



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

2019 Interim Report 中期報告

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 China
Bank of Communications Co., Ltd. Hong Kong Branch
Chinese Mercantile Bank
Hua Xia 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 3401, 34/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

STOCK CODE

3966

主要往來銀行

中國銀行
交通銀行股份有限公司香港分行
華商銀行
華夏銀行

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
34樓3401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

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 38, which comprise the condensed consolidated statement of financial position as of 30 June 2019 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.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
16 August 2019

緒言

本核數師已審閱列載於第4頁至第38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，其包括截至二零一九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。

德勤•關黃陳方會計師行
執業會計師
香港
二零一九年八月十六日

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 2019
截至二零一九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	
			2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核) (Restated) (經重列)
		Notes 附註		
Revenue	收益	3	455,956	453,166
Cost of sales	銷售成本		(196,402)	(177,396)
Gross profit	毛利		259,554	275,770
Other income, gains and losses	其他收入、收益及虧損	4	17,190	17,544
Selling expenses	銷售開支		(10,949)	(10,190)
Administrative and other expenses	行政及其他開支		(34,890)	(30,461)
Finance costs	財務費用	5	(14,089)	(3,984)
Profit before taxation	除稅前溢利	6	216,816	248,679
Income tax expense	所得稅開支	7	(26,579)	(3,608)
Profit for the period	期內溢利		190,237	245,071
Other comprehensive income (expense) for the period	期內其他全面收益(開支)			
Item that will not be reclassified to profit or loss:	其後將不會重新分類至 損益的項目：			
Exchange differences arising on translation from functional currency to presentation currency	功能貨幣換算為呈列貨幣 產生的匯兌差異		—	18,050
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至 損益的項目：			
Exchange difference arising on translation of foreign operations	換算境外業務匯兌差異		(342)	(20,075)
			(342)	(2,025)
Total comprehensive income for the period	期內全面收益總額		189,895	243,046
Earnings per share – Basic	每股盈利—基本	9	28.66 cents 28.66分	43.17 cents 43.17分

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 June 2019
於二零一九年六月三十日

			At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
Non-current Assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	2,323,394	283,777
Right-of-use assets	使用權資產	10	19,861	—
Rental deposit	租賃押金		1,145	—
Deposit for other borrowing	其他借款的押金		8,400	—
Deferred tax asset	遞延稅項資產		601	1,158
Intangible asset	無形資產		369	409
			2,353,770	285,344
Current Assets	流動資產			
Inventories	存貨	11	18,993	29,511
Trade and other receivables	貿易及其他應收款項	12	316,427	153,003
Contract assets	合約資產	13	1,275,699	1,020,104
Prepaid rental expenses for photovoltaic facilities	光伏設施預付租賃費用	14	—	36,324
Pledged bank deposits	已抵押銀行存款		—	1,349
Bank balances and cash	銀行結餘及現金		376,585	72,595
			1,987,704	1,312,886
Current Liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	15	63,562	113,536
Lease liabilities	租賃負債		5,215	—
Provision	撥備	16	13,743	14,018
Amount due to ultimate holding company	應付最終控股公司款項	17	3,762	7,040
Amount due to a photovoltaic facilities provider	應付光伏設施供應商款項	18	865,499	—
Tax payable	應付稅項		7,524	3,318
Other borrowing	其他借款	19	29,566	—
			988,871	137,912



		At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
	Notes 附註		
Net Current Assets	流動資產淨值	998,833	1,174,974
Total Assets less Current Liabilities	資產總值減流動負債	3,352,603	1,460,318
Non-current Liabilities	非流動負債		
Lease liabilities	租賃負債	15,102	—
Other borrowing	其他借款	1,673,800	—
Deferred tax liability	遞延稅項負債	13,692	204
		1,702,594	204
Net assets	資產淨值	1,650,009	1,460,114
Capital and Reserves	股本及儲備		
Share capital	股本	5,515	5,515
Reserves	儲備	1,644,494	1,454,599
Total Equity	股東權益合計	1,650,009	1,460,114

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2019
截至二零一九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 RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	特別儲備 RMB'000 人民幣千元 (Note a) (附註a)	法定盈餘 儲備 RMB'000 人民幣千元 (Note b) (附註b)	匯兌儲備 RMB'000 人民幣千元	保留溢利 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2019 (audited) (restated)	於二零一九年一月一日 (經審核)(經重列)	5,515	458,895	(1)	109,778	3,919	882,008	1,460,114
Profit for the period	期內溢利	-	-	-	-	-	190,237	190,237
Exchange differences arising on translation of foreign operations	換算境外業務匯兌差異	-	-	-	-	(342)	-	(342)
Total comprehensive (expense) income for the period	期內全面(開支)收益總額	-	-	-	-	(342)	190,237	189,895
Transfer	轉撥	-	-	-	20,639	-	(20,639)	-
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	5,515	458,895	(1)	130,417	3,577	1,051,606	1,650,009
At 1 January 2018 (audited) (restated)	於二零一八年一月一日 (經審核)(經重列)	4,693	246,527	(1)	59,119	5,493	490,703	806,534
Profit for the period	期內溢利	-	-	-	-	-	245,071	245,071
Exchange differences arising on translation from functional currency to presentation currency	功能貨幣換算為呈列貨幣產生的匯兌差異	-	-	-	-	18,050	-	18,050
Exchange differences arising on translation of foreign operations	換算境外業務匯兌差異	-	-	-	-	(20,075)	-	(20,075)
Total comprehensive (expense) income for the period	期內全面(開支)收益總額	-	-	-	-	(2,025)	245,071	243,046
Transfer	轉撥	-	-	-	27,257	-	(27,257)	-
At 30 June 2018 (unaudited) (restated)	於二零一八年六月三十日 (未經審核)(經重列)	4,693	246,527	(1)	86,376	3,468	708,517	1,049,580

Notes:

附註：

- | | |
|---|---|
| <p>a. Special reserve represents the reserve arising from group reorganisation in 2012.</p> <p>b. 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 to the statutory surplus reserve.</p> | <p>a. 特別儲備指於二零一二年進行集團重組產生之儲備。</p> <p>b. 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。</p> |
|---|---|

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2019
截至二零一九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

2019

2018

二零一九年

二零一八年

RMB'000

RMB'000

人民幣千元

人民幣千元

(Unaudited)

(Unaudited)

(未經審核)

(未經審核)

(Restated)

(經重列)

Net cash from operating activities	經營業務所得現金淨額	43,411	57,788
Investing activities	投資活動		
Purchase of property, plant and equipment	購買物業、廠房及設備	(17,419)	(110,911)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	1,349	98,700
Interest received	已收利息	245	761
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備的已付押金	—	(16,200)
Net cash used in investing activities	投資活動所用現金淨額	(15,825)	(27,650)
Financing activities	融資活動		
Advance from a photovoltaic facilities provider	來自光伏設施供應商的墊款	300,000	—
Interest paid	已付利息	(11,367)	(3,984)
Deposit paid for other borrowing	其他借款的已付押金	(8,400)	—
Repayment to ultimate holding company	向最終控股公司還款	(3,278)	—
Repayment of lease liabilities	償還租賃負債	(570)	—
Repayment of bank borrowings	償還銀行借款	—	(20,655)
Net cash from (used in) financing activities	融資活動所得(所用)現金淨額	276,385	(24,639)
Net increase in cash and cash equivalents	現金及現金等值物增加淨額	303,971	5,499
Cash and cash equivalents at beginning of the period	於期初之現金及現金等值物	72,595	50,349
Effect of foreign exchange rate changes	匯率變動的影響	19	(212)
Cash and cash equivalents at the end of the period, represented by bank balances and cash	於期末之現金及現金等值物 — 指銀行結餘及現金	376,585	55,636

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019
截至二零一九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, Caymans Islands and 3401, 34/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.

Prior to 1 January 2019, United States Dollars (“US\$”) was regarded as the functional currency of the Company and the consolidated financial statements were presented in Hong Kong Dollars (“HK\$”). During the current interim period, the directors of the Company consider that as a result of continued focus on the photovoltaic power generation business in the People’s Republic of China (the “PRC”) and the significant acquisition of the 350-megawatt photovoltaic power generation equipment (the “Equipment”) which was financed by a source of funding in the PRC, the primary economic environment in which the Group operates has changed and it is more appropriate to use Renminbi (“RMB”) as the functional currency. The presentation currency is also changed to RMB in line with the change in functional currency.

