•關黃陳方會計師行

## 註冊辦事處

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

## 總辦事處及香港主要營業地點

香港  
金鐘  
金鐘道88號  
太古廣場二座  
13樓1301至1304室

## 香港股份過戶登記分處

聯合證券登記有限公司  
香港  
北角英皇道338號  
華懋交易廣場2期  
33樓3301-4室

## 開曼群島股份過戶登記總處

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman  
KY1-1110  
Cayman Islands

## 公司網站

[www.baofengintl.com](http://www.baofengintl.com)

## 股份代碼

3966

# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表審閱報告

# Deloitte.

# 德勤

**TO THE BOARD OF DIRECTORS OF  
CHINA BAOFENG (INTERNATIONAL) LIMITED**  
(Incorporated in the Cayman Islands with limited liability)

致中國寶豐(國際)有限公司  
董事會  
(於開曼群島註冊成立之有限公司)

### INTRODUCTION

We have reviewed the condensed consolidated financial statements of China Baofeng (International) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 4 to 37, which comprise the condensed consolidated statement of financial position as of 30 June 2018 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months then ended and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material aspects, in accordance with HKAS 34.

### 緒言

本核數師已審閱列載於第4頁至第37頁中國寶豐(國際)有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的簡明綜合財務報表，其包括截至二零一八年六月三十日的簡明綜合財務狀況表與截至該日止六個月的相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表，以及若干說明附註。《香港聯合交易所有限公司證券上市規則》規定，有關中期財務資料之報告須根據其有關條文以及由香港會計師公會頒佈的香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)而編製。貴公司董事須負責根據香港會計準則第34號編製及呈列簡明綜合財務報表。我們的責任是根據我們的審閱，對簡明綜合財務報表作出結論，並根據雙方協定的委聘條款，僅向閣下(作為團體)報告我們的結論，並不為任何其他目的。我們並不就本報告的內容對任何其他人士承擔任何責任或接受任何法律責任。

### 審閱範圍

我們已根據香港會計師公會頒佈的香港審閱工作準則第2410號「實體的獨立核數師對中期財務資料的審閱」進行審閱。審閱簡明綜合財務報表包括主要向負責財務及會計事宜的人員進行查詢，並應用分析及其他審閱程序。審閱的範圍遠較根據香港審計準則進行審計的範圍為小，故不能令我們可保證我們將得悉在審計中可能發現的所有重大事項。因此，我們並無發表任何審計意見。

### 結論

按照我們審閱的結果，我們並無發現任何事項，令我們相信簡明綜合財務報表在各重大方面未有根據香港會計準則第34號而編製。

**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong

17 August 2018

德勤•關黃陳方會計師行  
執業會計師  
香港

二零一八年八月十七日



# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 簡明綜合損益及其他全面收益表

For the six months ended 30 June 2018  
截至二零一八年六月三十日止六個月

			Six months ended 30 June 截至六月三十日止六個月	
			2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
		Notes 附註		
Revenue	收益	3	559,464	444,151
Cost of sales	銷售成本		(219,008)	(204,956)
Gross profit	毛利		340,456	239,195
Other income	其他收入	4	21,660	19,144
Selling expenses	銷售開支		(12,580)	(11,854)
Administrative and other expenses	行政及其他開支		(37,606)	(31,529)
Finance costs	財務費用	5	(4,919)	(4,572)
Profit before taxation	除稅前溢利	6	307,011	210,384
Taxation	稅項	7	(4,454)	(7,452)
Profit for the period	期內溢利		302,557	202,932
Other comprehensive (expense) income for the period	期內其他全面(開支)收益			
Item that may be reclassified subsequently to profit or loss:	其後可能分配至損益 的項目：			
Exchange differences arising on translation of foreign operations	換算境外業務匯兌差異		(24,784)	20,266
Total comprehensive income for the period	期內全面收益總額		277,773	223,198
Earnings per share – Basic	每股盈利－基本	9	53.30 HK cents 53.30港仙	35.75 HK cents 35.75港仙

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

At 30 June 2018  
於二零一八年六月三十日

		Notes 附註	At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	10	291,900	253,407
Prepaid rental expenses for photovoltaic facilities	光伏設施預付租賃費用	11	–	45,181
Deposits paid for acquisition of property, plant and equipment	支付收購物業、廠房及設備的押金		20,000	–
Rental deposit	租賃押金		2,013	2,013
Deferred tax asset	遞延稅項資產		883	720
Intangible asset	無形資產		515	562
			<b>315,311</b>	<b>301,883</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	12	23,018	16,433
Trade and other receivables	貿易及其他應收款項	13	148,659	855,040
Contract assets	合約資產	14	965,548	–
Prepaid rental expenses for photovoltaic facilities	光伏設施預付租賃費用	11	89,031	107,018
Pledged bank deposits	已抵押銀行存款		7,738	126,747
Bank balances and cash	銀行結餘及現金		66,234	60,661
			<b>1,300,228</b>	<b>1,165,899</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	15	98,895	205,022
Provision	撥備	16	13,248	10,503
Tax payable	應付稅項		3,858	4,979
Bank borrowings	銀行借款	17	250,000	275,500
			<b>366,001</b>	<b>496,004</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>934,227</b>	<b>669,895</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>1,249,538</b>	<b>971,778</b>
<b>Non-current liability</b>	<b>非流動負債</b>			
Deferred tax liability	遞延稅項負債		37	50
<b>Net assets</b>	<b>資產淨值</b>		<b>1,249,501</b>	<b>971,728</b>
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	18	5,677	5,677
Reserves	儲備		1,243,824	966,051
<b>Total equity</b>	<b>股東權益合計</b>		<b>1,249,501</b>	<b>971,728</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

For the six months ended 30 June 2018  
截至二零一八年六月三十日止六個月

		Share capital	Share premium	Special reserve	Statutory surplus reserve	Translation reserve	Retained profits	Total
		股本	股份溢價	特別儲備	法定盈餘儲備	匯兌儲備	保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a)	(Note b)			
				(附註a)	(附註b)			
At 1 January 2018 (audited)	於二零一八年一月一日 (經審核)	5,677	289,547	(1)	68,226	40,226	568,053	971,728
Profit for the period	期內溢利	-	-	-	-	-	302,557	302,557
Exchange differences arising on translation of foreign operations	換算境外業務匯兌差異	-	-	-	-	(24,784)	-	(24,784)
Total comprehensive (expense) income for the period	期內全面(開支)收益總額	-	-	-	-	(24,784)	302,557	277,773
Transfer	轉撥	-	-	-	33,675	-	(33,675)	-
At 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	5,677	289,547	(1)	101,901	15,442	836,935	1,249,501
At 1 January 2017 (audited)	於二零一七年一月一日 (經審核)	5,677	289,547	(1)	16,949	(28,043)	172,228	456,357
Profit for the period	期內溢利	-	-	-	-	-	202,932	202,932
Exchange differences arising on translation of foreign operations	換算境外業務匯兌差異	-	-	-	-	20,266	-	20,266
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	20,266	202,932	223,198
Transfer	轉撥	-	-	-	22,222	-	(22,222)	-
At 30 June 2017 (unaudited)	於二零一七年六月三十日 (未經審核)	5,677	289,547	(1)	39,171	(7,777)	352,938	679,555

Notes:

附註：

- Special reserve represents the reserve arising from group reorganisation in 2012.
- In accordance with relevant laws and regulations for foreign investment enterprises in the People's Republic of China (the "PRC"), the PRC subsidiaries are required to transfer 10% of their profit after taxation reported in their statutory financial statements prepared under relevant accounting principles and financial regulations applicable to enterprises established in the PRC (the "PRC GAAP") to the statutory surplus reserve.
- 特別儲備指於二零一二年進行集團重組產生之儲備。
- 依據中華人民共和國(「中國」)外商投資企業相關法律法規，中國附屬公司須將按照適用於中國設立企業的相關會計原則(「中國會計準則」)和財務規定編製的法定財務報表中報告的除稅後溢利之10%轉撥為法定盈餘儲備。

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

For the six months ended 30 June 2018  
截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Net cash from (used in) operating activities</b>	<b>經營業務所得(所用)現金淨額</b>	<b>70,491</b>	<b>(153,232)</b>
<b>Investing activities</b>	<b>投資活動</b>		
Withdrawal of pledged bank deposits	提取已抵押銀行存款	121,851	—
Interest received	已收利息	940	358
Purchase of property, plant and equipment	購買物業、廠房及設備	(136,967)	(30,721)
Deposits paid for acquisition of property, plant and equipment	支付收購物業、廠房及設備的押金	(20,000)	—
Placement of pledged bank deposits	存置已抵押銀行存款	—	(22,989)
Repayment from a photovoltaic facilities provider	自光伏設施供應商之還款	—	45,977
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>	<b>(34,176)</b>	<b>(7,375)</b>
<b>Financing activities</b>	<b>融資活動</b>		
Repayment of bank borrowings	償還銀行借貸	(25,500)	—
Interest paid	已付利息	(4,919)	(4,572)
New bank borrowings raised	新增銀行借貸	—	19,500
<b>Net cash (used in) from financing activities</b>	<b>融資活動(所用)所得現金淨額</b>	<b>(30,419)</b>	<b>14,928</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>現金及現金等值物增加(減少)淨額</b>	<b>5,896</b>	<b>(145,679)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>於期初之現金及現金等值物</b>	<b>60,661</b>	<b>316,345</b>
<b>Effect of foreign exchange rate changes</b>	<b>匯率變動的影響</b>	<b>(323)</b>	<b>6,591</b>
<b>Cash and cash equivalents at the end of the period, represented by bank balances and cash</b>	<b>於期末之現金及現金等值物—指銀行結餘及現金</b>	<b>66,234</b>	<b>177,257</b>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

### 1. GENERAL AND BASIS OF PREPARATION

China Baofeng (International) Limited (the “Company”) was incorporated in the Cayman Islands and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Suites 1301-1304, 13/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong, respectively.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) are photovoltaic power generation and design and supply chain of lightings and home furnishing products.

The condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is different from the functional currency of the Company, United States dollars (“US\$”). The directors of the Company consider that HK\$ is more appropriate as the Company’s shares are listed in Hong Kong.

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The condensed consolidated financial statements do not include all the information required for a complete set of Hong Kong Financial Reporting Standards financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2017.

### 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2018 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2017.

### 1. 一般資料及編製基準

中國寶豐(國際)有限公司(「本公司」)於開曼群島註冊成立，其股份已於香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處及主要營業地點地址分別為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands及香港金鐘金鐘道88號太古廣場二座13樓1301至1304室。

本公司為投資控股公司。本公司及其附屬公司(「本集團」)之主要業務為從事光伏發電以及照明及家居飾品設計及供應鏈業務。

簡明綜合財務報表乃以港元(「港元」)呈列，與本公司功能貨幣美元(「美元」)有別。本公司董事認為，因本公司股份在香港上市，故以港元呈列較為適合。

簡明綜合財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈的香港會計準則第34號「中期財務報告」以及香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十六的適用披露規定而編製。簡明綜合財務報表並不包括整套香港財務報告準則財務報表規定的所有資料，並應與本集團截至二零一七年十二月三十一日止年度的年度綜合財務報表一併閱讀。

### 2. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製。

除應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)導致會計政策變動外，截至二零一八年六月三十日止六個月之簡明綜合財務報表所採用的會計政策及計算方法與編製本集團截至二零一七年十二月三十一日止年度的年度財務報表所採用者一致。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatorily effective for the annual period beginning on or after 1 January 2018 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 “Financial Instruments” with HKFRS 4 “Insurance Contracts”
Amendments to Hong Kong Accounting Standards (“HKASs”) 28	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which result in changes in accounting policies, amounts reported and/or disclosures as described below.

#### (a) Impacts and changes in accounting policies upon application of HKFRS 15 “Revenue from Contracts with Customers”

The Group has applied HKFRS 15 for the first time in the current interim period. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

## 2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則於本中期期間，本集團已首次應用以下由香港會計師公會頒佈的新訂及經修訂香港財務報告準則，其就編製本集團簡明綜合財務報表而言，於二零一八年一月一日或之後開始的年度期間強制生效：

香港財務報告準則第9號	財務工具
香港財務報告準則第15號	客戶合約收益及相關修訂
香港(國際財務報告詮釋委員會)–詮釋第22號	外幣交易及預付代價
香港財務報告準則第2號(修訂本)	以股份為基礎付款交易的分類及計量
香港財務報告準則第4號(修訂本)	採用香港財務報告準則第4號「保險合約」時一併應用香港財務報告準則第9號「財務工具」
香港會計準則(「香港會計準則」)第28號(修訂本)	作為香港財務報告準則二零一四年至二零一六年週期的年度改進的一部分
香港會計準則第40號(修訂本)	轉讓投資物業

新訂及經修訂香港財務報告準則乃按照各相關準則及修訂之相關過渡條文應用，導致下文所述之會計政策、呈報金額及／或披露事項的變動。

#### (a) 應用香港財務報告準則第15號「客戶合約收益」後的影響及變動

於本中期期間，本集團首次應用香港財務報告準則第15號。香港財務報告準則第15號已取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (a) Impacts and changes in accounting policies upon application of HKFRS 15 “Revenue from Contracts with Customers” (Continued)

The Group recognises revenue from the following major sources:

- Revenue from photovoltaic power generation
- Sales of lighting products

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the Standard retrospectively only to contracts that are not completed at 1 January 2018.

#### Key changes in accounting policies resulting from application of HKFRS 15

HKFRS 15 introduces a 5-step approach when recognising revenue:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (a) 應用香港財務報告準則第15號「客戶合約收益」後的影響及變動(續)

本集團按以下主要來源確認收益：

- 光伏發電收益
- 銷售照明產品

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響於首次應用日期二零一八年一月一日確認。首次應用日期的任何差額於期初保留溢利確認及並無重列比較資料。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅將該準則追溯應用於在二零一八年一月一日尚未完成的合約。

#### 應用香港財務報告準則第15號導致的主要會計政策變動

香港財務報告準則第15號引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於本集團完成履約責任時（或就此）確認收益。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (a) Impacts and changes in accounting policies upon application of HKFRS 15 “Revenue from Contracts with Customers” (Continued)

##### Key changes in accounting policies resulting from application of HKFRS 15 (Continued)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or services.