The change in functional and presentation currencies was accounted for in accordance with Hong Kong Accounting Standard 21 “The Effects of Changes in Foreign Exchange Rates” (“HKAS 21”). The effects of the change in presentation currency have been accounted for retrospectively with comparative figures restated. The comparative information in these unaudited condensed consolidated financial statements has been restated to reflect as if RMB has always been the presentation currency of the Group. The change in functional currency of the Company was applied prospectively from the date of change in accordance with HKAS 21.

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”).

1A. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT INTERIM PERIOD

In May 2019, the Group has completed the acquisition of the Equipment with the finance lease agreement. The consideration of the Equipment amounted to RMB2,336,133,000, which included value-added tax (“VAT”) in the amount of approximately RMB268,759,000. The details of the acquisition of the Equipment are disclosed in note 10.

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34樓3401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。

於二零一九年一月一日前，本公司的功能貨幣為美元(「美元」)而本集團綜合財務報表於過往年度乃按港元(「港元」)呈列。於本中期期間，本公司董事認為鑒於持續關注中華人民共和國(「中國」)光伏發電業務以及350兆瓦光伏發電設備(「設備」)的重大收購事項乃由中國資金來源撥資，本集團運營所在的主要經濟環境已變更而使用人民幣(「人民幣」)為功能貨幣更為合適。呈列貨幣亦與功能貨幣一致變更為人民幣。

功能及呈列貨幣變更乃根據香港會計準則第21號「外匯匯率變動的影響」(「香港會計準則第21號」)予以列賬。變更呈列貨幣的影響已追溯入賬，並已重列比較數字。該等未經審核簡明綜合財務報表的比較資料已按猶如人民幣一直以來均為呈列貨幣而予以重列。本公司功能貨幣變更已自變更日期起根據香港會計準則第21號獲追溯應用。

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。

1A. 當前中期期間之重大事件及交易

於2019年5月，本集團已透過財務租賃協議完成收購設備。設備的代價為數人民幣2,336,133,000元，其中包括增值稅(「增值稅」)約人民幣268,759,000元。收購設備的詳情於附註10披露。

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies as described below and 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 2019 are the same as those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2018. In addition, the Group has applied the following accounting policy during the current interim period.

Change in functional currency and presentational currency of the Company

The change in functional currency of the Company was applied prospectively from the date of change. All items were translated into RMB at the exchange rate on that date. The cumulative currency translation differences which had arisen from the translation of foreign operations up to the date of the change in functional currency were not reclassified from equity to profit or loss until the disposal of the relevant operations.

The change in presentation currency of the Company was applied retrospectively, as if the new presentation currency had always been applied.

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 and an interpretation issued by the HKICPA which are mandatorily effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle

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。

除下文所載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，截至二零一九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二零一八年十二月三十一日止年度的年度財務報表所採用者一致。此外，本集團於本中期期間亦採用以下會計政策。

本公司功能貨幣及呈列貨幣變動

本公司功能貨幣之變更已自變更日期起追溯應用。所有項目按該日匯率換算為人民幣。直至功能貨幣變更日期止，換算境外業務產生之累計匯率換算差額，出售相關業務前，不會自權益重新分類至損益。

本公司呈列貨幣之變動亦已獲追溯應用，猶如一直應用該新呈列貨幣。

應用新訂香港財務報告準則及其修訂本

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香港財務報告準則及其修訂本以及詮釋，其就編製本集團簡明綜合財務報表而言，於二零一九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16號	租賃
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
香港財務報告準則第9號（修訂本）	負值補償之預付特點
香港會計準則第19號（修訂本）	計劃修訂、縮減或結算
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
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期間的年度改進

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases"

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 "Leases", and the related interpretations.

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16

The Group applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

As a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases of land and buildings and photovoltaic facilities that have a lease term of 12 months or less from the commencement date. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

2. 主要會計政策 (續)

應用新訂香港財務報告準則及其修訂本 (續)

除下文所述者外，於本期間應用新訂香港財務報告準則及其修訂本對本集團於本期間及過往期間的財務狀況及表現及／或該等簡明綜合財務報表所載的披露並無重大影響。

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動

於本中期期間，本集團首次應用香港財務報告準則第16號。香港財務報告準則第16號已取代香港會計準則第17號「租賃」及相關詮釋。

2.1.1 應用香港財務報告準則第16號造成之會計政策主要變動

本集團已根據香港財務報告準則第16號的過渡性條文應用以下會計政策。

租賃的定義

倘合約為換取代價而授予在一段期間內已識別資產的使用控制權，則該合約屬於租賃或包含租賃。

就於首次應用日期或之後訂立或修改的合約而言，本集團於開始或修改日期根據香港財務報告準則第16號項下的定義評估合約是否屬於租賃或包含租賃，惟倘合約條款及條件隨後有所變動，該合約將不獲重新評估。

作為承租人

短期租賃

本集團對於開始日期租賃期為12個月或以下的工地及建築以及光伏設施租賃採用短期租賃確認豁免。短期租賃的租賃付款在租賃期內按直線法確認為開支。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Right-of-use assets

Except for short-term leases, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the condensed consolidated statement of financial position.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號造成之會計政策主要變動(續)

作為承租人(續)

使用權資產

除短期租賃外，本集團於租賃開始日期(即相關資產可供使用日期)確認使用權資產。使用權資產按成本減去任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量予以調整。

使用權資產的成本包括：

- 租賃負債初始計量的金額；
- 於開始日期或之前作出的任何租賃付款減去所收取的任何租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團拆除及移除相關資產、還原該資產所處位置或將相關資產恢復至租賃條款及條件規定的狀況將產生的預計成本。

本集團合理確定於租賃期結束時將取得相關已租賃資產所有權的使用權資產自開始日期起至可使用年期結束止予以折舊。否則，使用權資產於其估計可使用年期及租賃期(以較短者為準)按直線法折舊。

本集團將使用權資產於簡明綜合財務狀況表內單獨呈列。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Leasehold land and building

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 "Financial Instruments" and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號造成之會計政策主要變動(續)

作為承租人(續)

租賃土地及樓宇

就包括租賃土地及樓宇部分的物業權益付款而言，倘付款無法可靠地於租賃土地及樓宇部分之間分配，則其全部物業呈列為本集團的物業、廠房及設備。

可退還租賃押金

可退還已支付租賃押金根據香港財務報告準則第9號「金融工具」入賬並按公平值初始計量。於初始確認時的公平值調整被視為額外租賃付款並計入使用權資產成本內。

租賃負債

於租賃開始日期，本集團按當日未支付的租賃付款的現值確認及計量租賃負債。在計算租賃付款的現值時，倘租賃中隱含的利率不易釐定，則本集團使用在租賃開始日期的增量借款利率。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 基於指數或利率的可變租賃付款；
- 剩餘價值擔保下預期支付的金額；
- 合理確定本集團將行使的購買權的行使價；及
- 為終止租賃而支付的罰款，倘租期反映本集團行使終止權。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease liabilities (Continued)

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號造成之會計政策主要變動(續)

作為承租人(續)

租賃負債(續)

於開始日期後，租賃負債按利息累增及租賃付款調整。

倘出現以下情況，本集團重新計量租賃負債(並對相關使用權資產作出相應調整)：

- 租賃期變動或行使購買權的評估變動，在各情況下，相關租賃負債透過於重新評估當日使用經修訂貼現率貼現經修訂租賃付款而重新計量。
- 由於變動而產生的租賃付款變動，在各情況下，相關租賃負債透過使用初始貼現率貼現經修訂租賃付款而重新計量。

租賃修改

倘出現以下情況，本集團將租賃修改按單獨租賃入賬：

- 修改透過增加一項或多項相關資產的使用權而擴大租賃範圍；及
- 租賃代價增加的金額為與範圍擴大相稱之獨立價格金額及反映特定合約情況而對獨立價格作出的任何適當調整。

就不按單獨租賃入賬的租賃修改而言，本集團透過於修改生效日期使用經修訂貼現率貼現經修訂租賃付款，根據經修訂租賃的租賃期，重新計量經修訂租賃。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 “Income Taxes” requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) – Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease. Specifically, the Group assessed its contract on sales of electricity and considered that the contract entered into with the state grid company does not confer the state grid company with the right to control the use of the solar power plant. The Group is the party who has right to direct how and for what purpose the solar power plant by making the decisions about how the plant is operated and maintained for electricity generation. Therefore, the contract on sales of electricity does not meet the definition of a lease set out in HKFRS 16.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號造成之會計政策主要變動(續)

作為承租人(續)

稅項

為計量本集團確認使用權資產及相關租賃負債之租賃交易的遞延稅項，本集團首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

就其稅項扣減歸屬於租賃負債之租賃交易，本集團應用香港會計準則第12號「所得稅」之規定區分使用權資產及租賃負債。由於應用首次確認豁免，有關使用權資產及租賃負債之臨時差額並不於初始確認時及按租賃期確認。

2.1.2 初步應用香港財務報告準則第16號所產生的過渡及影響概要

租賃的定義

本集團已選擇可行權宜方法將香港財務報告準則第16號應用於先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包含租賃」確定為租賃的合約，而不將該準則應用於先前並無獲確定包含租賃的合約。因此，本集團概無重新評估於初步應用日期前已存在的合約。

就於二零一九年一月一日或之前訂立或修改的合約，本集團根據香港財務報告準則第16號之規定於評估合約是否包含租賃時應用租賃之定義。本集團特別評估其電力銷售的合約並認為與國家電網公司訂立的合約並無授予國家電網公司使用太陽能發電廠的控制權。透過對發電廠房運營及維護方法作出選擇，本集團乃有權指導如何及作何使用太陽能發電廠的訂約方。因此，電力銷售合約並不滿足香港財務報告準則第16號所載之租賃的定義。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application; and
- ii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application.

On transition, the Group has made the following adjustments upon application of HKFRS 16:

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transaction.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.2 初步應用香港財務報告準則第16號所產生的過渡及影響概要(續)

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響已於初步應用日期(二零一九年一月一日)確認。於初步應用日期之任何差異已於期初保留溢利確認，而比較資料未獲重列。

於過渡時採用香港財務報告準則第16號項下的經修訂追溯法時，在與各租賃合約相關的情況下，本集團就先前根據香港會計準則第17號按個別租賃基準分類為經營租賃的租賃採用以下可行權宜方法：

- i. 選擇不予確認租期自初步應用日期起12個月內結束之租賃的使用權資產及租賃負債；及
- ii. 於首次應用日期計量使用權資產時撇除初始直接成本。

應用香港財務報告準則第16號後，本集團已於過渡時作以下調整：

於二零一九年一月一日，本集團透過應用香港財務報告準則第16.C8(b)(ii)交易，按等於相關租賃負債的金額確認租賃負債及使用權資產。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rates applied by the relevant group entities range from 4.33% to 4.9%.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.2 初步應用香港財務報告準則第16號所產生的過渡及影響概要(續)

作為承租人(續)

於確認先前分類為經營租賃之租賃的租賃負債時，本集團已採用於初步應用日期相關集團實體之增量借款利率。相關集團實體應用的加權平均增量借款利率介乎4.33%至4.9%之間。

At 1 January
2019

於二零一九年
一月一日
RMB'000
人民幣千元

Operating lease commitments disclosed as at 31 December 2018 (restated)	於二零一八年十二月三十一日 所披露之經營租賃承擔(經重列)	12,018
Less: Recognition exemption – short-term leases	減：確認豁免－短期租賃	(5,293)
		6,725
Lease liabilities discounted at relevant incremental borrowing rate relating to operating leases recognised upon application of HKFRS 16 as at 1 January 2019	與於二零一九年一月一日應用香港財務報告準則第16號後確認經營租賃有關之按相關增量借款利率所貼現的租賃負債	5,853
Analysed as	分析為	
Current	流動	873
Non-current	非流動	4,980
		5,853
		Right-of-use assets 使用權資產 RMB'000 人民幣千元
The carrying amount of right-of-use assets, related to operating leases recognised upon application of HKFRS 16 as at 1 January 2019 comprises the following:	於二零一九年一月一日應用香港財務報告準則第16號後確認經營租賃有關之使用權資產賬面值包括以下各項：	
Land and buildings	土地及樓宇	5,853

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.2 初步應用香港財務報告準則第16號所產生的過渡及影響概要(續)

作為承租人(續)

就於二零一九年一月一日簡明綜合財務狀況表確認之金額作出以下調整。未受變動影響之項目並無包括在內。

		Carrying amounts previously reported at 31 December 2018	Adjustments	Carrying amounts under HKFRS 16 at 1 January 2019
		先前 於二零一八年 十二月 三十一日 呈報之賬面值 RMB'000 人民幣千元	調整 RMB'000 人民幣千元	於二零一九年 一月一日 根據香港財務 報告準則 第16號 之賬面值 RMB'000 人民幣千元
Non-current Assets	非流動資產			
Right-of-use assets	使用權資產	—	5,853	5,853
Current Liabilities	流動負債			
Lease liabilities	租賃負債	—	873	873
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	—	4,980	4,980

Note: For the purpose of reporting cash flows from operating activities under indirect method for the six months ended 30 June 2019, movements in working capital have been computed based on opening statement of financial position as at 1 January 2019 as disclosed above.

附註：就截至二零一九年六月三十日止六個月根據間接方法呈報經營業務所得現金流量而言，營運資金變動已根據上文所披露於二零一九年一月一日的期初財務狀況表計算得出。

3. REVENUE AND SEGMENT INFORMATION

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

Revenue from photovoltaic power generation	光伏發電收益
– Sales of electricity	– 電力銷售
– Tariff adjustment (note)	– 電價調整(附註)
Sales of lighting products	照明產品銷售

Note: As stated in the 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.

For photovoltaic power generation, revenue for the period is recognised when electricity is generated and transferred to the customer.

For sales of lighting products, revenue for the period is recognised at a point in time when the control of goods has transferred, being when the goods have been transferred to the customer's specific location.

All sales contracts are for the periods of one year or less. As permitted under HKFRS 15 "Revenue from Contracts with Customers", the transaction price allocated to these unsatisfied contracts is not disclosed.

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.

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

2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核) (Restated) (經重列)
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79,797	84,017
208,297	203,910
167,862	165,239
455,956	453,166

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。

就光伏發電而言，期內收益於發電並轉移至客戶時確認。

就照明產品銷售而言，期內收益於貨品控制權轉移，即貨品已轉移至客戶指定位置時確認。

所有銷售合約乃於一年或以下期間內進行。按照香港財務報告準則第15號「客戶合約收益」所允許，並無披露分配至該等未達成合約的交易價。

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。

3. REVENUE AND SEGMENT INFORMATION

(Continued)

The Group's operating and reportable segments under HKFRS 8 "Operating Segments" 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 2019 (unaudited)

		Photovoltaic power generation	Sales of lighting products	Total
		光伏發電 RMB'000 人民幣千元	照明產品 銷售 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
SEGMENT REVENUE	分部收益			
External sales	外部銷售	288,094	167,862	455,956
Segment profit (loss)	分部溢利(虧損)	229,972	(1,872)	228,100
Unallocated income	不予分配之收入			60
Unallocated expenses	不予分配之開支			
– Administrative and other expenses	– 行政及其他開支			(11,290)
– Finance costs	– 財務費用			(54)
Profit before taxation	除稅前溢利			216,816

3. 收益及分部資料(續)

根據香港財務報告準則第8號「經營分部」，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：

截至二零一九年六月三十日止六個月
(未經審核)

3. REVENUE AND SEGMENT INFORMATION

(Continued)

Segment revenue and results (Continued)

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

		Photovoltaic power generation 光伏發電 RMB'000 人民幣千元	Sales of lighting products 照明產品 銷售 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
SEGMENT REVENUE	分部收益			
External sales	外部銷售	287,927	165,239	453,166
Segment profit	分部溢利	256,290	2,743	259,033
Unallocated income	不予分配之收入			823
Unallocated expenses	不予分配之開支			
– Administrative and other expenses	– 行政及其他開支			(7,193)
– Finance costs	– 財務費用			(3,984)
Profit before taxation	除稅前溢利			248,679

Segment profit represents the profit earned by each segment and hence is arrived at without allocation of certain income and expenses (including other income, gains or losses, 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.