A contract asset represents the Group’s right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group’s unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (a) 應用香港財務報告準則第15號「客戶合約收益」後的影響及變動(續)

##### 應用香港財務報告準則第15號導致的主要會計政策變動(續)

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收益，即於特定履約責任相關貨品或服務的「控制權」移交客戶之時。

履約責任指大致相同的明確貨品或服務(或一組貨品或服務)或一系列明確貨品或服務。

倘符合下列其中一項標準，資產的控制權在一段時間內轉移，而收入確認會按一段時間內已完成相關履約責任的進度進行：

- 客戶同時收取及耗用由本集團履約所帶來的利益；
- 本集團履約導致創建及提升於本集團履約時由客戶控制的資產；或
- 本集團履約並無產生對本集團有替代用途的資產，且本集團可享有強制執行權，以收回至今已履約部分的款項。

否則，收益於客戶獲得明確貨品或服務的控制權時確認。

合約資產指本集團就向客戶換取本集團已轉讓的貨品或服務收取代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價僅隨時間推移即成為到期支付。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (a) Impacts and changes in accounting policies upon application of HKFRS 15 “Revenue from Contracts with Customers” (Continued)

##### Key changes in accounting policies resulting from application of HKFRS 15 (Continued)

###### A point in time revenue recognition: measurement of complete satisfaction of a performance obligation

Under the transfer-of-control approach in HKFRS 15, revenue from sales of lighting product is generally recognised when customer acceptance has been obtained, which is the point of time when the customer has the ability to direct the use of the equipment and obtain substantially all of the remaining benefits of the equipment. Revenue from sales of electricity and tariff adjustment are recognised based on the electricity transmitted dates.

###### Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

###### Warranties

If a customer has the option to purchase a warranty separately, the Group accounts for the warranty as a separate performance obligation and allocates a portion of the transaction price to that performance obligation.

If a customer does not have the option to purchase a warranty separately, the Group accounts for the warranty in accordance with HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” unless the warranty provides the customer with a service in addition to the assurance that the product complies with agreed-upon specifications (i.e. service-type warranties).

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (a) 應用香港財務報告準則第15號「客戶合約收益」後的影響及變動(續)

##### 應用香港財務報告準則第15號導致的主要會計政策變動(續)

###### 於某一時間點確認收益：完全達成履約責任的計量

根據香港財務報告準則第15號下的控制權轉移法，來自銷售照明產品的收益一般於獲得客戶接納時（當客戶有能力指示設備的用途並獲得該設備的絕大部分剩餘利益時）確認。銷售電力及電價調整的收益乃基於電力傳輸日期確認。

###### 存在重大融資部分

於釐定交易價時，倘所協定之付款時間（不論明示或暗示）為客戶或本集團帶來向客戶轉移貨品或服務之重大融資利益，則本集團將就資金時間值的影響而調整已承諾之代價金額。在該等情況下，合約存在重大融資部分。不論融資承諾乃於合約明示或由合約訂約方協定的支付條款暗示，重大融資部分均有可能存在。

###### 擔保

倘客戶有權選擇單獨購買一項擔保，則本集團確認擔保為一項單獨履約責任，並分配一部分交易價至履約責任。

倘客戶並無權選擇單獨購買一項擔保，則本集團按照香港會計準則第37號「撥備、或有負債及或有資產」確定擔保，除非擔保在保證產品符合協定的規格外為客戶提供服務（即服務型擔保）。



## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (a) Impacts and changes in accounting policies upon application of HKFRS 15 "Revenue from Contracts with Customers" (Continued)

##### Summary of effects arising from initial application of HKFRS 15

Below illustrates the impacts of applying HKFRS 15 on the Group's condensed consolidated financial statements:

- For contracts of sales of lighting products that have multiple deliverables (including sales of product and transportation of products), revenue is recognised for each of these performance obligations when control over the corresponding goods is transferred to the customers. According to HKFRS 15, the transaction price is allocated to the different performance obligations on a relative stand-alone selling price basis. The revenue relating to the undelivered elements of the arrangements is deferred until delivery of these elements. The directors of the Company consider the impact of adopting of HKFRS 15 to revenue in relation to transportation of products for the six months ended 30 June 2018 is not material to the Group.
- For contracts of sales of lighting products that contain warranties, the Group accounts for the warranty in accordance with HKAS 37 as the directors of the Company consider these are assurance-type warranties.
- For sales of electricity, revenue is recognised based on the electricity transmitted dates. The directors of the Company have not identified any separate performance obligations other than the transmission of electricity to the state grid company.
- For tariff adjustments, contract assets are recognised for the receivables from electricity transmitted to customer pursuant to the government policy on subsidies of solar energy but not billed at the reporting date. The contract assets would be transferred to tariff adjustment receivables when the rights to consideration become unconditional. As at 1 January 2018, tariff adjustment receivables in "Trade and other receivables" of HK\$676,829,000 was reclassified as "Contract assets".

The directors of the Company considered the application of HKFRS 15 has no material impact on the timing and amounts of revenue recognised in the respective reporting periods.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (a) 應用香港財務報告準則第15號「客戶合約收益」後的影響及變動(續)

##### 初始應用香港財務報告準則第15號所產生影響之概要

下文說明應用香港財務報告準則第15號對本集團簡明綜合財務報表的影響：

- 就具有多項交付(包括產品銷售及產品運輸)的照明產品銷售合約而言，就履約責任於相應的貨品控制權轉移至客戶時逐一確認收益。根據香港財務報告準則第15號，交易價格按相對獨立的銷售價格為基準分配至不同履約責任。與未交付項目有關的收入將遞延至該等項目交付為止。本公司董事認為，採納香港財務報告準則第15號對截至二零一八年六月三十日止六個月的產品運輸收益的影響對本集團而言並不重大。
- 就具有擔保的照明產品銷售合約而言，本集團根據香港會計準則第37號將擔保入賬，乃由於本公司董事認為該等擔保為保證型擔保。
- 就電力銷售而言，收益按電力傳輸日期確認。除向國家電網公司輸送電力外，本公司董事並無識別任何獨立履約責任。
- 就電價調整而言，本公司就於報告日期根據政府的太陽能補貼政策向客戶傳輸電力所產生但尚未出具票據的應收款項確認合約資產。當收取代價的權利成為無條件時，合約資產將轉入電價調整應收款項。於二零一八年一月一日，於「貿易及其他應收款項」項下的電價調整應收款項676,829,000港元已重新分類為「合約資產」。

本公司董事認為，應用香港財務報告準則第15號對於相關報告期間內確認收益的時間及金額並無重大影響。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (b) Impacts and changes in accounting policies upon application of HKFRS 9 “Financial Instruments”

In the current period, the Group has applied HKFRS 9 “Financial Instruments” and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

#### Key changes in accounting policies resulting from application of HKFRS 9

##### Classification and measurement of financial assets

Trade receivables arising from contracts with customers are initially measured in accordance with HKFRS 15.

All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost or fair value, including unquoted equity investments measured at cost less impairment under HKAS 39.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則 (續)

#### (b) 應用香港財務報告準則第9號「財務工具」後的會計政策影響及變動

於本期間，本集團已應用香港財務報告準則第9號「財務工具」及因而對其他香港財務報告準則作出的相關修訂。香港財務報告準則第9號引入有關1)財務資產及財務負債的分類及計量；2)財務資產的預期信貸虧損(「預期信貸虧損」)及3)一般對沖會計處理的新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即就二零一八年一月一日(初步確認日期)尚未終止確認的工具追溯應用分類及計量的規定(包括減值)，且尚未應用於二零一八年一月一日已終止確認的工具的規定。於二零一七年十二月三十一日的賬面值與於二零一八年一月一日的賬面值的差額於期初保留溢利及其他權益部份中確認，並無重列比較資料。

#### 應用香港財務報告準則第9號導致的會計政策主要變動

##### 財務資產的分類及計量

產生自客戶合約的貿易應收款項初步按照香港財務報告準則第15號計量。

所有屬香港財務報告準則第9號範圍內確認的財務資產隨後按攤銷成本或公平值(其中包括根據香港會計準則第39號按成本計量的非上市股本投資)計量。

符合以下條件的債務工具隨後按攤銷成本計量：

- 財務資產以業務模式持有，其目的為持有財務資產以收取合約現金流量；及
- 財務資產合約條款在指定日期產生現金流量，該現金流量僅為支付本金及尚未償還本金的利息。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (b) Impacts and changes in accounting policies upon application of HKFRS 9 “Financial Instruments” (Continued)

##### Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

##### Classification and measurement of financial assets (Continued)

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

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

All other financial assets are subsequently measured at fair value through profit or loss (“FVTPL”), except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income (“OCI”) if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 “Business Combinations” applies.

In addition, the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

The directors of the Company reviewed and assessed the Group’s financial assets as at 1 January 2018 based on the facts and circumstances that existed at that date. The directors of the Company consider that the application of HKFRS 9 has no material impact on the classification and measurement on the Group’s financial assets.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (b) 應用香港財務報告準則第9號「財務工具」後的會計政策影響及變動(續)

##### 應用香港財務報告準則第9號導致的會計政策主要變動(續) 財務資產的分類及計量(續)

符合以下條件的債務工具隨後按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量：

- 財務資產以業務模式持有，其目的為收取合約現金流量並出售財務資產；及
- 財務資產合約條款在指定日期產生現金流量，該現金流量僅為支付本金及尚未償還本金的利息。

就隨後按公平值計入損益(「按公平值計入損益」)的其他財務資產，惟於首次應用／首次確認一項財務資產除外。倘股權投資並非持作買賣，亦非於香港財務報告準則第3號業務合併適用的業務合併中收購方所確認的或然代價，本集團可能不可撤銷地選擇於其他全面收益(「其他全面收益」)呈列股本投資公平值的隨後變動。

此外，本集團可能不可撤銷地指定一項符合攤銷成本或按公平值計入其他全面收益的債務投資按公平值計入損益計量，這樣可消除或大幅減少會計錯配。

本公司董事基於二零一八年一月一日的事實及情況審閱並評估本集團於該日的財務資產。本公司董事認為，應用香港財務報告準則第9號並無對本集團財務資產的分類及計量造成重大影響。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (b) Impacts and changes in accounting policies upon application of HKFRS 9 “Financial Instruments” (Continued)

##### Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

##### Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade and other receivables, contract assets, pledged bank deposits and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are made based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for each debtor.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (b) 應用香港財務報告準則第9號「財務工具」後的會計政策影響及變動(續)

##### 應用香港財務報告準則第9號導致的會計政策主要變動(續)

##### 預期信貸虧損模式項下的減值

本集團就根據香港財務報告準則第9號面臨減值的財務資產(包括貿易及其他應收款項、合約資產、已抵押銀行存款及銀行結餘)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初始確認起的信貸風險變動。

全期預期信貸虧損指於相關工具預期壽命內發生所有可能的違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)則指預期於報告日期後12個月內可能發生的違約事件而導致的部分全期預期信貸虧損。預期信貸虧損根據本集團過往信貸虧損經驗進行評估，並根據應收款項特定因素、一般經濟狀況及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

本集團經常就貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損將對各應收款項單獨評估。

就所有其他工具而言，本集團計量與12個月預期信貸虧損等額的虧損撥備，除非信貸風險自初始確認以來已大幅增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損，乃基於自初始確認起出現違約的可能性或風險是否大幅增加。



## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (b) Impacts and changes in accounting policies upon application of HKFRS 9 “Financial Instruments” (Continued)

##### Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

##### Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument’s external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor’s ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor’s ability to meet its debt obligations.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (b) 應用香港財務報告準則第9號「財務工具」後的會計政策影響及變動(續)

##### 應用香港財務報告準則第9號導致的會計政策主要變動(續)

##### 信貸風險大幅增加

於評估信貸風險是否自初始確認以來已大幅增加時，本集團比較財務工具於報告日期出現違約的風險與該財務工具於初始確認日期出現違約的風險。作此評估時，本集團均會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費不必要成本或精力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 財務工具外部(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加、債務的信貸違約掉期價；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期重大惡化；
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。



## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (b) Impacts and changes in accounting policies upon application of HKFRS 9 “Financial Instruments” (Continued)

##### Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

##### Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

##### Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (b) 應用香港財務報告準則第9號「財務工具」後的會計政策影響及變動(續)

##### 應用香港財務報告準則第9號導致的會計政策主要變動(續)

##### 信貸風險大幅增加(續)

儘管出現上述評估的結果，倘合約已逾期還款超過30日，除本集團有合理並可支持的資料呈示，否則本集團推定信貸風險自初始確認以來已有顯著上升。

儘管存在上述情況，倘債務工具於報告日期被釐定為具有較低信貸風險，則本集團假設自初始確認起債務工具的信貸風險並無大幅增加。倘(i)其違約風險偏低、(ii)借款人有強大能力於短期滿足其合約現金流量責任，及(iii)較長期的經濟及業務狀況存在不利變動，惟將未必削弱借款人達成其合約現金流量責任的能力，則債務工具的信貸風險會被釐定為偏低。

本集團認為，倘該工具已逾期還款超過90日，除本集團有合理並可支持的資料呈示，否則一個更可杜絕違約的標準較為合適。

##### 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失程度)及違約風險暴露的函數。評估違約概率及違約損失率的依據是過往數據，並按前瞻性資料調整。

一般而言，財務資產的預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團預計收取的所有現金流量(按於初始確認所釐定的實際利率折現)之間的差額估算。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (b) Impacts and changes in accounting policies upon application of HKFRS 9 “Financial Instruments” (Continued)

##### Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

##### Measurement and recognition of ECL (Continued)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

As at 1 January 2018, the directors of the Company reviewed and assessed the Group’s existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. The results of the assessment and the impact thereof are detailed below.