3. 收益及分部資料(續)

分部收益及業績(續)

截至二零一八年六月三十日止六個月
(未經審核)(經重列)

分部溢利指各分部賺取的溢利，因此乃按不予分配若干收入及開支(包括其他收入、收益或虧損、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。

3. REVENUE AND SEGMENT INFORMATION

(Continued)

Geographical information

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

Information about the Group's revenue from external customers based on the location to which goods are physically delivered 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

本集團業務位於香港、中國(不包括香港)及北美洲。

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, deposit for other borrowing and rental deposit)	
		來自外部客戶收益		非流動資產 (遞延稅項資產、其他借款的押金及租賃押金除外)	
		Six months ended	As at	As at	
		30 June	30 June	30 June	31 December
		截至六月三十日	2019	2019	2018
		止六個月	於	於	於
		2019	2018	二零一九年	二零一八年
		二零一九年	二零一八年	六月三十日	十二月三十一日
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		(未經審核)	(未經審核)	(未經審核)	(經審核)
			(Restated)		(Restated)
			(經重列)		(經重列)
Hong Kong	香港	–	–	17,926	3,002
PRC	中國	288,094	287,927	2,324,567	279,531
United States of America	美國	163,698	163,612	1,131	1,653
Canada	加拿大	4,164	1,402	–	–
Others	其他	–	225	–	–
Total revenue/non-current assets	收益／非流動資產總額	455,956	453,166	2,343,624	284,186

4. OTHER INCOME, GAINS AND LOSSES

4. 其他收入、收益及虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核) (Restated) (經重列)
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)	16,666	8,157
Government grants (Note)	政府補助(附註)	—	7,483
Bank interest income	銀行利息收入	245	761
Net foreign exchange gain	外匯匯兌收益淨額	181	858
Sundry income	雜項收入	98	285
		17,190	17,544

Note: The government grants represented the amount received from local government by the PRC subsidiary of the Group in subsidising certain tax payments. Government grants represented 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。政府補助指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	
		2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核) (Restated) (經重列)
Interest expense on other borrowing	其他借款利息開支	12,036	—
Imputed interest on amount due to a photovoltaic facilities provider	應付一間光伏設施供應商的應計利息	1,862	—
Interest on lease liabilities	租賃負債利息	191	—
Interest expenses on bank borrowings	銀行借款利息開支	—	3,984
		14,089	3,984

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	
		2019	2018
		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
			(Restated)
			(經重列)
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	24,808	22,494
Retirement benefits scheme contributions	退休福利計劃供款	610	597
		25,418	23,091
Allowance for obsolete and slow moving inventories (included in cost of sales)	過時及滯銷存貨準備(計入銷售成本)	212	–
Amortisation of intangible asset	無形資產攤銷	40	38
Auditor's remuneration	核數師酬金	522	486
Cost of inventories recognised as expenses	已確認為開支的存貨成本	131,528	130,664
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14,237	3,055
Depreciation for right-of-use assets	使用權資產折舊	824	–
Design and sampling costs, including staff costs of RMB1,352,000 (for the six months ended 30 June 2018: RMB1,711,000)	設計及樣品成本，包括員工成本人民幣1,352,000元(截至二零一八年六月三十日止六個月：人民幣1,711,000元)	2,761	2,913
Net foreign exchange gain	匯兌收益淨額	181	858
Lease classified as short-term lease	分類為短期租賃的租賃		
– rented premises	– 租賃物業	3,980	5,803
– photovoltaic facilities	– 光伏設施	36,324	38,462

7. INCOME TAX EXPENSE

7. 稅項

		Six months ended 30 June	
		截至六月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
			(Restated)
			(經重列)
Current taxation:	即期稅項：		
– Hong Kong Profits Tax	– 香港利得稅	234	1,473
– PRC Enterprise Income Tax (“EIT”)	– 中國企業所得稅 (「企業所得稅」)	13,197	674
– Withholding tax in the PRC	– 中國預扣稅	–	2,005
		13,431	4,152
Overprovision in prior period:	過往期間超額撥備：		
– Overseas taxation	– 海外稅項	–	(402)
– Withholding tax in the PRC	– 中國預扣稅	(890)	–
		(890)	(402)
Deferred taxation charge (credit)	遞延稅項支出(抵免)		
– Hong Kong Profits Tax	– 香港利得稅	538	(142)
– Withholding tax in the PRC	– 中國預扣稅	13,500	–
		14,038	(142)
Total	總計	26,579	3,608

7. INCOME TAX EXPENSE (Continued)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. For the relevant period in the six months ended 30 June 2019, Hong Kong profits tax of the qualifying corporation in the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other corporations in the Group which are not qualified for the two-tiered profits tax rates regime will continue to be taxed at the rate of 16.5% (six months ended 30 June 2018: 16.5%).

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. For the six months ended 30 June 2019, the subsidiary started its first year of the 3-year 50% exemption period. The EIT incurred during the prior 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").

Deferred taxation on undistributed profits of subsidiaries has been recognised taking into accounts the dividends to be distributed from profits earned by a certain subsidiary in the PRC starting from 1 January 2008 under the Implementation Regulation of the EIT Law of the PRC 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 subsidiaries in the PRC starting from 1 January 2008 amounting to RMB806,078,000 (2018: RMB814,825,000) as the directors are of the opinion that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

7. 稅項(續)

於二零一八年三月二十一日，香港立法會通過二零一七年稅務(修訂)(第7號)條例草案(「該條例草案」)，引入利得稅兩級制。該條例草案於二零一八年三月二十八日經簽署生效，並於翌日刊憲。根據利得稅兩級制，合資格公司首2,000,000港元之溢利將按8.25%之稅率徵收稅項，溢利中超過2,000,000港元之部分將按16.5%之稅率徵收稅項。不合資格參與利得稅兩級制之集團實體之溢利將繼續按劃一稅率16.5%徵收稅項。於截至二零一九年六月三十日止六個月的有關期間，本集團合資格公司之香港利得稅已按照利得稅兩級制計算。不符合利得稅兩級制之其他本集團公司之溢利將繼續按16.5%之稅率繳納稅項(截至二零一八年六月三十日止六個月：16.5%)。

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。於截至二零一九年六月三十日止六個月，附屬公司開始其三年免稅50%期間的首個年度。於上一個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。

本集團已根據中國企業所得稅法實施條例經計及將從中國若干附屬公司自二零零八年一月一日起已賺取的溢利中分派的股息後就附屬公司未分配溢利確認遞延稅項。中國企業所得稅法實施條例規定有關股東溢利分派須按5%至10%的稅率繳納預扣稅。由於董事認為，本集團可控制撥回暫時差異的時間，而暫時差異於可預見將來可能不會撥回，故本集團並無就中國附屬公司自二零零八年一月一日起已賺取的若干未經分派保留溢利人民幣806,078,000元(二零一八年：人民幣814,825,000元)確認遞延稅項。

7. INCOME TAX EXPENSE (Continued)

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.

8. DIVIDEND

During the current interim period, no dividend in respect of the year ended 31 December 2018 was declared and paid to the owners of the Company.

Subsequent to 30 June 2019, the directors of the Company resolved to declare an interim dividend of 20 HK cents (equivalent to RMB18 cents) per share totalling approximately RMB119,500,000 for the six months ended 30 June 2019 (six months ended 30 June 2018: nil). The interim dividend will be payable on or about 5 September 2019 to the shareholders of the Company whose names appear on the Company's register of members on 2 September 2019.

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 RMB190,237,000 (30 June 2018: RMB245,071,000 (restated)) and the number of 663,846,000 ordinary shares (2018: 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. ADDITIONS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, the Group incurred expenditure of RMB5,257,000 (For the six months ended 30 June 2018: RMB109,272,000) to acquire property, plant and equipment mainly for the businesses of photovoltaic power generation.

7. 稅項(續)

海外溢利的稅項乃根據兩個期間的估計應課稅溢利按相關司法權區的現行稅率計算。

8. 股息

於本中期期間，概無向本公司擁有人宣派及支付截至二零一八年十二月三十一日止年度之股息。

於二零一九年六月三十日後，本公司董事議決宣派截至二零一九年六月三十日止六個月的中期股息每股20港仙（相等於人民幣18分），合共約人民幣119,500,000元（截至二零一八年六月三十日止六個月：無）。中期股息將於二零一九年九月五日或前後派付予於二零一九年九月二日名列本公司股東名冊的本公司股東。

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人民幣190,237,000元（二零一八年六月三十日：人民幣245,071,000元（經重列））及本公司普通股數目663,846,000股（二零一八年：567,696,000股普通股）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. 添置物業、廠房及設備及使用權資產

於本中期期間，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人民幣5,257,000元（截至二零一八年六月三十日止六個月：人民幣109,272,000元）。

10. ADDITIONS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(Continued)

In May 2019, the Group has completed the acquisition of the Equipment pursuant to the sale and purchase agreement dated 23 March 2019 entered into between the Group and a photovoltaic facilities provider and the finance lease agreement dated 23 March 2019 entered into between the Group and Huaxia Financial Lease Co. Ltd. (the "Huaxia Financial"), which is an independent third party to the Group. The consideration for the Equipment under the sale and purchase agreement amounted to approximately RMB2,398,154,000, which included VAT in the amount of approximately RMB330,780,000. The first payment and second payment of the consideration amounting to RMB1,700,000,000 was paid by Huaxia Financial directly to the photovoltaic facilities provider. The third payment of the consideration amounting to approximately RMB698,154,000 would be settled by way of assignment of the benefit of the tariff adjustment receivables by the Group to the photovoltaic facilities provider (the "Consideration Tariff Adjustment Receivables"). The Group is obliged to pay the amount received to the photovoltaic facilities provider within ten business days of each receipt from the state grid company, until the entire amount is paid off. In the event that the Group fails to receive the corresponding amount of tariff adjustment receivables due to the PRC policy or other reasons beyond the control of the Group, the Group will not be obliged to pay such amount to the photovoltaic facilities provider and the photovoltaic facilities provider shall have no right to claim any damages against the Group. Since the Group has no legally enforceable right to set off the third payment of the consideration and Consideration Tariff Adjustment Receivables, the Consideration Tariff Adjustment Receivables continued to be included in contract assets. Please refer to note 13 for details.