##### Summary of effects arising from initial application of HKFRS 9 on impairment under ECL model

Below illustrates the impairment of financial assets subject to ECL under HKFRS 9 at the date of initial application, 1 January 2018.

##### *Impairment under ECL model*

In relation to the impairment of financial assets, HKFRS 9 requires an ECL model, as opposed to an incurred credit loss model under HKAS 39. The ECL model requires an entity to account for ECL and changes in those ECL at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

In the current period, the Group has applied HKFRS 9 simplified approach to measure ECL using lifetime ECL for trade receivables.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (b) 應用香港財務報告準則第9號「財務工具」後的會計政策影響及變動(續)

##### 應用香港財務報告準則第9號導致的會計政策主要變動(續)

##### 預期信貸虧損的計量及確認(續)

利息收入按財務資產的賬面總值計算，除非財務資產出現信貸減值，在這種情況下，利息收入按財務資產的攤銷成本計算。

於二零一八年一月一日，本公司董事已按照香港財務報告準則第9號的規定使用毋須花費不必要成本或精力獲取的合理有據資料審閱及評估本集團現有財務資產的減值。上述評估及審閱的結果及其影響的詳情載列如下。

##### 首次應用香港財務報告準則第9號對預期信貸虧損模式所產生影響的概要

下文說明於初始應用日期(即二零一八年一月一日)根據香港財務報告準則第9號受制於預期信貸虧損的財務資產減值。

##### *預期信貸虧損模式項下的減值*

就財務資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

於本期間，本集團應用香港財務報告準則第9號簡化的方法計量預期信貸虧損模式，貿易應收款項的計量均採用全期預期信貸虧損模式。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### (b) Impacts and changes in accounting policies upon application of HKFRS 9 “Financial Instruments” (Continued)

##### Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

##### Measurement and recognition of ECL (Continued)

##### Summary of effects arising from initial application of HKFRS 9 on impairment under ECL model (Continued)

##### Impairment under ECL model (Continued)

Loss allowance for other financial assets at amortised cost mainly comprise of pledged bank deposits and bank balances and are measured on 12m ECL basis and there had been no significant increase in credit risk since initial recognition.

The directors of the Company considered the additional ECL allowance as at 1 January 2018 measured under the ECL model is insignificant.

The Group has not early applied the following new HKFRSs, amendments to HKASs and HKFRSs and a new interpretation (“new and revised standards”) that have been issued but are not yet effective.

HKFRS 16	Leases <sup>1</sup>
HKFRS 17	Insurance Contracts <sup>3</sup>
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments <sup>1</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement <sup>1</sup>
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>2</sup> Effective for annual periods beginning on or after a date to be determined

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2021

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### (b) 應用香港財務報告準則第9號「財務工具」後的會計政策影響及變動(續)

##### 應用香港財務報告準則第9號導致的會計政策主要變動(續)

##### 預期信貸損失的計量及確認(續)

##### 首次應用香港財務報告準則第9號對預期信貸虧損模式所產生影響的概要(續)

預期信貸虧損模式項下的減值(續)  
就按攤銷成本列賬的其他財務資產的虧損撥備主要由12個月預期信貸虧損模式基準計量的已抵押銀行存款及銀行結餘組成，而自初始確認後信貸風險並無顯著上升。

本公司董事認為根據預期信貸虧損模式計量於二零一八年一月一日的額外預期信貸虧損撥備並不重大。

本集團並無提早應用下列已頒佈尚未生效之新訂香港財務報告準則、香港會計準則及香港財務報告準則之修訂以及新詮釋(「新訂及經修訂準則」)：

香港財務報告準則第16號	租賃 <sup>1</sup>
香港財務報告準則第17號	保險合約 <sup>3</sup>
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理的不確定性 <sup>1</sup>
香港財務報告準則第9號(修訂本)	負值補償之預付特點 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業間的資產銷售或注資 <sup>2</sup>
香港會計準則第19號(修訂本)	計劃修訂、縮減或結算 <sup>1</sup>
香港會計準則第28號(修訂本)	於聯營公司及合營企業的長期權益 <sup>1</sup>
香港財務報告準則(修訂本)	香港財務報告準則二零一五年至二零一七年週期的年度改進 <sup>1</sup>

<sup>1</sup> 於二零一九年一月一日或之後開始的年度期間生效。

<sup>2</sup> 於將予釐定的日期或之後開始的年度期間生效。

<sup>3</sup> 於二零二一年一月一日或之後開始的年度期間生效。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs

(Continued)

#### HKFRS 16 "Leases"

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 "Leases" and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents operating lease payments as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 30 June 2018, the Group has non-cancellable operating lease commitments as disclosed in note 21. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則 (續)

#### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號引入一個綜合模式以供識別租賃安排及出租人及承租人的會計處理。當香港財務報告準則第16號生效時，其將取代現行香港會計準則第17號「租賃」及相關的詮釋。

香港財務報告準則第16號以識別資產是否由客戶控制來區分租賃及服務合約為基準。除短期租賃及低值資產租賃外，就承租人會計處理方法，經營租賃及融資租賃的區分已被移除，並由另一種模式取代，該模式要求承租人確認所有租賃使用權資產及相應負債。

使用權資產初步按成本計量，並隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款(非當日支付)的現值初步確認。其後，租賃負債(其中包括)經利息及租賃付款以及租賃修訂的影響所調整。就現金流量分類而言，本集團現時呈列經營租賃付款為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃付款將分配為本金及利息部分，其將以融資及經營現金流量呈列。

此外，香港財務報告準則第16號亦要求較廣泛的披露。

誠如附註21所披露，於二零一八年六月三十日，本集團具有不可撤銷經營租賃承擔。初步評估表明，該等安排符合租賃定義。根據香港財務報告準則第16號，本集團將就所有該等租賃確認使用權資產及相應負債，除非於應用香港財務報告準則第16號時其合資格作低價值或短期租賃。此外，應用新的規定可能導致上文所述計量、呈列及披露變化。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### HKFRS 16 "Leases" (Continued)

In addition, the Group currently considers refundable rental deposit paid of HK\$2,013,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

The directors of the Company do not anticipate that the application of the other new and revised standards issued but not yet effective will have a material impact on the results and financial position of the Group.

## 3. REVENUE AND SEGMENT INFORMATION

An analysis of the Group's revenue for the periods is as follows:

## 2. 主要會計政策(續)

### 應用新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第16號「租賃」(續)

此外，本集團目前視已支付可退還租金押金2,013,000港元為香港會計準則第17號適用的租賃權利及義務。根據香港財務報告準則第16號的租賃付款定義，該等押金並非與相關資產使用權有關的付款，因此，該等押金的賬面值可調整至攤餘成本，而該等調整被視為額外租賃付款。已支付可退還租金押金的調整將計入使用權資產的賬面值。

本公司董事預期應用已頒佈尚未生效之新訂及經修訂準則不會對本集團的業績及財務狀況造成重大影響。

## 3. 收益及分部資料

以下為本集團期內收益分析：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue from photovoltaic power generation	光伏發電收益		
– Sales of electricity	– 電力銷售	103,725	69,207
– Tariff adjustment (note)	– 電價調整(附註)	251,740	183,621
Sales of lighting products	照明產品銷售	203,999	191,323
		559,464	444,151

Note: As stated in sales contract, revenue from photovoltaic power generation included tariff adjustment from the state grid company in the PRC based on the prevailing nationwide government policies on renewable energy for solar power plants.

附註：誠如銷售合約所述，光伏發電收益包括來自中國國家電網公司基於當前全國政府關於太陽能發電廠可再生能源政策給予的電價調整。



### 3. REVENUE AND SEGMENT INFORMATION (Continued)

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on the revenues and gross profit from different types of business divisions.

The Group’s operating and reportable segments under HKFRS 8 are as follows:

- (i) Photovoltaic power generation represents sales of electricity, development, construction, management and operation of a solar power plant (“photovoltaic power generation”).
- (ii) Lighting product business represents the sales of lighting products including portable lighting products, shades for the lamps and furniture set and other home accessory products (“sales of lighting products”).

No operating segments have been aggregated in arriving at the reporting segments of the Group.

#### Segment revenue and results

The following is an analysis of the Group’s revenue and results by operating segment:

**For the six months ended 30 June 2018 (unaudited)**

### 3. 收益及分部資料(續)

就資源分配及評估分部表現而向本公司執行董事(即主要營運決策人(「主要營運決策人」))報告的資料乃集中於各類業務部門的收益及毛利。

根據香港財務報告準則第8號，本集團的經營及可報告分部如下：

- (i) 光伏發電業務指電力的銷售，及太陽能發電廠的開發、建設、管理及營運(「光伏發電」)。
- (ii) 照明產品業務指照明產品銷售，包括移動照明產品、燈罩、傢具組合及其他家居飾品(「照明產品銷售」)。

於呈報本集團分部時並無匯總經營分部。

#### 分部收益及業績

以下為按經營分部劃分的本集團收益及業績分析：

**截至二零一八年六月三十日止六個月(未經審核)**

		Photovoltaic power generation 光伏發電 HK\$'000 千港元	Sales of lighting products 照明產品銷售 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>SEGMENT REVENUE</b>	<b>分部收益</b>			
External sales	外部銷售	355,465	203,999	559,464
Segment profit	分部溢利	316,407	3,386	319,793
Unallocated income	不予分配之收入			1,016
Unallocated expenses	不予分配之開支			
– Administrative and other expenses	– 行政及其他開支			(8,879)
– Finance costs	– 財務費用			(4,919)
Profit before taxation	除稅前溢利			307,011

### 3. REVENUE AND SEGMENT INFORMATION (Continued)

#### Segment revenue and results (Continued)

For the six months ended 30 June 2017 (unaudited)

### 3. 收益及分部資料(續)

#### 分部收益及業績(續)

截至二零一七年六月三十日止六個月  
(未經審核)

		Photovoltaic power generation 光伏發電 HK\$'000 千港元	Sales of lighting products 照明產品 銷售 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>SEGMENT REVENUE</b>	<b>分部收益</b>			
External sales	外部銷售	252,828	191,323	444,151
Segment profit	分部溢利	214,303	11,592	225,895
Unallocated income	不予分配之收入			129
Unallocated expenses	不予分配之開支			
– Administrative and other expenses	– 行政及其他開支			(11,068)
– Finance costs	– 財務費用			(4,572)
Profit before taxation	除稅前溢利			210,384

Segment profit represents the profit earned by each segment and hence is arrived at without allocation of certain income and expenses (including other income, administration and other expenses and finance costs). This is the measure reported to the CODM of the Company, for the purposes of resources allocation and assessment of segment performance.

#### Geographical information

The Group's operations are located in Hong Kong, the PRC (excluding Hong Kong) and North America.

分部溢利指各分部賺取的溢利，因此乃按不予分配若干其他收益及開支（包括其他收入、行政及其他開支以及財務費用）計算。此乃向本公司主要營運決策人報告的方法，以供進行資源分配及評估分部表現。

#### 地區資料

本集團業務位於香港、中國（不包括香港）及北美洲。

### 3. REVENUE AND SEGMENT INFORMATION (Continued)

#### Geographical information (Continued)

Information about the Group's revenue from external customers based on the location goods are physically delivered to and the location of electricity transmission and information about its non-current assets based on geographical location of the assets is set out below:

### 3. 收益及分部資料(續)

#### 地區資料(續)

本集團根據向其實際交付貨物的地點及電力傳輸的地點劃分來自外部客戶的收益及按資產的地理位置劃分的非流動資產的資料載列如下：

		Revenue from external customers		Non-current assets (other than deferred tax asset)	
		來自外部客戶收益		非流動資產 (遞延稅項資產除外)	
		Six months ended		As at	As at
		30 June		30 June	31 December
		截至六月三十日		2018	2017
		止六個月		於	於
		2018	2017	二零一八年	二零一七年
		二零一八年	二零一七年	六月三十日	十二月三十一日
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		(未經審核)	(未經審核)	(未經審核)	(經審核)
Hong Kong	香港	–	–	4,131	4,761
PRC	中國	355,465	252,828	308,192	294,040
United States of America	美國	201,990	188,556	2,105	2,362
Canada	加拿大	1,731	2,767	–	–
Others	其他	278	–	–	–
Total revenue/non-current assets	收益／非流動資產總額	559,464	444,151	314,428	301,163

#### 4. OTHER INCOME

#### 4. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Government grants (note)	政府補助(附註)	9,239	12,980
Net foreign exchange gain	外匯匯兌收益淨額	1,059	397
Bank interest income	銀行利息收入	940	358
Imputed interest income on tariff adjustment receivables (note 13)	就電價調整應收款項的累計 利息收入(附註13)	10,070	3,791
Sundry income	雜項收入	352	1,618
		<b>21,660</b>	<b>19,144</b>

Note: The government grants represent the amount received from local government by the PRC subsidiary of the Group in subsidising certain tax payments, which are unconditional incentive received in relation to activities carried out by the Group.