The Equipment is depreciated over the estimated useful life of 22 years and the estimation of the useful life of the Equipment is considered to be a key judgement and estimation by the management in the preparation of the condensed consolidated financial statements.

Pursuant to the announcement on Relevant Policies for Deepening Value-Added Tax Reform promulgated by the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs of the PRC, the VAT rate has been reduced from 16% to 13% effective on 1 April 2019. Accordingly, the photovoltaic facilities provider has agreed to reduce the amount of the consideration to approximately RMB2,336,133,000, which included VAT in the amount of approximately RMB268,759,000. As a result of the aforesaid adjustment to the consideration, the amount of the third payment is reduced to approximately RMB636,133,000.

10. 添置物業、廠房及設備及使用權資產(續)

於二零一九年五月，本集團完成根據本集團與光伏設施供應商訂立日期為二零一九年三月二十三日的買賣協議及本集團與華夏金融租賃有限公司(「華夏金融」)訂立日期為二零一九年三月二十三日的融資租賃協議收購設備。該光伏設施供應商及華夏金融均為本集團的獨立第三方。根據買賣協議，該設備的代價約為人民幣2,398,154,000元，當中包括增值稅約人民幣330,780,000元。代價的第一筆付款及第二筆付款人民幣1,700,000,000元由華夏金融直接向光伏設施供應商支付。代價的第三筆付款約人民幣698,154,000元將由本集團透過轉讓電價調整應收款項的利益向光伏設施供應商結付(「代價電價調整應收款項」)。本集團須於每次自國家電網公司收到款項的十個營業日內向光伏設施供應商支付該款項，直至支付全部款項為止。倘本集團因中國政策或超出本集團控制範圍的其他理由而未能收取電價調整應收款項的相應款項，本集團將毋須向光伏設施供應商支付有關款項，而光伏設施供應商將無權向本集團索償任何損害。由於本集團並無合法執行權利抵銷代價及代價電價調整應收款項的第三筆付款，代價電價調整應收款項仍計入合約資產。詳情請參閱附註13。

該設備按22年的估計可使用年期予以折舊，而該設備可使用年期的估計於編製簡明綜合財務報表時被視為管理層的重大判斷及估計。

根據中國財政部、國家稅務總局及海關總署頒佈的關於深化增值稅改革有關政策的公告，增值稅率已於二零一九年四月一日起由16%降至13%。因此，光伏設施供應商已同意將代價金額減至人民幣約2,336,133,000元，當中包括增值稅約人民幣268,759,000元。由於上述代價的調整，第三筆付款的金額減至約人民幣636,133,000元。

10. ADDITIONS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(Continued)

During the current interim period, the Group entered into a new lease agreement for the office premises for 4 years. The Group is required to make fixed monthly payments. On lease commencement, the Group recognised RMB14,841,000 for right-of-use asset and RMB14,841,000 for lease liability.

11. INVENTORIES

10. 添置物業、廠房及設備及使用權資產(續)

於本中期期間，本集團訂立新租賃協議，租賃將用作辦公室物業，為期4年。本集團須作出固定每月付款。於租賃開始時，本集團分別確認使用權資產人民幣14,841,000元及租賃負債人民幣14,841,000元。

11. 存貨

		At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
Finished goods	製成品	18,993	29,511

12. TRADE AND OTHER RECEIVABLES

12. 貿易及其他應收款項

		At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
Trade receivables	貿易應收款項	101,954	131,841
Less: Allowance for doubtful debts	減：呆壞賬準備	(724)	(724)
		101,230	131,117
Bill receivables	應收票據	11,200	10,700
Other receivables and prepayment	其他應收款項及預付款項	203,997	11,186
		316,427	153,003

12. TRADE AND OTHER RECEIVABLES (Continued)

The Group allows credit period with a range from 30 to 90 days to its customers. A longer credit period may be granted to large or long established customers with good payment history. 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.

0 to 30 days	0 至30日
31 to 60 days	31至60日
61 to 90 days	61至90日
Over 90 days	超過90日

Other receivables and prepayment mainly consist of payments in advance to suppliers and VAT receivable.

All bills received by the Group are within a maturity period of less than one year.

13. CONTRACT ASSETS

The contract assets represent the tariff adjustment receivables amounting to RMB1,275,699,000 (2018: RMB1,020,104,000) for the photovoltaic power generation from the state grid company.

The collection of the tariff adjustment receivables, which is subject to settlement by the state grid company upon registration of the solar power plant in the Reusable Energy Tariff Subsidy Catalogue (可再生能源電價附加資金補助目錄) (the "Catalogue") by the Group. As the collection of tariff adjustment receivables is expected in the normal operating cycle, which may be more than 1 year, the receivables are classified as current assets.

12. 貿易及其他應收款項(續)

本集團給予其客戶介乎30至90日的信貸期。較長的信貸期或會授予付款記錄良好的大客戶或已建立長期業務來往的客戶。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。

At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
91,831	46,667
3,591	28,462
1,338	19,895
4,470	36,093
101,230	131,117

其他應收款項及預付款項主要包括向供應商墊款及應收增值稅。

本集團收到所有票據的到期日均少於一年。

13. 合約資產

合約資產指電價調整應收款項人民幣1,275,699,000元(二零一八年：人民幣1,020,104,000元)，用作國家電網公司的光伏發電。

待本集團在可再生能源電價附加資金補助目錄(「目錄」)登記太陽能發電廠及國家電網公司付款後，方能收回電價調整應收款項。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，故應收款項獲分類為流動資產。

13. CONTRACT ASSETS (Continued)

In the opinion of the directors of the Company by taking into account the opinion from the Group's PRC legal advisor, the Group's operating solar power plant 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.

14. PREPAID RENTAL EXPENSES FOR PHOTOVOLTAIC FACILITIES

13. 合約資產(續)

本公司董事認為，計及本集團中國法律顧問的意見，本集團經營的太陽能發電廠已滿足登記列入目錄的所有相關要求及條件。本公司董事對本集團經營的太陽能發電廠能夠於適當時候登記列入目錄充滿信心，且電價調整應收款項可於中國政府劃撥資金時悉數收回。

14. 光伏設施預付租賃費用

	At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
Amounts of prepaid rental expenses for photovoltaic facilities analysed as: Current	光伏設施預付租賃費用金額 分析如下： 即期	— 36,324

The Group entered into a lease agreement 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. The Group renewed the lease agreement for the rental period from 18 May 2017 to 17 May 2019 with total rental payment amounting to RMB180,000,000. The full amounts were paid in advance. During the current interim period, the Group applied the short term lease recognition exemption to these lease agreements and the lease payments are recognised as expense on a straight-line basis over the lease term.