附註：政府補助指本集團中國附屬公司從當地政府收取補貼若干稅項開支的金額，為就本集團經營活動所收取的無條件補助。

#### 5. FINANCE COSTS

#### 5. 財務費用

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest expenses on bank borrowings	銀行借款利息開支	4,919	4,572

## 6. PROFIT BEFORE TAXATION

## 6. 除稅前溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Profit before taxation has been arrived at after charging:	除稅前溢利已扣除下列各項：		
Staff costs, including directors' remuneration	員工成本(包括董事酬金)		
Salaries, wages and other benefits	薪金、工資及其他福利	27,770	21,958
Retirement benefits scheme contributions	退休福利計劃供款	737	775
		28,507	22,733
Amortisation of intangible asset	無形資產攤銷	47	47
Auditor's remuneration	核數師酬金	600	600
Cost of inventories recognised as expenses	已確認為開支的存貨成本	214,854	201,405
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,772	3,262
Design and sampling costs, including staff costs of HK\$2,112,000 (for the six months ended 30 June 2017: HK\$1,890,000)	設計及樣品成本，包括員工成本2,112,000港元（截至二零一七年六月三十日止六個月：1,890,000港元）	3,596	3,294
Operating lease rentals	經營租賃租金	7,164	7,370
– rented premises	– 租賃物業	47,484	43,690
– photovoltaic facilities	– 光伏設施		
and after crediting:	及已計入：		
Interest income	利息收入	940	358
Net foreign exchange gain	匯兌收益淨額	1,059	397



## 7. TAXATION

## 7. 稅項

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Current taxation:	即期稅項：		
– Hong Kong Profits Tax	– 香港利得稅	1,819	2,741
– PRC Enterprise Income Tax (“EIT”)	– 中國企業所得稅 (「企業所得稅」)	832	2,429
– Withholding tax in the PRC	– 中國預扣稅	2,475	2,282
		5,126	7,452
Overprovision in prior period:	過往年度超額撥備：		
– Oversea taxation	– 海外稅項	(496)	–
Deferred taxation	遞延稅項	(176)	–
Total	總計	4,454	7,452

The Company and its subsidiaries operating in Hong Kong are subject to Hong Kong Profits Tax at a tax rate of 16.5% on assessable profits earned in Hong Kong for both periods.

本公司及其於香港營運之附屬公司須就兩段期間內在香港澳賺取的應課稅溢利按稅率16.5%繳納香港利得稅。

Taxation on overseas profits has been calculated on the estimated assessable profits for both periods at the rates of taxation prevailing in the relevant jurisdictions.

海外溢利的稅項乃根據兩段期間內估計應課稅溢利按相關司法權區的現行稅率計算。

A subsidiary of the Company, being an enterprise engaged in public infrastructure projects, under the PRC Tax Law and its relevant regulations, is entitled to tax holiday of 3-year full exemption followed by 3-year 50% exemption commencing from the respective year in which operating profit was derived. The subsidiary of the Company which was engaged in the public infrastructure projects has operating profit since 2016. The EIT incurred during the current period represents the taxation on the government grants received from local government by the PRC subsidiary of the Group in subsidising certain tax payments. The PRC subsidiary is entitled to an income tax rate of 15% as it is eligible as encouraged industries in Western China (西部地區鼓勵類產業企業).

本公司一間從事公共基礎設施項目的附屬公司，根據中國稅法及其相關規定，有權享受自各獲取經營溢利所屬納稅年度起三年免稅期及其後三年免稅50%。本公司從事公共基礎設施項目的該附屬公司自二零一六年起有經營溢利。於本期間產生的企業所得稅指本集團於中國之該附屬公司就從當地政府收取補貼若干稅項付款的稅項。該中國附屬公司因其為西部地區鼓勵類產業企業而有權享有15%的所得稅稅率。

## 7. TAXATION (Continued)

The withholding tax represented taxation recognised in respect of the dividend to be distributed from profits earned by a subsidiary in the PRC under the Implementation Regulation of the EIT Law of Mainland China that requires withholding tax with tax rate ranging from 5% to 10% upon the distribution of such profits to the shareholders. Deferred taxation has not been recognised in respect of certain undistributed retained profits earned by the subsidiary in the PRC amounting to approximately HK\$856,032,000 (2017: HK\$506,548,000) as the directors of the Company are of the opinion that the Group is able to control the timing of reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

## 8. DIVIDEND

The board of directors of the Company does not recommend the payment of any interim dividend for the six months ended 30 June 2018 (30 June 2017: nil).

## 9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the period attributable to owners of the Company of HK\$302,557,000 (30 June 2017: HK\$202,932,000) and the number of 567,696,000 ordinary shares of the Company (2017: 567,696,000 ordinary shares of the Company).

No diluted earnings per share is presented as there were no potential ordinary shares in issue during both periods.

## 10. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group incurred expenditure of HK\$134,904,000 (For the six months ended 30 June 2017: HK\$30,721,000) to acquire property, plant and equipment mainly for the businesses of photovoltaic power generation.

## 7. 稅項(續)

預扣稅指於中國的附屬公司根據中國內地企業所得稅法實施條例就其已賺取的溢利中分派股息確認的稅項，企業所得稅法實施條例規定於向股東分派溢利時須按5%至10%的稅率繳納預扣稅。由於本公司董事認為本集團可控制撥回暫時性差異的時間，而該暫時性差異於可預見將來可能不會撥回，故本集團並無就該中國附屬公司所賺取的若干未分派保留溢利約856,032,000港元(二零一七年：506,548,000港元)確認遞延稅項。

## 8. 股息

本公司董事會不建議就截至二零一八年六月三十日止六個月派付任何中期股息(二零一七年六月三十日：無)。

## 9. 每股盈利

每股基本盈利乃按本公司擁有人應佔期內溢利302,557,000港元(二零一七年六月三十日：202,932,000港元)及本公司普通股數目567,696,000股(二零一七年：567,696,000股本公司普通股)計算。

兩段期間內概無已發行潛在普通股，故並無呈列每股攤薄盈利。

## 10. 物業、廠房及設備

期內，本集團就收購物業、廠房及設備主要以供光伏發電之用而錄得開支134,904,000港元(截至二零一七年六月三十日止六個月：30,721,000港元)。

## 11. PREPAID RENTAL EXPENSES FOR PHOTOVOLTAIC FACILITIES

## 11. 光伏設施預付租賃費用

		At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Amounts of prepaid rental expenses for photovoltaic facilities analysed as:	光伏設施預付租賃費用金額分析如下：		
Current	即期	89,031	107,018
Non-current	非即期	—	45,181
		89,031	152,199

The Group entered into lease agreements for photovoltaic facilities with an independent photovoltaic facilities provider for the rental period from 18 May 2016 to 17 May 2017, with the annual rental payment amounting to RMB90,000,000 (equivalent to approximately HK\$105,300,000). The Group has renewed the lease agreement for the rental period from 18 May 2017 to 17 May 2019 with annual rental payment amounting to RMB180,000,000 (equivalent to approximately HK\$214,286,000). The full amounts were paid in advance.

本集團與一名獨立光伏設施供應商訂立一份光伏設施租賃協議，租賃期自二零一六年五月十八日至二零一七年五月十七日，年租賃金額為人民幣90,000,000元（相當於約105,300,000港元）。本集團已重續該光伏設施租賃協議，租賃期自二零一七年五月十八日至二零一九年五月十七日，年租賃金額為人民幣180,000,000元（相當於約214,286,000港元），並墊付全款。

## 12. INVENTORIES

## 12. 存貨

		At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Finished goods	製成品	23,018	16,433

### 13. TRADE AND OTHER RECEIVABLES

### 13. 貿易及其他應收款項

		At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Trade receivables	貿易應收款項	143,309	155,709
Less: Allowance for doubtful debts	減：呆壞賬準備	(823)	(823)
		142,486	154,886
Tariff adjustment receivables (note)	電價調整應收款項(附註)	—	676,829
Bill receivables	應收票據	3,333	1,307
Other receivables and prepayment	其他應收款項及預付款項	2,840	22,018
		148,659	855,040

Note: The Group's trade receivables and tariff adjustment receivables for the photovoltaic power generation are receivables from the state grid company. Generally, the trade receivables are due within 30 days from the date of billing, except for collection of the tariff adjustment receivables, which is subject to settlement by the state grid company upon finalisation of the allocation of funds by relevant government authorities to the state grid company. As the collection of tariff adjustment receivables is expected in the normal operating cycle, which may be more than 1 year, they are classified as current assets.

In the opinion of the directors of the Company, the revenue recognition of tariff adjustment is properly based on their judgement and taking into account the opinion from the Group's PRC legal advisor, that the Group's operating solar power plant has qualified for registration in the Reusable Energy Tariff Subsidy Catalogues (可再生能源電價附加資金補助目錄) (the "Catalogue") and has met all the relevant requirements and conditions for the registration in the Catalogue. The directors of the Company are confident that the Group's operating solar power plant is able to be registered in the Catalogue in due course and the tariff adjustment receivables are fully recoverable upon the allocation of funds from the PRC government.

In the current interim period, as HKFRS 15 became effective, tariff adjustment receivables was reclassified as "Contract assets" as required by HKFRS 15 and is disclosed in note 14.

附註：本集團貿易應收款項及光伏發電電價調整應收款項為應收國家電網公司款項。貿易應收款項通常於發票日期起計30日內到期，惟須待相關政府當局落實資金分配予國家電網公司後方能從國家電網公司收回的電價調整應收款項則除外。由於預期於正常營運週期（或會超過一年）內收回電價調整應收款項，故電價調整應收款項分類為流動資產。

本公司董事認為，根據其判斷並計及本集團中國法律顧問的意見對電價調整作出之收益確認屬恰當。本集團中國法律顧問認為，本集團經營的太陽能發電廠已符合資格於可再生能源電價附加資金補助目錄（「目錄」）登記，並滿足登記入目錄的所有有關要求及條件。本公司董事堅信，本集團經營的太陽能發電廠將可於適當時候登記入目錄內，且電價調整應收款項將可於中國政府劃撥資金時悉數予以收回。

於本中期間，由於香港財務報告準則第15號已生效，故電費調整應收款項已按香港財務報告準則第15號之規定重新分類為「合約資產」，並於附註14予以披露。

### 13. TRADE AND OTHER RECEIVABLES (Continued)

The Group allows credit period with a range from 30 to 90 days to its customers. The following is an aging analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date for sales of goods and electricity transmitted dates at the end of the reporting period, which approximated the respective revenue recognition dates.

		At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
0 to 30 days	0 至30日	55,863	54,243
31 to 60 days	31至60日	32,139	31,557
61 to 90 days	61至90日	18,639	34,855
Over 90 days	超過90日	35,845	34,231
		142,486	154,886

### 14. CONTRACT ASSETS

The contract assets represent the tariff adjustment receivables amounting to HK\$965,548,000. The amount would be received based on the prevailing national government policies on renewable energy for the Group's operating solar plant to be registered in the Catalogue. Please refer to note 13 for details of tariff adjustment receivables.

### 13. 貿易及其他應收款項(續)

本集團給予其貿易客戶介乎30至90日的信貸期。下表載列於報告期末的貿易應收款項，扣除呆壞賬準備，按貨品銷售發票日期及電力傳輸日期呈列的賬齡分析，該等日期與其各自收益確認日期相近。

### 14. 合約資產

合約資產指電價調整應收款項965,548,000港元，並將根據有關可再生能源的現行國家政府政策就本集團經營將於目錄中登記的太陽能發電廠收取款項。有關電價調整應收款項的詳情，請參閱附註13。



## 15. TRADE AND OTHER PAYABLES

## 15. 貿易及其他應付款項

		At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Trade payables	貿易應付款項	47,728	67,282
Bills payable for purchase of property, plant and equipment	購買物業、廠房及設備 的應付票據	7,738	95,783
Accrued sales commission	應計銷售佣金	542	617
Construction payable	應付工程款項	29,387	29,918
Other payables and accruals	其他應付款項及應計款項	13,500	11,422
		<b>98,895</b>	<b>205,022</b>

The credit period granted by suppliers to the Group ranged from 30 to 60 days. The following is an aging analysis of trade payables presented based on invoice date at the end of the period:

供應商給予本集團30至60日的信貸期。下表載列於期末的貿易應付款項按發票日期呈列的賬齡分析：

		At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
0 to 30 days	0至30日	44,095	35,215
31 to 60 days	31至60日	1,115	23,772
61 to 90 days	61至90日	525	7,787
Over 90 days	超過90日	1,993	508
		<b>47,728</b>	<b>67,282</b>

## 16. PROVISION

The balance represents the provision of defective claims, and the movements of provision are as follow:

		HK\$'000 千港元
At 1 January 2017 (audited)	於二零一七年一月一日(經審核)	7,145
Charge to profit or loss	自損益扣除	12,715
Utilisation of provision	撥備使用	(9,357)
At 31 December 2017 and 1 January 2018 (audited)	於二零一七年十二月三十一日及 二零一八年一月一日(經審核)	10,503
Charge to profit or loss	自損益扣除	6,968
Utilisation of provision	撥備使用	(4,223)
At 30 June 2018 (unaudited)	於二零一八年六月三十日(未經審核)	13,248

There are no fixed terms of provision of defective claims stated in the sales agreements entered with customers. The amount of provision is based on the management's estimation by reference to the historical experience. The Group accrued liability for potential defective claims at the time of sale to cover potential liabilities that could arise under these sales transactions.

## 16. 撥備

結餘指次貨索償撥備，以下為撥備的變動：

與客戶訂立的銷售協議內並無次貨索償撥備的固定條款。撥備金額乃按管理層經參考過往經驗估計。本集團於銷售時就潛在次貨索償累算負債以應付該等銷售交易所產生潛在負債。

## 17. BANK BORROWINGS

## 17. 銀行借款

	At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
The carrying amount of the secured bank borrowings that contains a repayment on demand clause (shown under current liabilities) but repayable: Within one year	應於下列期間償還之有抵押銀行借款的賬面值，具有按要求償還條款(呈列於流動負債)：一年之內	250,000 275,500

The bank borrowings represented bank loans denominated in HK\$ and carried interest at Hong Kong Interbank Offered Rate ("HIBOR") plus 2.95% per annum (2017: HIBOR plus 1.7% per annum to HIBOR plus 2.95% per annum). As at 30 June 2018, the bank borrowing was secured by pledge of 252,600,000 shares of the Company held by Fung Teng Enterprises Limited, which is wholly-owned by Mr. Dang Yanbao, the Chairman and executive director of the Company. On 26 July 2018, the pledge of shares was fully released upon repayment of the bank borrowing after the reporting period.

銀行借款指以港元計值的銀行貸款按香港銀行同業拆息(「香港銀行同業拆息」)加2.95厘之年利率(二零一七年：介乎香港銀行同業拆息加1.7厘之年利率至香港銀行同業拆息加2.95厘之年利率)計息。於二零一八年六月三十日，此銀行借款由本公司主席兼執行董事黨彥寶先生全資擁有之峰騰企業有限公司所持本公司252,600,000股股份抵押。於二零一八年七月二十六日，該等抵押股份已於報告期後償還銀行借款後悉數解除。

## 18. SHARE CAPITAL

## 18. 股本

	Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.01 each at 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	法定： 每股面值0.01港元之普通股於 二零一七年一月一日、 二零一七年六月三十日、 二零一八年一月一日及 二零一八年六月三十日	
	800,000,000	8,000
Issued and fully paid: Ordinary shares of HK\$0.01 each at 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	已發行及繳足： 每股面值0.01港元之普通股於 二零一七年一月一日、 二零一七年六月三十日、 二零一八年一月一日及 二零一八年六月三十日	
	567,696,000	5,677

## 19. RELATED PARTY TRANSACTIONS

The Group had the following transactions with a related party during both periods:

## 19. 關連人士交易

本集團於兩段期內與一名關連人士有以下交易：

	Six months ended 30 June 截至六月三十日止六個月	
	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Service income from 寧夏寶豐生態牧場有限公司 (note)	收取寧夏寶豐生態牧場有限公司 的服務收入(附註)	
	17	14

Note: 寧夏寶豐光伏發電有限公司, an indirectly wholly-owned subsidiary of the Company, entered into a service agreement with 寧夏寶豐生態牧場有限公司, a private company established in the PRC which is controlled by Mr. Dang Yanbao, the Chairman and executive director of the Company, with an annual service income of RMB28,400 (equivalent to HK\$32,000) for the period from 1 July 2016 to 30 June 2018 (subject to automatic renewal in compliance with applicable laws).

附註：本公司之間接全資附屬公司寧夏寶豐光伏發電有限公司與寧夏寶豐生態牧場有限公司訂立服務合約，於二零一六年七月一日至二零一八年六月三十日期間（可根據適用法律自動續訂）應付寧夏寶豐光伏發電有限公司年度服務費用人民幣28,400元（相等於32,000港元）。寧夏寶豐生態牧場有限公司為於中國成立之私人公司，由本公司主席兼執行董事黨彥寶先生控制。

## 19. RELATED PARTY TRANSACTIONS (Continued)

Key management personnel include directors of the Company and other senior management of the Group. The remuneration paid or payable during both periods is as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Short-term benefits	短期福利	2,664	2,998
Post-employment benefits	離職後福利	24	24
		2,688	3,022

The remuneration of key management personnel is determined by the management of the Company having regard to the performance of individuals and market trends.

## 19. 關連人士交易(續)

主要管理人員包括本公司董事及本集團其他高級管理人員。於兩段期間內已付或應付予彼等之酬金如下：

主要管理人員之酬金乃本公司管理層經參考個人表現及市場趨勢後釐定。

## 20. PLEDGE OF ASSETS

As at 30 June 2018, no bank deposits (31 December 2017: RMB25,700,000 (equivalent to approximately HK\$30,964,000)) were pledged to a bank to secure bank borrowing of the Group and bank deposits of RMB6,500,000 (equivalent to approximately HK\$7,738,000) (31 December 2017: RMB79,500,000 (equivalent to approximately HK\$95,783,000)) were pledged to a bank for issue of bills payable. The Group's land and buildings with carrying value of HK\$730,000 (31 December 2017: HK\$768,000) were pledged to a bank to secure banking facilities granted to the Group.

## 20. 抵押資產

於二零一八年六月三十日，並無銀行存款(二零一七年十二月三十一日：人民幣25,700,000元(相當於約30,964,000港元))抵押予銀行以取得本集團之銀行借款，而銀行存款人民幣6,500,000元(相當於約7,738,000港元)(二零一七年十二月三十一日：人民幣79,500,000元(相當於約95,783,000港元))已抵押予銀行以發行應付票據。本集團的土地及樓宇的賬面值為730,000港元(二零一七年十二月三十一日：768,000港元)已抵押予銀行以取得本集團的銀行信貸融資額。

## 21. OPERATING LEASE COMMITMENTS

### The Group as lessee

The Group had future aggregate minimum lease payables under non-cancellable operating leases as follows:

		At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	11,118	16,378
In the second to fifth years inclusive	第二至五年(包括首尾兩年)	1,225	5,915
		12,343	22,293

Operating lease payments represent rentals payable by the Group for certain of its staff quarters and office premises. Leases are negotiated and rental are fixed for lease terms of one to three years.

## 21. 經營租賃承擔

### 本集團作為承租人

本集團根據不可撤銷經營租賃的未來應付最低租賃如下：

經營租賃款項指本集團就其若干員工宿舍及辦公室物業應付之租金。租賃乃經各方磋商，租金固定，租期介乎一至三年。

## 22. CAPITAL COMMITMENTS

		At 30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Capital expenditure in respect of the acquisition of property, plant and equipment contracted but not provided for	收購物業、廠房及設備的資本開支，已訂約但尚未撥備	17,902	44,830

## 23. EVENT AFTER THE REPORTING PERIOD

On 20 July 2018, 96,150,000 subscription shares of the Company were allotted and issued to Fung Teng Enterprises Limited, which is wholly-owned by Mr. Dang Yanbao, the chairman and executive director of the Company, at the subscription price of HK\$2.60 per share under the specific mandate pursuant to the terms and conditions of the subscription agreement with Fung Teng Enterprises Limited.

## 22. 資本承擔

## 23. 報告期後事件

於二零一八年七月二十日，根據與本公司主席兼執行董事黨彥寶先生全資擁有的峰騰企業有限公司訂立的認購協議之條款及細則，已根據特別授權按認購價每股2.60港元向峰騰企業有限公司配發及發行96,150,000股認購股份。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### PRINCIPAL BUSINESS

The Group is engaged in (i) investment, construction and operation of photovoltaic power generation projects (the “Photovoltaic Power Generation Business”); and (ii) the sales of lighting products including portable lighting products, shades for lamps and furniture sets and other home accessory products (the “Lighting Products Business”).

### INDUSTRY OVERVIEW

#### Photovoltaic Power Generation Industry

The photovoltaic power generation market in the PRC has experienced a negative impact from a notice issued by the National Development and Reform Commission of the PRC, Ministry of Finance of the PRC and the National Energy Administration (the “NEA”) in relation to photovoltaic power generation in 2018 (關於二零一八年光伏發電有關事項的通知) (the “2018 Notice”) on 31 May 2018 with immediate effect. Pursuant to the 2018 Notice, amongst others:

- (1) the NEA will stop granting installation quota for ordinary utility-scale solar farms in 2018;
- (2) cuts to the feed-in tariffs of newly approved ordinary utility-scale solar farms by RMB0.05 kilowatt per hour (“kWh”) to RMB0.5/0.6/0.7/kWh in Zones I, II and III respectively;
- (3) cuts to the subsidy provided by the PRC government to newly approved distributed generation projects by RMB0.05/kWh to RMB0.32/kWh.

Notwithstanding the above, the 2018 Notice does not affect the Group’s existing Yinchuan Project (defined below), as the Yinchuan Project commenced operation prior to the publication of the 2018 Notice.

#### Portable Lighting Products Industry

The competition of the global portable lighting products industry in the first half of 2018 remained fierce. The United States portable lighting products market, which is the principal market of the lighting products of the Group, has been highly saturated with numerous firms selling a diverse range of products manufactured both domestically and internationally.

In June 2018, the United States government has announced that additional tariffs may be imposed on a total of US\$200 billion worth of goods imported from the PRC to the United States which, when the tariffs come into force, may have an adverse effect on the profitability of the Group’s lighting products. It is possible that the trading environment between the United States and the PRC of the lighting products industry, and in fact other consumer products industries, will continue to be challenging. The Group will continue to observe the progress of this potential impact from time to time and make necessary arrangements to optimise the returns to the shareholders of the Company (the “Shareholders”) as a whole and lessen any negative effect on its performance and results of operations.

### 主要業務

本集團從事(i)投資、建設及運營光伏發電項目(「光伏發電業務」);及(ii)銷售照明產品(包括移動式照明產品、燈罩以及傢具組合及其他家居飾品(「照明產品業務」))。

### 行業回顧

#### 光伏發電行業

中國光伏發電市場受中國國家發展和改革委員會、中國財政部及國家能源局(「能源局」)於二零一八年五月三十一日發佈並即時生效的關於二零一八年光伏發電有關事項的通知(「二零一八年通知」)的負面影響。根據二零一八年通知，其中包括：

- (1) 能源局將於二零一八年停止就普通大型太陽能發電場授出安裝配額；
- (2) 將新審批的普通大型太陽能發電場第一、二及三區的上網電價削減人民幣0.05元／千瓦時(「千瓦時」)至分別為人民幣0.5／0.6／0.7元／千瓦時；
- (3) 將中國政府向新審批分佈式發電項目提供的補貼削減人民幣0.05元／千瓦時至人民幣0.32元／千瓦時。

儘管如此，二零一八年通知並無影響本集團現有的銀川項目(定義見下文)，乃由於在刊發二零一八年通知前，銀川項目已展開營運。

#### 移動式照明產品行業

二零一八年上半年年全球移動式照明產品行業競爭依舊激烈。美國移動式照明產品市場(本集團照明產品的主要市場)高度飽和，許多公司競相出售各種各樣的國內外照明產品。

於二零一八年六月，美國政府宣佈可能對從中國進口至美國總值2,000億美元的商品徵收額外關稅，而當關稅生效時，可能會對本集團之照明產品的盈利能力產生不利影響。美國及中國照明產品行業之間以及其他消費品行業的實際貿易環境可能將繼續面臨挑戰。本集團將持續不時觀察該潛在影響的進展，並作出必要安排以優化本公司股東(「股東」)的整體回報，並減少對其表現及經營業績的任何負面影響。

## BUSINESS REVIEW

For the six months ended 30 June 2018, the business of the Group has been integrated into two segments, which are Photovoltaic Power Generation Business and Lighting Products Business.

Attributable to the contribution of the Photovoltaic Power Generation Business for the period under review, the Group's operation delivered a strong improvement in both revenue and profitability for the six months ended 30 June 2018. For the six months ended 30 June 2018, the Group's revenue increased by approximately 26.0% to approximately HK\$559.5 million while profit attributable to the owners of the Company increased by approximately 49.1% to approximately HK\$302.6 million.

### Photovoltaic Power Generation Business

During the period under review, the Photovoltaic Power Generation Business of the Group continued to develop and brought profits to the Group. In respect of the 350 megawatt photovoltaic power generation output capacity of the Group's photovoltaic project in Yinchuan City (the "Yinchuan Project"), Ningxia Hui Autonomous Region ("Ningxia"), the PRC, the major equipment of the Yinchuan Project was provided by Yinchuan Binhe New Energy Investment Development Co., Ltd\* (銀川濱河新能源投資開發有限公司) through lease arrangement. In order to fully utilise the 390 megawatt photovoltaic power generation output capacity granted, the Group has commenced the development of its own infrastructure and purchased equipment for the Yinchuan Project since December 2017. It is expected that the photovoltaic power generation output capacity from the Yinchuan Project would increase from 350 megawatt in 2017 to 390 megawatt by the end of 2018.

As confirmed by the State Grid Corporation of China, for the six months ended 30 June 2018, the Group has generated an aggregate of 415.6 million kWh power and the Photovoltaic Power Generation Business continued to be the main source of the revenue of the Group, accounting for approximately 63.5% (30 June 2017: 56.9%) of the Group's total revenue for the six months ended 30 June 2018. In addition, the Photovoltaic Power Generation Business continued to be the key growth driver of the profit of the Group, contributing to approximately 98.9% of the Group's total segment profit for the six months ended 30 June 2018 (30 June 2017: 94.9%).

## 業務回顧

截至二零一八年六月三十日止六個月，本集團的業務整合為兩個分部，即光伏發電業務及照明產品業務。

受益於光伏發電業務於回顧期間的貢獻，截至二零一八年六月三十日止六個月，本集團的營運於收益及盈利方面錄得大幅改善。截至二零一八年六月三十日止六個月，本集團的收益增加約26.0%至約559,500,000港元，本公司擁有人應佔溢利增加約49.1%至約302,600,000港元。

### 光伏發電業務

於回顧期間，本集團的光伏發電業務繼續發展並為本集團帶來溢利。就本集團位於中國寧夏回族自治區（「寧夏」）銀川市具備350兆瓦光伏發電產能的光伏項目（「銀川項目」）而言，銀川濱河新能源投資開發有限公司透過租賃安排提供主要設備。為全面利用所授出的390兆瓦光伏發電產能，本集團已於二零一七年十二月起開始建設其自有基礎設施及就銀川項目購買設備。預計於二零一八年末，銀川項目的光伏發電產能將由二零一七年的350兆瓦增加至390兆瓦。

經中國國家電網公司確認，截至二零一八年六月三十日止六個月，本集團共發電415,600,000千瓦時，光伏發電業務繼續成為本集團的主要收益來源，佔本集團截至二零一八年六月三十日止六個月之總收益約63.5%（二零一七年六月三十日：56.9%）。此外，光伏發電業務繼續為本集團溢利的重要增長動力，貢獻本集團截至二零一八年六月三十日止六個月分部溢利總額的約98.9%（二零一七年六月三十日：94.9%）。

\* For identification purpose only

\* 僅供識別

The Group's revenue from the Photovoltaic Power Generation Business for the six months ended 30 June 2018 was approximately HK\$355.5 million, which represents an increase of approximately 40.6% from the revenue generated for the corresponding period in 2017 (30 June 2017: HK\$252.8 million). The segment profit margin of the Photovoltaic Power Generation Business was approximately 89.0% for the six months ended 30 June 2018 (30 June 2017: 84.8%), and the segment profit increased by approximately 47.6% to approximately HK\$316.4 million (30 June 2017: HK\$214.3 million).