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。本集團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，租賃付款合共人民幣180,000,000元，並墊付全款。於本中期期間，本集團就該等租賃協議採用短期租賃確認豁免而租賃付款在租賃期內按直線法確認為開支。

15. TRADE AND OTHER PAYABLES

15. 貿易及其他應付款項

		At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
Trade payables	貿易應付款項	33,045	59,190
Bills payable for purchase of property, plant and equipment	購買物業、廠房及設備 的應付票據	—	1,349
Accrued sales commission	應計銷售佣金	334	617
Construction payable	應付工程款項	22,330	34,492
Other payables and accruals	其他應付款項及應計款項	7,853	17,888
		63,562	113,536

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 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
0 to 30 days	0至30日	27,439	38,800
31 to 60 days	31至60日	3,224	17,250
61 to 90 days	61至90日	1,072	1,207
Over 90 days	超過90日	1,310	1,933
		33,045	59,190

16. PROVISION

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

		RMB'000 人民幣千元
At 1 January 2018 (audited) (restated)	於二零一八年一月一日(經審核)(經重列)	8,717
Charge to profit or loss	自損益扣除	15,842
Utilisation of provision	撥備使用	(11,338)
Exchange adjustment	匯率調整	797
At 31 December 2018 and 1 January 2019 (audited) (restated)	於二零一八年十二月三十一日及 二零一九年一月一日(經審核)(經重列)	14,018
Charge to profit or loss	自損益扣除	6,724
Utilisation of provision	撥備使用	(6,997)
Exchange adjustment	匯率調整	(2)
At 30 June 2019 (unaudited)	於二零一九年六月三十日(未經審核)	13,743

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. AMOUNT DUE TO ULTIMATE HOLDING COMPANY

The amount is non-trade, unsecured, interest-free and repayable on demand.

17. 應付最終控股公司款項

款項為非貿易性質、無抵押、免息及須按要求償還。

18. AMOUNT DUE TO A PHOTOVOLTAIC FACILITIES PROVIDER

The amount represented the third payment of the consideration amounted to RMB636,133,000 payable to the photovoltaic facilities provider as described in note 10 and an assignment of tariff adjustment receivables amounting to RMB300,000,000 by the Group to the photovoltaic facilities provider. Pursuant to the sale and purchase agreement dated 23 March 2019 entered into between the Group and the photovoltaic facilities provider, the Group has assigned tariff adjustment receivables amounting to RMB300,000,000 to the photovoltaic facilities provider upon the receipt of the first and second payments from Huaxia Financial. The Group is obliged to pay the corresponding amount of tariff adjustment receivables received to the photovoltaic facilities provider within ten business days of each receipt from the state grid company, until the entire amount is paid off. In the event that the Group fails to receive the corresponding amount of tariff adjustment receivables due to the PRC policy or other reasons beyond the control of the Group, the Group will not be obliged to pay such amount to the photovoltaic facilities provider and the photovoltaic facilities provider shall have no right to claim any damages against the Group.

During the current interim period, the fair value of the amount due to a photovoltaic facilities provider of RMB862,949,000 at initial recognition, amounting to approximately RMB844,138,000, was determined based on the present value of the estimated future cash flows discounted at 2.68% per annum.

18. 應付光伏設施供應商款項

款項指附註10所述應付光伏設施供應商代價的第三筆付款人民幣636,133,000元及本集團向光伏設施供應商轉讓電價調整應收款項人民幣300,000,000元。根據本集團與光伏設施供應商訂立日期為二零一九年三月二十三日的買賣協議，本集團已於收到華夏金融第一筆及第二筆付款後向光伏設施供應商轉讓電價調整應收款項人民幣300,000,000元。本集團須於每次自國家電網公司收到電價調整應收款項的相應款項的十個營業日內向光伏設施供應商支付該款項，直至支付全部款項為止。倘本集團因中國政策或超出本集團控制範圍的其他理由而未能收取電價調整應收款項的相應款項，本集團將毋須向光伏設施供應商支付有關款項，而光伏設施供應商將無權向本集團索償任何損害。

於本中期期間，應付光伏設施供應商款項的公平值人民幣862,949,000元（於首次確認時約人民幣844,138,000元）根據按2.68%的年利率貼現的估計未來現金流量現值釐定。

19. OTHER BORROWING

19. 其他借款

		At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)
Carrying amount repayable as follows (based on the scheduled repayment dates set out in the finance lease agreement)	須償還的賬面值如下(根據融資 租賃協議所載的預定還款日期)	
– within one year	– 一年內	29,566
– between one to two years	– 一年至兩年	102,904
– between two to five years	– 兩年至五年	510,461
– between five to ten years	– 五年至十年	795,235
– after ten years	– 十年後	265,200
		1,703,366
Analysed as	分析為	
Current	流動	29,566
Non-current	非流動	1,673,800
		1,703,366

The amount represented the first payment and second payment of the consideration amounted to RMB1,700,000,000 as described in note 10 and accrued finance charges. During the current interim period, the Group's other borrowing carries interest at 1.22 times of benchmark interest rate of over five-year borrowing formulated by the People's Bank of China per annum. As at 30 June 2019, the other borrowing is secured by the Group's solar power plant, trade receivables from photovoltaic power generation and tariff adjustment receivables with carrying amount of RMB2,316,231,000, RMB15,230,000 and RMB359,884,000, respectively. The Group has pledged the issued share capital of 寧夏寶豐光伏發電有限公司, an indirect wholly-owned subsidiary of the Company in favour of Huaxia Financial as a security for the other borrowing.

During the current interim period, the Group has paid a deposit amounting to RMB8,400,000 to Huaxia Financial, such amount can be used to settle the last instalment of the borrowing.

款項指附註10所述代價的第一筆付款及第二筆付款人民幣1,700,000,000元以及應計財務費用。於本中期期間，本集團的其他借款根據中國人民銀行制訂的五年借款基準年利率的1.22倍計息。於二零一九年六月三十日，其他借款由本集團賬面值分別為人民幣2,316,231,000元、人民幣15,230,000元及人民幣359,884,000元的太陽能發電廠、來自光伏發電的貿易應收款項及電價調整應收款項作抵押。本集團已以華夏金融為受益人抵押本公司間接全資附屬公司寧夏寶豐光伏發電有限公司的已發行股本，作為其他借款的抵押。

於本中期期間，本集團已向華夏金融支付存款人民幣8,400,000元，該款項可用作結付借款的最後一期付款。

20. SHARE CAPITAL

20. 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 2018, 30 June 2018, 1 January 2019 and 30 June 2019	法定： 於二零一八年一月一日、 二零一八年六月三十日、 二零一九年一月一日及 二零一九年六月三十日 每股面值0.01港元之普通股	800,000,000	8,000
Issued and fully paid: At 1 January 2018 and 30 June 2018 (unaudited)	已發行及繳足： 於二零一八年一月一日及 二零一八年六月三十日 (未經審核)	567,696,000	5,677
Issue of ordinary shares	發行普通股	96,150,000	961
At 31 December 2018, 1 January 2019 and 30 June 2019 (unaudited)	於二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年六月三十日 (未經審核)	663,846,000	6,638
		At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
Shown in the financial statements as	於財務報表所示	5,515	5,515

21. RELATED PARTY TRANSACTIONS

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

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)
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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 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.

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:

Short-term benefits	短期福利
Post-employment benefits	離職後福利

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

21. 關連人士交易

本集團於兩段期間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

2019	2018
二零一九年	二零一八年
RMB'000	RMB'000
人民幣千元	人民幣千元
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
	(Restated)
	(經重列)

14

14

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，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。寧夏寶豐生態牧場有限公司為於中國成立之公司，由本公司主席兼執行董事黨彥寶先生控制。

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：

Six months ended 30 June

截至六月三十日止六個月

2019	2018
二零一九年	二零一八年
RMB'000	RMB'000
人民幣千元	人民幣千元
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
	(Restated)
	(經重列)

2,587

2,158

21

19

2,608

2,177

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。

22. PLEDGE OF ASSETS

The Group's land and buildings with carrying value of RMB571,000 (31 December 2018: RMB605,000) was pledged to a bank to secure banking facilities granted to the Group. As at 30 June 2019, no bank deposit (31 December 2018: RMB1,349,000) was pledged to a bank to secure the issuance of bills payable.

As at 30 June 2019, the other borrowing is secured by the Group's solar power plant, trade receivables from photovoltaic power generation and tariff adjustment receivables with carrying amount of RMB2,316,231,000, RMB15,230,000 and RMB359,884,000, respectively. The Group has pledged the issued share capital of 寧夏寶豐光伏發電有限公司, an indirect wholly-owned subsidiary of the Company in favour of Huaxia Financial as a security for the other borrowing.