### Lighting Products Business

The Group's revenue from the Lighting Products Business for the six months ended 30 June 2018 was approximately HK\$204.0 million (30 June 2017: HK\$191.3 million), contributing to approximately 36.5% (30 June 2017: 43.1%) of the Group's total revenue, and representing a slight increase of 6.6% from the revenue generated in the corresponding period in 2017. Nevertheless, due to the keen competition in the principal market of the lighting products of the Group and rising of operating expenses, the segment profit margin of Lighting Products Business decreased to approximately 1.7% for the six months ended 30 June 2018 (30 June 2017: 6.1%) and the segment profit decreased by approximately 70.8% to approximately HK\$3.4 million (30 June 2017: HK\$11.6 million).

## OUTLOOK AND PROSPECTS

### Photovoltaic Power Generation Business

The board (the "Board") of directors of the Company (the "Directors") expects the Yinchuan Project to be registered in the eighth batch of the Reusable Energy Tariff Subsidy Catalogues (可再生能源電價附加資金補助目錄). If successful, the Board expects to receive settlements of tariff adjustment receivables from the PRC Government, which will improve the liquidity of the Group.

In the second half of 2018, the Group will continue to leverage the knowledge and experiences of its management to evaluate and seek appropriate opportunities for the further expansion of the Group's established Photovoltaic Power Generation Business and identify opportunities with reasonable returns in the photovoltaic power generation industry. The Group intends to focus on and further direct resources to develop its Photovoltaic Power Generation Business in accordance with the national policies. The Group will continue to look for opportunities to further strengthen its capabilities and expertise in this segment, including but not limited to participation in the photovoltaic poverty alleviation program and other national or regional photovoltaic programs to achieve sustainable development of its Photovoltaic Power Generation Business. The Board believes that the Photovoltaic Power Generation Business will continue to be the Group's main growth driver, and the strategic development of the Photovoltaic Power Generation Business is for the benefit of the Shareholders as a whole.

截至二零一八年六月三十日止六個月，本集團來自光伏發電業務的收益約為355,500,000港元，較二零一七年同期產生的收益(二零一七年六月三十日：252,800,000港元)增加約40.6%。截至二零一八年六月三十日止六個月，光伏發電業務的分部利潤率約為89.0%(二零一七年六月三十日：84.8%)，且分部溢利增加約47.6%至約316,400,000港元(二零一七年六月三十日：214,300,000港元)。

### 照明產品業務

截至二零一八年六月三十日止六個月，本集團照明產品業務的收益約為204,000,000港元(二零一七年六月三十日：191,300,000港元)，貢獻本集團收益總額約36.5%(二零一七年六月三十日：43.1%)，較二零一七年同期產生的收益略為增加6.6%。儘管如此，由於本集團照明產品業務的主要市場競爭激烈及經營開支增加，截至二零一八年六月三十日止六個月，照明產品業務分部利潤率減少至約1.7%(二零一七年六月三十日：6.1%)，分部溢利減少約70.8%至約3,400,000港元(二零一七年六月三十日：11,600,000港元)。

### 前景及展望

#### 光伏發電業務

本公司董事(「董事」)會(「董事會」)預期，銀川項目將於第八批可再生能源電價附加資金補助目錄登記。倘成功，董事會預期將自中國政府收取電價調整應收款項，並將改善本集團流動資金狀況。

於二零一八年下半年，本集團將憑藉其管理層的知識和經驗，繼續評估及物色適當機會進一步擴闊本集團的既有光伏發電業務，亦尋求光伏發電行業具有合理回報的契機。本集團擬遵循國家政策，專注及進一步分配資源至其光伏發電業務以發展該業務。本集團將繼續物色機會，進一步鞏固該分部的實力和專業技術，包括但不限於參與光伏扶貧項目及其他國家和地區的光伏項目，以實現光伏發電業務的可持續發展。董事會認為，光伏發電業務將繼續成為本集團的主要增長動力，而光伏發電業務的策略發展符合股東的整體利益。

## Lighting Products Business

For the second half of 2018, it is expected that the Lighting Products Business of the Group will continue to be adversely affected by the intensified competition in its principal markets, rising costs of labour and raw materials and possible tariffs imposed by the United States. In case the market competition continues to intensify, the Group would deploy its resources efficiently and shift the focus on other segments of the Group so that the Group will generate long term return to the Shareholders.

## FINANCIAL REVIEW

### Segment Information

The Group reported its financial information by two segments: (i) Photovoltaic Power Generation Business and (ii) Lighting Products Business. The table below is an analysis of the Group's revenue, segment profit and segment profit margin of its operation by segment for the six months ended 30 June 2017 and 2018.

## 照明產品業務

於二零一八年下半年，預期本集團照明產品業務仍將受到主要市場競爭加劇及勞工和原材料成本上漲以及美國可能徵收的關稅的不利影響。倘市場競爭持續加劇，本集團將有效調配資源，轉而專注於其他分部業務，從而為股東創造長期回報。

## 財務回顧

### 分部資料

本集團按兩個分部報告其財務資料：(i) 光伏發電業務及(ii) 照明產品業務。截至二零一七年及二零一八年六月三十日止六個月，本集團按分部劃分的其經營收益、分部收益及分部利潤率的分析列表如下：

		For the six months ended 30 June 截至六月三十日止六個月							
		2018 二零一八年				2017 二零一七年			
		Revenue	% of revenue	Segment profit	Segment profit margin	Revenue	% of revenue	Segment profit	Segment profit margin
		收益	佔收益	分部溢利	利潤率	收益	佔收益	分部溢利	利潤率
		HK\$'000	百分比	HK\$'000	(%)	HK\$'000	百分比	HK\$'000	(%)
		千港元		千港元	(%)	千港元		千港元	(%)
Photovoltaic Power Generation Business	光伏發電業務	355,465	63.5	316,407	89.0	252,828	56.9	214,303	84.8
Lighting Products Business	照明產品業務	203,999	36.5	3,386	1.7	191,323	43.1	11,592	6.1
Total	總計	559,464	100	319,793	57.2	444,151	100	225,895	50.9

## Revenue

During the six months ended 30 June 2018, revenue of the Group was derived from the Photovoltaic Power Generation Business and Lighting Products Business amounting to approximately HK\$559.5 million, representing an increase of approximately 26.0% from approximately HK\$444.2 million for the six months ended 30 June 2017. The increase in revenue was mainly attributable to the revenue contribution from the Photovoltaic Power Generation Business.

## 收益

截至二零一八年六月三十日止六個月，本集團來自光伏發電業務及照明產品業務的收益約為559,500,000港元，較截至二零一七年六月三十日止六個月的約444,200,000港元增加約26.0%。收益增加乃主要由於光伏發電業務的收益貢獻所致。



### Gross profit and gross profit margin

During the six months ended 30 June 2018, the gross profit of the Group increased by approximately 42.3% from approximately HK\$239.2 million for the corresponding period in 2017 to approximately HK\$340.5 million. The gross profit margin of the Group improved from approximately 53.9% for the six months ended 30 June 2017 to approximately 60.9% for the corresponding period in 2018. The increase in both gross profit and gross profit margin of the Group for the period was attributable to the contribution of the Photovoltaic Power Generation Business while the gross profit margin of which was significantly higher compared with the Lighting Products Business.

### Operating costs

During the six months ended 30 June 2018, the total operating cost increased to approximately HK\$50.2 million, representing an increase of approximately 15.7% from approximately HK\$43.4 million for the corresponding period in 2017. The increase in operating cost was primarily due to rising staff costs and other operating expenses.

### Finance Costs

The Group recorded finance costs amounting to approximately HK\$4.9 million for the six months ended 30 June 2018 (30 June 2017: HK\$4.6 million). The Group incurred such finance costs during the period mainly due to the interest expenses on bank borrowing, the proceeds of which were primarily used to support the development of the Photovoltaic Power Generation Business and general working capital needs for the Group's corporate office.

### Profit attributable to owners of the Company

Profit attributable to owners of the Company of approximately HK\$302.6 million was recorded for the six months ended 30 June 2018, as compared with a profit of approximately HK\$202.9 million attributable to owners of the Company for the corresponding period in 2017. Earnings per share was 53.30 HK cents for the six months ended 30 June 2018, as compared with earnings per share of 35.75 HK cents for the corresponding period in 2017.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2018, cash and cash equivalents of the Group were approximately HK\$66.2 million, representing an increase of 9.2% from approximately HK\$60.7 million as at 31 December 2017. This was mainly due to release of pledged bank deposits after repayment of the corresponding bank borrowing.

For the six months ended 30 June 2018, the Group's primary source of funding included cash generated from its operating activities and bank borrowing.

### 毛利及毛利率

截至二零一八年六月三十日止六個月，本集團的毛利由二零一七年同期的約239,200,000港元增加約42.3%至約340,500,000港元。本集團毛利率由截至二零一七年六月三十日止六個月的約53.9%增加至二零一八年同期的約60.9%。本期間本集團毛利及毛利率增加乃由於光伏發電業務的貢獻所致，其毛利率遠高於照明產品業務之毛利率。

### 經營成本

截至二零一八年六月三十日止六個月，總經營成本增加至約50,200,000港元，較二零一七年同期約43,400,000港元增加約15.7%。經營成本增加乃主要由於員工成本及其他運營開支增加。

### 財務費用

截至二零一八年六月三十日止六個月，本集團錄得財務費用約4,900,000港元（二零一七年六月三十日：4,600,000港元）。本集團期內產生財務費用乃主要由於銀行借款的利息開支所致，有關借款所得款項主要用於支持光伏發電業務的發展以及本集團企業辦公室的一般營運資金需求。

### 本公司擁有人應佔溢利

截至二零一八年六月三十日止六個月，所錄得本公司擁有人應佔溢利約為302,600,000港元，而二零一七年同期的本公司擁有人應佔溢利則約為202,900,000港元。截至二零一八年六月三十日止六個月，每股盈利為53.30港仙，而二零一七年同期的每股盈利則為35.75港仙。

### 流動資金及財務資源

於二零一八年六月三十日，本集團現金及現金等值物約為66,200,000港元，較於二零一七年十二月三十一日的約60,700,000港元增加9.2%，主要由於在償還相應銀行借款後解除已抵押銀行存款。

截至二零一八年六月三十日止六個月，本集團的主要資金來源包括其經營活動產生之現金及銀行借款。



As at 30 June 2018, the Group had a total bank borrowing of HK\$250.0 million (31 December 2017: HK\$275.5 million). The Group's current ratio (current asset divided by current liabilities) was 3.6 times as at 30 June 2018, which was improved from 2.4 times as at 31 December 2017.

## INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2018 (2017: Nil).

## CAPITAL STRUCTURE

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to Shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of (i) net debt, which includes the bank borrowing, bills payable and net cash and cash equivalents and pledged deposits, and (ii) equity attributable to owners of the Group, comprising issued capital and reserves. As at 30 June 2018, net gearing ratio was 14.7% (31 December 2017: 18.9%). This ratio is based on bank borrowings and bills payable less cash and cash equivalents and pledged bank deposit divided by total equity.

As at 30 June 2018, the interest-bearing bank borrowing of the Group that will become due within a year was HK\$250.0 million (31 December 2017: HK\$275.5 million), which carried interest at Hong Kong Interbank Offered Rate ("HIBOR") plus 2.95% per annum ("Loan A") (31 December 2017: HIBOR plus 1.7% per annum to HIBOR plus 2.95% per annum). As at 30 June 2018 and 31 December 2017, Loan A was secured by a pledge of 252,600,000 ordinary shares of HK\$0.01 (the "Shares") each held by Fung Teng Enterprises Limited ("Fung Teng"), which is wholly owned by Mr. Dang Yanbao, the Chairman and executive Director of the Company. As at 30 June 2018, bills payable amounting to RMB6.5 million (equivalent to approximately HK\$7.7 million) (31 December 2017: RMB79.5 million (equivalent to approximately HK\$95.8 million)) were secured by bank deposits of RMB6.5 million (equivalent to approximately HK\$7.7 million) (31 December 2017: RMB79.5 million (equivalent to approximately HK\$95.8 million)).

As at 30 June 2018, the Group's cash and cash equivalents were mainly held in Renminbi, US dollars and HK dollars.

於二零一八年六月三十日，本集團的總銀行借款為250,000,000港元(二零一七年十二月三十一日：275,500,000港元)。本集團的流動比率(即流動資產除以流動負債)於二零一八年六月三十日為3.6倍，較二零一七年十二月三十一日的2.4倍有所改善。

## 中期股息

董事會並不建議派付截至二零一八年六月三十日止六個月之任何中期股息(二零一七年：無)。

## 資本架構

本集團管理其資本，旨在透過在債務與權益間作出最佳平衡，確保本集團實體的可持續經營，亦為股東締造最大回報。本集團的整體策略與往年維持不變。

本集團的資本架構包括(i)債務淨額(包括銀行借款、應付票據及現金及現金等值物淨值及已抵押存款)；及(ii)本集團擁有人應佔權益(包括已發行股本及儲備)。於二零一八年六月三十日，淨資本負債比率為14.7%(二零一七年十二月三十一日：18.9%)。該比率乃根據銀行借款及應付票據減現金及現金等值物以及已抵押銀行存款再除以權益總額計算。

於二零一八年六月三十日，本集團將於一年內償還的計息銀行借款為250,000,000港元(二零一七年十二月三十一日：275,500,000港元)，按香港銀行同業拆息(「香港銀行同業拆息」)加2.95厘之年利率計息(「貸款A」)(二零一七年十二月三十一日：介乎香港銀行同業拆息加1.7厘之年利率至香港銀行同業拆息加2.95厘之年利率)。於二零一八年六月三十日及二零一七年十二月三十一日，貸款A由本公司主席兼執行董事黨彥寶先生全資擁有之峰騰企業有限公司(「峰騰」)所持252,600,000股本公司每股0.01港元之普通股(「股份」)作抵押。於二零一八年六月三十日，應付票據人民幣6,500,000元(相當於約7,700,000港元)(二零一七年十二月三十一日：人民幣79,500,000元(相當於約95,800,000港元))乃由銀行存款人民幣6,500,000元(相當於約7,700,000港元)(二零一七年十二月三十一日：人民幣79,500,000元(相當於約95,800,000港元))作抵押。

於二零一八年六月三十日，本集團的現金及現金等值物主要以人民幣、美元及港元持有。

## PLACING OF SHARES UNDER SPECIFIC MANDATE

On 24 May 2018, the Company and Fung Teng, a company wholly owned by Mr. Dang Yanbao, Chairman and executive Director of the Company, entered into a subscription agreement (“Subscription Agreement”) pursuant to which Fung Teng has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 96,150,000 Shares (“Subscription Shares”) at HK\$2.60 per Subscription Share (the “Subscription”).

The closing price of the Shares on 24 May 2018, being the date on which the terms of the issue were fixed, was HK\$3.00 per Share as quoted on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The aggregate nominal value of the Subscription Shares was HK\$961,500 and the net issue price per Subscription Share was approximately HK\$2.59.

As stated in the 2017 annual report of the Company, as at 31 December 2017, the interest-bearing bank borrowings of the Group that were provided by independent financial institutions and will become due within a year was HK\$275.5 million, and the interest rate is based on HIBOR. The net gearing ratio of the Group was 18.9% as at 31 December 2017 and the interest expenses for the financial year ended 31 December 2017 amounted to approximately HK\$9.4 million. In view of the potential increasing trend of HIBOR, the Directors considered that the Subscription would enable the Group to utilise the proceeds of the Subscription to repay the existing bank borrowings of the Group, hence reduce its finance costs, lower the net gearing ratio, increase the profitability and strengthen the financial position of the Group.

The gross proceeds of the Subscription were estimated to be HK\$249,990,000, and the net proceeds of the Subscription (after deducting all applicable costs and expenses reasonably incurred in relation to the entering of the Subscription Agreement and the related documents) were estimated to be HK\$248,990,000 and all of the net proceeds were intended to be used for repayment of the existing interest-bearing loan in the principal amount of HK\$250 million. As at the date of this interim report, the loan of HK\$250.0 million was fully repaid by the Company.

As at 30 June 2018, all the conditions precedent of the Subscription were not yet fulfilled. As at the date of this interim report, all the conditions precedent of the Subscription were fulfilled and the Subscription Shares have been allotted and issued to Fung Teng on 20 July 2018.

The Directors shall review the capital structure regularly, taking into account the cost of capital and the associated risks. Based on recommendations of the Board, the Group will maintain an appropriate capital structure accordingly.

## 根據特別授權配售股份

於二零一八年五月二十四日，本公司與本公司主席兼執行董事黨彥寶先生全資擁有之峰騰訂立認購協議（「認購協議」），據此，峰騰已有條件同意認購，及本公司已有條件同意按每股認購股份2.60港元配發及發行96,150,000股股份（「認購股份」）（「認購事項」）。

於二零一八年五月二十四日（即發行條款釐定日期），香港聯合交易所有限公司（「聯交所」）所報股份收市價為每股3.00港元。認購股份之總面值為961,500港元，及每股認購股份的淨發行價為約2.59港元。

誠如本公司二零一七年年報所述，於二零一七年十二月三十一日，本集團由獨立財務機構所提供並將於一年內償還的計息銀行借款為275,500,000港元，並按香港銀行同業拆息計息。於二零一七年十二月三十一日，淨資本負債比率為18.9%，而截至二零一七年十二月三十一日止財政年度，利息開支約為9,400,000港元。鑑於香港銀行同業拆息的潛在增長趨勢，董事認為，認購事項將使本集團能利用認購事項所得款項償還本集團現有銀行借款，從而減少其財務費用、降低淨資本負債比率、提高盈利能力及鞏固本集團的財務狀況。

認購事項所得款項總額估計為249,990,000港元及認購事項所得款項淨額（經扣除就訂立認購協議及相關文件而合理產生之所有適用成本及開支）估計為248,990,000港元，而所有所得款項淨額擬用於償還本金額為250,000,000港元之現有計息貸款。於本中期報告日期，本公司已悉數償還為數250,000,000港元的貸款。

於二零一八年六月三十日，認購事項所有先決條件均未獲達成。於本中期報告日期，認購事項所有先決條件已獲達成，而認購股份已於二零一八年七月二十日配發及發行予峰騰。

董事定期檢討資本結構，考慮資本成本及資本相關風險。本集團會根據董事會的建議相應維持其適當的資本結構。

## GROUP'S EMOLUMENT POLICY

The Directors' fees are determined by the Board as authorised by the Shareholders in the annual general meeting. The Board shall consider the recommendation of the remuneration committee of the Company ("Remuneration Committee") with reference to the Directors' duties, responsibilities and performance and the results of the Group. Each executive Director may also receive a year-end bonus in respect of each financial year. The amount of such bonus will be determined by the Board with reference to the recommendation of the Remuneration Committee.

As at 30 June 2018, the Group has a total of nine (31 December 2017: nine) Directors and employed 214 (31 December 2017: 206) employees. Total staff costs, including Directors' emoluments, amounted to approximately HK\$28.5 million for the six months ended 30 June 2018 (30 June 2017: HK\$22.7 million). The Group's remuneration policies were determined with reference to the performance, qualification and experience of individual employee, as well as the results of the Group and the market conditions. The Group also provided discretionary bonus, medical insurance and provident fund to employees. The Company adopted a share option scheme on 21 June 2012, under which the Company can grant options to, among others, employees of the Group to subscribe for Shares for rewarding them for their contributions to the Group and providing incentives to them to optimise their future contributions to the Group. Up to the date of this interim report, no share option has been granted under the share option scheme.

## PLEDGE OF SHARES BY CONTROLLING SHAREHOLDER

On 23 December 2016, Fung Teng, a company wholly-owned by Mr. Dang Yanbao, the Chairman, executive Director and a controlling Shareholder of the Company, has pledged 252,600,000 ordinary Shares in the issued share capital of the Company (the "Pledged Shares") in favour of Bank of Shanghai (Hong Kong) Limited (the "Lender") as a security (the "Share Pledge") for a revolving credit facility up to a maximum aggregate amount of HK\$250 million provided to the Company, by the Lender. As at 30 June 2018, the said pledge was not released. The Pledged Shares represented in aggregate approximately 44.50% of the issued share capital of the Company as at 30 June 2018. As at 30 June 2018, Fung Teng was interested in 360,000,000 Shares, representing approximately 63.41% of the issued share capital of the Company. As at the date of this interim report, the loan of HK\$250.0 million was full repaid by the Company and the Lender has issued a letter of release confirming full release of the Share Pledge as at the date of this interim report.

## 本集團的薪酬政策

董事袍金由董事會於股東週年大會獲得股東授權後釐定。董事會將考慮本公司薪酬委員會(「薪酬委員會」)在參考各董事的職務、責任及表現和本集團的業績後所提供的推薦意見釐定。各執行董事亦可能就每個財政年度獲得年終花紅。該等花紅的金額將由董事會參照薪酬委員會提供的推薦意見而釐定。

於二零一八年六月三十日，本集團有合共九名(二零一七年十二月三十一日：九名)董事及214名(二零一七年十二月三十一日：206名)員工。截至二零一八年六月三十日止六個月，總僱員開支(包括董事酬金)約為28,500,000港元(二零一七年六月三十日：22,700,000港元)。本集團的薪酬政策是按照個人表現、資歷及經驗，以及本集團業績及市場環境而釐定。本集團向僱員提供酌情花紅、醫療保險及公積金。本公司於二零一二年六月二十一日採納購股權計劃，據此，本公司可授出購股權予(其中包括)本集團僱員以認購股份，以此獎勵他們對本集團所作出的貢獻，並激勵僱員日後對本集團作出貢獻。截至本中期報告日期，概無根據該購股權計劃授出任何購股權。

## 控股股東質押股份

於二零一六年十二月二十三日，本公司主席、執行董事兼控股股東黨彥寶先生全資擁有之公司峰騰以上海銀行(香港)有限公司(「貸方」)為受益人質押本公司已發行股本中252,600,000股普通股(「質押股份」)，作為貸方向本公司提供總額最多250,000,000港元之循環信貸融資之擔保(「股份質押」)。於二零一八年六月三十日，上述質押尚未解除。於二零一八年六月三十日，質押股份共佔本公司已發行股本約44.50%。於二零一八年六月三十日，峰騰於本公司360,000,000股股份(佔本公司已發行股本約63.41%)中擁有權益。於本中期報告日期，本公司已悉數償還貸款250,000,000港元，而貸方已於本中期報告日期發佈解除質押函件，確認股份質押已悉數解除。

## CONTINGENT LIABILITIES

As at 30 June 2018 and 31 December 2017, the Group did not have any contingent liability.

## SIGNIFICANT INVESTMENTS

The Group has commenced the development of its own infrastructure for additional 40 megawatt output capacity of the photovoltaic power generation since December 2017 and as at 30 June 2018, RMB187.5 million has been invested in this regard. It is expected that such investment would contribute to the revenue and profit of the Group for the year ending 31 December 2018. Save as disclosed, the Group did not have any other significant investments as at 30 June 2018.

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

In view of the positive development of the Photovoltaic Power Generation Business, the Group will continue to develop the Yinchuan Project to reach 390 megawatt output capacity of the photovoltaic power generation at the end of 2018. In addition, the Group may from time to time consider appropriate opportunities for expansion of its photovoltaic power generation capacity through participation in or acquisition of new projects. Save as disclosed herein, there was no specific plan for material investments or capital assets as at 30 June 2018. In the event that the Group is engaged in any plan for material investments or capital assets, the Company will make announcement(s) and comply with relevant rules under the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules") as and when appropriate.

## MATERIAL ACQUISITIONS OR DISPOSALS

During the six months ended 30 June 2018, there was no material acquisition or disposal of subsidiaries, associated companies and joint ventures by the Group.

## CHARGES ON ASSETS

As at 30 June 2018, bank deposits of RMB6.5 million (equivalent to approximately HK\$7.7 million) (31 December 2017: RMB79.5 million (equivalent to approximately HK\$95.8 million)) were pledged to a bank for issue of bills payable. The Group's land and buildings with carrying value of HK\$0.7 million (31 December 2017: HK\$0.8 million) were pledged to a bank to secure banking facilities granted to the Group.

## 或有負債

於二零一八年六月三十日及二零一七年十二月三十一日，本集團並無任何或有負債。

## 重大投資

本集團自二零一七年十二月起已展開自有光伏發電額外40兆瓦產能基礎設施的建設，於二零一八年六月三十日，已就此投資人民幣187,500,000元。預計該投資將於截至二零一八年十二月三十一日止年度為本集團貢獻收益及溢利。除上文所披露者外，於二零一八年六月三十日，本集團並無任何其他重大投資。

## 重大投資或資本資產的未來計劃

鑒於光伏發電業務發展勢頭積極，本集團將繼續發展銀川項目，以於二零一八年年末達至390兆瓦光伏發電產能。此外，本集團可不時透過參與或收購新項目，物色良機拓展其光伏發電產能。除本報告所披露者外，於二零一八年六月三十日並無重大投資或資本資產的具體計劃。倘本集團參與任何重大投資或資本資產計劃，本公司將適時遵照香港聯合交易所有限公司證券上市規則（「上市規則」）的相關規則刊發公告。

## 重大收購或出售

截至二零一八年六月三十日止六個月，本集團並無有關附屬公司、聯營公司及合資企業的重大收購或出售。

## 抵押資產

於二零一八年六月三十日，銀行存款人民幣6,500,000元（相當於約7,700,000港元）（二零一七年十二月三十一日：人民幣79,500,000元（相當於約95,800,000港元））已抵押予銀行發行應付票據。本集團賬面值為700,000港元（二零一七年十二月三十一日：800,000港元）的土地及樓宇已抵押予銀行以取得本集團的銀行信貸融資額。



## FOREIGN EXCHANGE EXPOSURE

During the period under review, a significant part of the revenue of the Group was denominated in Renminbi while the Group has transactions invoiced in US dollars and bank loans drawn down in HK dollars, and accordingly the Group was exposed to foreign exchange risk. Save as disclosed herein, the amounts of other foreign currencies involved in the Group's operation for the six months ended 30 June 2018 were insignificant. The Group did not have a foreign currency hedging policy and did not employ any financial instrument for hedging purpose during the six months ended 30 June 2018. However, the management monitored foreign exchange exposure closely to keep the net exposure to an acceptable level.

## CAPITAL COMMITMENT

As at 30 June 2018, the Group's capital commitment amounted to approximately HK\$17.9 million (31 December 2017: HK\$44.8 million) in respect of property, plant and equipment contracted but not provided for.

## CORPORATE GOVERNANCE

The Company endeavors to maintain a high standard of corporate governance for the enhancement of its Shareholders' value and provide transparency, accountability and independence. The Company has complied with the required code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Listing Rules during the six months ended 30 June 2018, except for the following:

Under code provision C.2.5 of the CG Code, an issuer should have an internal audit function. For the six months ended 30 June 2018, the Company engaged an external accounting firm in the PRC to carry out internal audit to a subsidiary of the Company involving in the Photovoltaic Power Generation Business, nonetheless, the Company did not have an internal audit function for the entire Group for the period under review. Taking into account the size and complexity of the operations of the Group, the Company considers that the existing organisation structure and close supervision by the management can maintain sufficient risk management and internal control of the Group. However, the Board will review the need to set up an internal audit function from time to time and may set up an internal audit team if the need arises.