22. 抵押資產

本集團賬面值為人民幣571,000元(二零一八年十二月三十一日：人民幣605,000元)的土地及樓宇已抵押予銀行以取得授予本集團的銀行信貸融資額。於二零一九年六月三十日，概無銀行存款(二零一八年十二月三十一日：人民幣1,349,000元)已抵押予銀行以發行應付票據。

於二零一九年六月三十日，其他借款由本集團賬面值分別為人民幣2,316,231,000元、人民幣15,230,000元及人民幣359,884,000元的太陽能發電廠、來自光伏發電的貿易應收款項及電價調整應收款項作抵押。本集團已以華夏金融為受益人抵押本公司間接全資附屬公司寧夏寶豐光伏發電有限公司的已發行股本，作為其他借款的抵押。

23. CAPITAL COMMITMENTS

23. 資本承擔

	At 30 June 2019 於二零一九年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核) (Restated) (經重列)
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	
	6,748	13,336

24. MAJOR NON-CASH TRANSACTION

During the period, the Group has completed the acquisition of the Equipment. The consideration for the Equipment under the sale and purchase agreement amounted to approximately RMB2,336,133,000, which included VAT in the amount of approximately RMB268,759,000. The first payment and second payment of the consideration amounting to RMB1,700,000,000 was paid by Huaxia Financial directly to the photovoltaic facilities provider. The third payment of the consideration amounting to approximately RMB636,133,000 would be settled by way of assignment of the benefit of the Consideration Tariff Adjustment Receivables.

24. 主要非現金交易

期內，本集團已完成收購該設備。根據買賣協議，該設備的代價約為人民幣2,336,133,000元(含增值稅約人民幣268,759,000元)。代價的第一筆付款及第二筆付款人民幣1,700,000,000元已由華夏金融直接向光伏設施供應商支付。代價的第三筆付款約人民幣636,133,000元將透過轉讓代價電價調整應收款項的利益結付。

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 People’s Republic of China (the “**PRC**”) has experienced a negative impact from (i) 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; and (ii) the Circular on Improving the Mechanism for Feed-in-Tariff Rate of Photovoltaic Power Generation (關於完善光伏發電上網電價機制有關問題的通知) (the “**2019 Photovoltaic FiT Notice**”) issued by the National Development and Reform Commission of the PRC on 28 April 2019 and effective on 1 July 2019.

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.

Pursuant to the 2019 Photovoltaic FiT Notice, it sets out the following provisions regarding the feed-in-tariff rates for utility-scale ground-mounted solar farm projects:

- (1) the benchmark feed-in-tariff rates have been changed to guidance rates. The guidance rates for utility-scale ground-mounted solar farm stations, which are newly operated in resource zone I, II and III and entitled to national subsidy, are RMB0.40/kWh, RMB0.45/kWh and RMB0.55/kWh, respectively (tax included);

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

光伏發電市場在中華人民共和國(「**中國**」)受的負面影響包括(i)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**」);及(ii)中國國家發展和改革委員會於二零一九年四月二十八日發佈及於二零一九年七月一日生效的關於完善光伏發電上網電價機制有關問題的通知(「**二零一九年光伏上網電價通知**」)。

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。

根據二零一九年光伏上網電價通知，其載列以下有關大型地面發電場項目的上網電價規定：

- (1) 標桿上網電價經已改為指引費率。於第I類、第II類及第III類資源區新營運的大型地面太陽能發電場的指引費率可享有國家補貼，分別為人民幣0.40元／千瓦時、人民幣0.45元／千瓦時及人民幣0.55元／千瓦時(含稅)；



- (2) the feed-in-tariff rates for newly-operated utility-scale ground-mounted solar farm projects are in principle determined by way of market competition and shall not exceed the guidance rates for the resource zone where the solar farm project is operated. Upon determination of the feed-in-tariff rate, the portion within the local benchmark price of coal-fire power will be settled by local subsidiaries of the State Grid Corporation of China and the remaining balance shall be settled by the National Renewable Energy Development Fund;
- (3) where an utility-scale ground-mounted solar farm project is granted with the national subsidy, but has not obtained the approval for feed-in-tariff rate, its applicable feed-in-tariff rate shall either be subject to provisions of the 2018 Notice (if it is connected to grid on or before 30 June 2019), or the 2019 Photovoltaic FiT Notice (if connected to grid on or after 1 July 2019); and
- (4) for village-level solar power projects for poverty alleviation which have been included into the Reusable Energy Tariff Subsidy Catalogues, the feed-in-tariff rates for such projects in resource zone I, II and III are unchanged and remain at RMB0.65/kWh, RMB0.75/kWh and RMB0.85/kWh, respectively.
- (2) 新營運大型地面太陽能發電場項目的上網電價費率原則上由市場競爭釐定，不得超過太陽能發電場項目營運所在資源區的指引費率。釐定上網電價費率後，介乎燃煤發電當地基準價格的部分將由中國國家電網公司地方附屬公司償付，而餘額將由國家可再生能源發展基金償付；
- (3) 倘大型地面太陽能發電場項目獲授國家補貼但未取得上網電價費率的批准，其適用上網電價費率須遵守二零一八年通知（倘於二零一九年六月三十日或之前併網）或二零一九年光伏上網電價通知（倘於二零一九年七月一日或之後併網）的規定；及
- (4) 就已列入可再生能源電價附加資金補助目錄的扶貧村級太陽能發電場項目而言，第I類、第II類及第III類資源區內該等項目的上網電價維持不變，分別維持於人民幣0.65元／千瓦時、人民幣0.75元／千瓦時及人民幣0.85元／千瓦時。

Notwithstanding the above, the 2018 Notice and the 2019 Photovoltaic FiT Notice do not and are expected not to affect the Group's existing Yinchuan Project (defined below), as the Yinchuan Project commenced operation prior to the publication of the 2018 Notice and the 2019 Photovoltaic FiT Notice.

Portable Lighting Products Industry

The competition of the global portable lighting products industry in the first half of 2019 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 September 2018, the United States imposed additional 10% tariff on about US\$200 billion worth of goods imported from the PRC which included lighting products. The tariff rate was originally scheduled to increase to 25% starting from 1 January 2019 and was effective on 10 May 2019. In August 2019, the United States Trade Representatives announced that new tariff of 10% shall be imposed on US\$300 billion of goods imported from the PRC and effective on 15 December 2019. It is expected that that trading environment of the lighting products industry between the United States and the PRC will continue to be challenging.

儘管綜上所述，二零一八年通知及二零一九年上網發電並無且預計將不會對本集團現有的銀川項目造成影響（定義見下文），乃由於在刊發二零一八年通知及二零一九年光伏上網電價通知前，銀川項目已展開營運。

移動式照明產品行業

二零一九年上半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。

於二零一八年九月，美國對從中國進口總值2,000億美元的商品（當中包括照明產品）徵收額外10%關稅。相關的關稅稅率原定於二零一九年一月一日起增加至25%，並於二零一九年五月十日生效。於二零一九年八月，美國貿易代表署宣佈將自二零一九年十二月十五日起對自中國進口的價值3,000億美元貨品施加10%的新關稅。預期美國對中國的照明產品行業之交易環境將繼續充滿挑戰。



BUSINESS REVIEW

For the six months ended 30 June 2019, the business of the Group has been integrated into two segments, which are Photovoltaic Power Generation Business and Lighting Products Business.

For the six months ended 30 June 2019, while the Group's revenue increased by approximately 0.6% to approximately RMB456.0 million, profit attributable to the owners of the Company decreased by approximately 22.4% to approximately RMB190.2 million. The decline in profit was mainly due to an increase in depreciation expenses and finance costs after the acquisition of the Equipment (defined below) and an increase in income tax expenses as a result of increased deferred taxation in connection with the dividends to be distributed and the expiry of a tax holiday of 3-year full exemption that was entitled by a subsidiary of the Company.

Photovoltaic Power Generation Business

During the period under review, the Photovoltaic Power Generation Business 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, after completion of the sale and purchase agreement entered into between Ningxia Baofeng Photovoltaic Power Generation Company Limited* (寧夏寶豐光伏發電有限公司) (**"Baofeng Photovoltaic"**), a subsidiary of the Company, as purchaser and Yinchuan Binhe New Energy Investment Development Co., Ltd* (銀川濱河新能源投資開發有限公司) (the **"Vendor"**) dated 23 March 2019 (**"Sale and Purchase Agreement"**) in May 2019, Baofeng Photovoltaic purchased the 350-megawatt photovoltaic power generation equipment, the ancillary facilities, the materials in stock, products and accessories of the Yinchuan Project (the **"Equipment"**) at a consideration of RMB2,398,153,588 (tax inclusive). The Equipment is a set of photovoltaic power generation equipment which was leased to Baofeng Photovoltaic by the Vendor since its acquisition of the Equipment and has been used by the Group in the Yinchuan Project for the photovoltaic business operations of the Group since the commencement of the Yinchuan Project in 2016.