Save as disclosed above, the Board considers that the Company had complied with the code provisions set out in the CG Code of the Listing Rules during the six months ended 30 June 2018.

## 外匯風險

於回顧期間，本集團絕大部分收益以人民幣計值，然而本集團有以美元出具發票的交易及以港元提取的銀行貸款，故本集團須承受外匯風險。除本報告所披露者外，於截至二零一八年六月三十日止六個月，本集團業務所涉及的其他外幣金額甚小。於截至二零一八年六月三十日止六個月，本集團並無外幣對沖政策且並無運用任何金融工具作對沖用途。然而，管理層密切監察外匯風險以將淨風險維持在可接受水平。

## 資本承擔

於二零一八年六月三十日，本集團就收購物業、廠房及設備之已訂約但未撥備資本承擔約為17,900,000港元(二零一七年十二月三十一日：44,800,000港元)。

## 企業管治

本公司一向致力於維持高水準之企業管治以提升股東價值，並提供透明度、問責性和獨立性。本公司於截至二零一八年六月三十日止六個月一直遵守上市規則附錄十四所載企業管治守則(「企業管治守則」)載列的必守守則條文，以下情況除外：

根據企業管治守則的守則條文第C.2.5條，發行人應具有內部審核職能。截至二零一八年六月三十日止六個月，本公司外聘一家中國會計師行就本公司從事光伏發電業務的附屬公司進行內部審核，儘管如此，本公司於回顧期間並無就整個集團設立內部審核職能。考慮到本集團經營的規模及複雜程度，本公司認為現有組織架構及管理層的密切監管可使本集團維持充分的風險管理及內部控制。然而，董事會將不時檢討設立內部審核職能的必要性，並可能於有需要時成立內部審核團隊。

除上文所披露者外，董事會認為截至二零一八年六月三十日止六個月本公司已遵守上市規則所載企業管治守則的守則條文。



## Compliance with the Model Code for Securities Transactions

During the six months ended 30 June 2018, the Group adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as the code of conduct regarding Directors’ securities transactions in securities of the Company. Upon specific enquiry, each Director confirmed that during his tenure in the six months ended 30 June 2018, he had fully complied with the required standard of dealings and there was no event of non-compliance.

## 遵守證券交易的標準守則

於截至二零一八年六月三十日止六個月，本集團已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為規管董事就本公司證券進行證券交易之行事守則。經特定查詢後，各董事均已確認，於截至二零一八年六月三十日止六個月其任期內已全面遵守標準守則所載的必要準則，且亦無任何違規事件。

## DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 June 2018, the interests and short positions in the ordinary Shares, underlying Shares or debentures of the Company or shares, underlying shares or debentures of any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) of the Directors and chief executive of the Company that: (a) was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which the Directors are taken or deemed to have under such provisions of the SFO); (b) were in the register required to be kept pursuant to section 352 of the SFO; and (c) were notified to the Company and the Stock Exchange pursuant to the Model Code are set out as follows:

## 董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零一八年六月三十日，董事及本公司主要行政人員於股份、相關股份或債券或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份或債券中擁有：(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所（包括根據證券及期貨條例有關條文董事擁有或被視為擁有之權益及淡倉）；(b)記錄於根據證券及期貨條例第352條須存置之登記冊；及(c)根據標準守則須知會本公司及聯交所的權益或淡倉載列如下：

## Interests and short positions in the Shares, underlying Shares and debentures of the Company

## 於本公司股份、相關股份及債券之權益及淡倉

Name of Director 董事姓名	Capacity and nature of interest 身份及權益性質	Number of shares 股份數目 (Note 1) (附註1)	Percentage of the Company's issued share capital 佔本公司已發行股本百分比
Mr. Dang Yanbao (Note 2) 黨彥寶先生(附註2)	Interest of controlled corporation 於受控制法團的權益	456,150,000 (L)	80.35%
	Interest of controlled corporation 於受控制法團的權益	252,600,000 (S)	44.50%

Notes:

1. The letter "L" denotes a long position in the interest in the share capital of the Company. The letter "S" denotes a short position in the interest in the share capital of the Company.
2. Mr. Dang Yanbao, the Chairman and an executive Director of the Company, is the sole shareholder and a director of Fung Teng and is therefore deemed to be interested in 456,150,000 Shares in which Fung Teng is interested under the SFO, among which 252,600,000 Shares were pledged in favour of Bank of Shanghai (Hong Kong) Limited as a security for a revolving credit facility up to a maximum aggregate amount of HK\$250,000,000 provided to the Company by Bank of Shanghai (Hong Kong) Limited.

附註：

1. 「L」指本公司股本中的權益之好倉。「S」指本公司股本中的權益之淡倉。
2. 根據證券及期貨條例，本公司主席兼執行董事黨彥寶先生（為峰騰唯一股東及董事）被視為於峰騰擁有權益的456,150,000股股份中擁有權益，其中252,600,000股股份已質押予上海銀行（香港）有限公司，作為上海銀行（香港）有限公司向本公司提供總額最多不超過250,000,000港元之循環信貸融資之擔保。

### Interests and short positions in shares, underlying shares and debentures of the associated corporations of the Company

於本公司相聯法團的股份、相關股份及債券的權益及淡倉

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity and nature of interest 身份及權益性質	Number of share(s) 股份數目	Percentage of the associated corporation's issued share capital 佔相聯法團已發行股本之百分比
Mr. Dang Yanbao (Note 3) 黨彥寶先生(附註3)	Fung Teng 峰騰	Beneficial owner 實益擁有人	1 (L)	100%

Notes:

3. As at 30 June 2018, Mr. Dang Yanbao is the sole shareholder and a director of Fung Teng, which is the holding company of the Company. As such, Mr. Dang Yanbao is interested in the shares of Fung Teng by virtue of the SFO.

附註：

3. 於二零一八年六月三十日，黨彥寶先生為本公司控股公司峰騰唯一股東及董事。因此，根據證券及期貨條例，黨彥寶先生於峰騰之股份擁有權益。

Save as disclosed above, as at 30 June 2018, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which the Directors are taken or deemed to have under such provisions of the SFO); or (b) were recorded in the register required to be kept pursuant to section 352 of the SFO; or (c) were notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露外，於二零一八年六月三十日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及／或債券中擁有(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所（包括根據證券及期貨條例有關條文董事擁有或被視為擁有之權益及淡倉）；或(b)記錄於根據證券及期貨條例第352條須存置之登記冊；或(c)根據標準守則須知會本公司及聯交所的任何權益或淡倉。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2018, so far as is known to the Directors and chief executive of the Company, the persons/companies, other than a Director or chief executive of the Company, who had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO are set out as follows:

### Interests in the Shares and underlying Shares

## 主要股東於本公司股份及債券的權益及淡倉

於二零一八年六月三十日，就董事及本公司主要行政人員所知悉，於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部的條文向本公司及聯交所披露之權益或淡倉；或記錄於根據證券及期貨條例第336條須存置之登記冊之權益或淡倉的人士／公司（除董事或本公司主要行政人員以外）載列如下：

### 於股份及相關股份之權益

Name of Shareholder 股東名稱	Capacity and nature of interest 身份及權益性質	Number of Shares 股份數目 (Note 1) (附註1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
Fung Teng (Note 2) 峰騰(附註2)	Beneficial owner 實益擁有人	456,150,000 (L) (Note 3) (附註3)	80.35%
	Beneficial owner 實益擁有人	252,600,000 (S) (Note 3) (附註3)	44.50%

Notes:

- The letter "L" denotes a long position in the interest in the share capital of the Company. The letter "S" denotes a short position in the interest in the share capital of the Company.
- Fung Teng, a company incorporated in BVI with limited liability, is an investment holding company with the entire issued share capital held by Mr. Dang Yanbao, the Chairman and an executive Director, as at 30 June 2018.
- Fung Teng is interested in 456,150,000 Shares, among which 252,600,000 Shares were pledged in favour of Bank of Shanghai (Hong Kong) Limited as a security for a revolving credit facility up to a maximum aggregate amount of HK\$250,000,000 provided to the Company by Bank of Shanghai (Hong Kong) Limited.

附註：

- 「L」指本公司股本中的權益之好倉。「S」指本公司股本中的權益之淡倉。
- 峰騰，於英屬處女群島註冊成立的有限公司，為投資控股公司，於二零一八年六月三十日，其全部已發行股本由本公司主席兼執行董事黨彥寶先生持有。
- 峰騰於456,150,000股股份中擁有權益，其中252,600,000股股份已質押予上海銀行（香港）有限公司，作為上海銀行（香港）有限公司向本公司提供總額最多不超過250,000,000港元之循環信貸融資之擔保。

Save as disclosed above, so far as is known to the Directors and chief executive of the Company, no other the persons/companies, other than a Director or chief executive of the Company, who had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO.

### SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Since the Scheme was effective on 21 June 2012, no share option was granted, exercised, cancelled or lapsed under the Scheme during the period under review and there was no outstanding share option under the Scheme as at 30 June 2018.

### RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the section headed "Placing of Shares under Specific Mandate", at no time during the six months ended 30 June 2018 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate.

### CHANGES IN INFORMATION OF DIRECTORS

During the reporting period, the changes in information of Directors to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are as follows:

Mr. Dang Yanbao, the Chairman and an executive Director of the Company, ceased to be a representative at the 11th People's Congress of Ningxia Hui Autonomous Region, the PRC since January 2018.

Dr. Tyen Kan Hee, Anthony, an independent non-executive Director, is appointed as an independent non-executive director of Ourgame International Holdings Limited (stock code: 6899), a company listed on the Stock Exchange since March 2018. He also ceased to be an independent non-executive director of Alpha Peak Leisure Inc., a company listed on the TSX Venture Exchange Inc, since November 2017.

Mr. Xia Zuoquan, an independent non-executive Director ceased to be the chairman of Shenzhen Ramos Digital Technology Co., Ltd.\* (深圳市藍魔數碼科技有限公司) in May 2016.

除上文披露者外，就董事及本公司主要行政人員所知悉，概無任何其他人士／公司(除本公司董事或主要行政人員外)於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部的條文向本公司披露之權益或淡倉；或根據證券及期貨條例第336條須予記錄之權益或淡倉。

### 購股權計劃

本公司採納一項購股權計劃(「該計劃」)，目的是為對本集團的經營成就作出貢獻的合資格參與者提供鼓勵和獎賞。自該計劃於二零一二年六月二十一日生效以來，本公司於回顧期間概無根據該計劃授出、行使、註銷或失效任何購股權，及於二零一八年六月三十日，該計劃項下並無任何尚未行使之購股權。

### 購入股份或債券的權利

除「根據特別授權配售股份」章節所披露者外，於截至二零一八年六月三十日止六個月內，本公司或其任何附屬公司或其任何同系附屬公司概無訂立任何安排，致使董事或本公司主要行政人員或彼等各自的聯繫人(定義見上市規則)有權認購本公司或其任何相聯法團(定義見證券及期貨條例)的證券，或可藉購入本公司或任何其他法人團體的股份或債券而獲利。

### 董事資料變更

於報告期內需根據上市規則第13.51B(1)條披露的董事資料變動如下：

本公司主席兼執行董事黨彥寶先生自二零一八年一月起不再為中國寧夏回族自治區第十一屆人民代表大會的代表。

獨立非執行董事田耕熹博士自二零一八年三月起獲委任為聯交所上市公司聯眾國際控股有限公司(股份代號：6899)之獨立非執行董事。彼亦自二零一七年十一日起辭任TSX Venture Exchange Inc.上市公司Alpha Peak Leisure Inc.之獨立非執行董事。

獨立非執行董事夏佐全先生於二零一六年五月辭任深圳市藍魔數碼科技有限公司之主席。

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2018, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Shares.

## AUDIT COMMITTEE

The Company has established an audit committee (the “Audit Committee”) with written terms of reference which have been updated from time to time in compliance with the code provisions set out in the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control systems of the Group. As at 30 June 2018, the Audit Committee comprises three independent non-executive Directors, namely Dr. Tyen Kan Hee, Anthony (chairman of the Audit Committee), Mr. Xia Zuoquan and Mr. Guo Xuewen.

The unaudited condensed financial statements of the Company for the six months ended 30 June 2018 have been reviewed by the Audit Committee. Deloitte Touche Tohmatsu, the Group’s auditor, has carried out a review of the Group’s unaudited condensed consolidated financial statements for the six months ended 30 June 2018, which is prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

By order of the Board  
**China Baofeng (International) Limited**  
**Dang Yanbao**  
*Chairman and Executive Director*

Hong Kong, 17 August 2018

## 購買、出售或贖回上市證券

於截至二零一八年六月三十日止六個月，本公司或其任何附屬公司並無購買、贖回或出售任何股份。

## 審核委員會

本公司已成立審核委員會（「審核委員會」），並以不時更新的書面方式訂明其職權範圍以遵守企業管治守則所載的守則條文。審核委員會的主要職責為審閱及監督本集團的財務申報程序及內部監控機制。於二零一八年六月三十日，審核委員會由三名獨立非執行董事組成，即田耕熹博士（審核委員會主席）、夏佐全先生及郭學文先生。

本公司截至二零一八年六月三十日止六個月之未經審核簡明財務報表已由審核委員會審閱。本集團之核數師德勤•關黃陳方會計師行已審閱根據香港會計師公會頒佈之香港會計準則第34號「中期財務報告」編製之本集團截至二零一八年六月三十日止六個月之未經審核簡明綜合財務報表。

承董事會命  
**中國寶豐(國際)有限公司**  
主席兼執行董事  
**黨彥寶**

香港，二零一八年八月十七日





China Baofeng (International) Limited  
中國寶豐（國際）有限公司