業務回顧

截至二零一九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。

截至二零一九年六月三十日止六個月，儘管本集團的收益增加約0.6%至約人民幣456,000,000元，本公司擁有人應佔溢利則減少約22.4%至約人民幣190,200,000元。溢利減少乃主要由於折舊開支及財務費用於收購設備(定義見下文)後增加以及遞延稅項因有待分派之股息以及本公司一間附屬公司有權享受的三年免稅期屆滿而增加，從而令所得稅開支增加。

光伏發電業務

於回顧期間，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区(「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，於二零一九年五月完成本公司附屬公司寧夏寶豐光伏發電有限公司(「寶豐光伏」，作為買方)與銀川濱河新能源投資開發有限公司(「賣方」)訂立日期為二零一九年三月二十三日的買賣協議(「買賣協議」)後，寶豐光伏購買銀川項目的350兆瓦光伏發電設備、配套設施、物料存貨、產品及配件(「設備」)，代價為人民幣2,398,153,588元(含稅)。設備為自賣方收購設備後租賃予寶豐光伏的一套光伏發電設備，並由本集團於二零一六年展開銀川項目以來，於銀川項目中用作本集團的光伏業務營運。



In addition, in May 2019, the finance lease arrangement commenced between Baofeng Photovoltaic as lessee and Huaxia Financial Leasing Co., Ltd. (華夏金融租賃有限公司) as lessor (the “**Lessor**”) pursuant to the finance lease agreement dated 23 March 2019 (“**Finance Lease Agreement**”), under which the Lessor paid RMB1,700,000,000 of the consideration under the Sale and Purchase Agreement to the Vendor, upon which it takes ownership of the Equipment. The Lessor then leases back the Equipment to Baofeng Photovoltaic for a principal lease amount of RMB1,700,000,000 to be paid by monthly instalments (plus interests) commencing after a grace period which will expire by 28 January 2021, with the last payment to be made by 28 January 2031. From the lease commencement date up to the end of the grace period, Baofeng Photovoltaic only has to pay interests on the principal lease amount but does not have to make repayments of the principal lease amount. The indebtedness and obligations of Baofeng Photovoltaic under the Finance Lease Agreement are guaranteed by the Company and secured by a charge over the entire equity interest in Baofeng Photovoltaic, by a charge over all receivables arising from the income of the Yinchuan Project from time to time (other than the amount of tariff adjustment receivables already assigned by Baofeng Photovoltaic), and by a charge over all power generation equipment and ancillary facilities used in the Yinchuan Project, in favour of the Lessor.


As an ancillary arrangement to the acquisition under the Sale and Purchase Agreement, in May 2019, the Vendor has paid an amount of RMB300,000,000 to Baofeng Photovoltaic in cash, and in return Baofeng Photovoltaic has assigned the tariff adjustment receivables in the amount of RMB300,000,000 to the Vendor effective on the date Baofeng Photovoltaic received the aforesaid cash payment pursuant to the an assignment agreement dated 23 March 2019 entered into between Baofeng Photovoltaic and the Vendor (the “**Assignment Agreement**”). For details of the Sale and Purchase Agreement, the Finance Lease Agreement and the Assignment Agreement, please refer to the announcement of the Company dated 25 March 2019.

At the end of 2018, the photovoltaic power generation output capacity of the Yinchuan Project had been increased from 350 megawatt in 2017 to 390 megawatt. As confirmed by the State Grid Corporation of China, for the six months ended 30 June 2019, the Group has generated an aggregate of 381.3 million kWh power and the Photovoltaic Power Generation Business continued to be the main source of the revenue of the Group, accounting for approximately 63.2% of the Group’s total revenue for the six months ended 30 June 2019 (30 June 2018: 63.5%). In addition, the Photovoltaic Power Generation Business was the sole contributor to the profit of the Group, contributing to approximately 100.8% of the Group’s total segment profit for the six months ended 30 June 2019 (30 June 2018: 98.9%).

此外，於二零一九年五月，寶豐光伏（為承租人）與華夏金融租賃有限公司（為出租人，「出租人」）根據日期為二零一九年三月二十三日的融資租賃協議（「**融資租賃協議**」）開展融資租賃安排，據此，出租人已向賣方支付買賣協議項下之代價人民幣1,700,000,000元，屆時其取得設備的所有權。出租人其後租回設備予寶豐光伏，租賃本金為人民幣1,700,000,000元，將於寬限期（將於二零二一年一月二十八日屆滿）後每月分期支付（另加利息），最後一期付款將於二零三一年一月二十八日前作出。自租賃開始日期起至寬限期結束，寶豐光伏僅須支付租賃本金的利息，但毋須償還租賃本金。寶豐光伏之融資租賃協議的債務及責任由本公司擔保及以寶豐光伏的全部股權的押記、由銀川項目收入不時產生的所有應收款項（寶豐光伏已經轉讓的電價調整應收款項金額除外）的押記及就銀川項目所用的所有發電設備及輔助設施的押記為抵押，以出租人為受益人。

作為買賣協議項下收購事項的配套安排，於二零一九年五月，賣方已向寶豐光伏支付現金人民幣300,000,000元。就此，根據寶豐光伏與賣方訂立日期為二零一九年三月二十三日之轉讓協議（「**轉讓協議**」），寶豐光伏已向賣方轉讓金額為人民幣300,000,000元的電價調整應收款項，在寶豐光伏收取前述的現金款項當日起生效。請參閱本公司日期為二零一九年三月二十五日的公告，以瞭解買賣協議、融資租賃協議及轉讓協議的詳情。

於二零一八年年末，銀川項目的光伏發電產能已由二零一七年的350兆瓦增加至390兆瓦。經中國國家電網公司確認，截至二零一九年六月三十日止六個月，本集團共發電381,300,000千瓦時，光伏發電業務繼續成為本集團的主要收益來源，佔本集團截至二零一九年六月三十日止六個月之總收益約63.2%（二零一八年六月三十日：63.5%）。此外，光伏發電業務為本集團溢利的獨一貢獻，貢獻本集團截至二零一九年六月三十日止六個月的分部溢利總額約100.8%（二零一八年六月三十日：98.9%）。



The Group's revenue from the Photovoltaic Power Generation Business for the six months ended 30 June 2019 was approximately RMB288.1 million, which represents an increase of approximately 0.1% from the revenue generated for the corresponding period in 2018 (30 June 2018: RMB287.9 million). The aggregated power generated for the six months ended 30 June 2019 dropped by approximately 8.3% to 381.3 million kWh (30 June 2018: 415.6 million kWh) due to a decrease in number of sunny days. Nevertheless, such impact was offset by an increase in average unit selling price (tax exclusive) as a result of a reduction of value added tax ("VAT") rate. The segment profit margin of the Photovoltaic Power Generation Business was approximately 79.8% for the six months ended 30 June 2019 (30 June 2018: 89.0%), and the segment profit decreased by approximately 10.3% to approximately RMB230.0 million (30 June 2018: RMB256.3 million) which was mainly due to an increase in depreciation expenses and finance costs after acquisition of the Equipment.

Lighting Products Business

The Group's revenue from the Lighting Products Business for the six months ended 30 June 2019 was approximately RMB167.9 million (30 June 2018: RMB165.2 million), contributing to approximately 36.8% (30 June 2018: 36.5%) of the Group's total revenue, and representing an increase of 1.6% from the revenue generated in the corresponding period in 2018. Excluding the effect of RMB depreciation against HK\$ during the six months ended 30 June 2019, the revenue decreased by 5.4% compared to the corresponding period in 2018. The segment profit margin of Lighting Products Business turned negative to approximately -1.1% for the six months ended 30 June 2019 (30 June 2018: 1.7%) and there was a segment loss of approximately RMB1.9 million (30 June 2018: a segment profit of approximately RMB2.7 million). The segment loss was due to the additional tariff imposed by the United States, continuous keen competition in the principal market of the lighting products of the Group and rising of operating expenses.

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 (in which part of them will be paid to the Lessor under the Finance Lease Agreement), which will improve the liquidity of the Group.

截至二零一九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人民幣288,100,000元，較二零一八年同期產生的收益(二零一八年六月三十日：人民幣287,900,000元)增加約0.1%。由於晴朗天數減少，截至二零一九年六月三十日止六個月的總發電量下跌約8.3%至381,300,000千瓦時(二零一八年六月三十日：415,600,000千瓦時)。儘管如此，平均單位售價(除稅後)因增值稅(「增值稅」)率減少而有所增加，抵銷總發電量下跌的影響。截至二零一九年六月三十日止六個月，光伏發電業務的分部利潤率約為79.8%(二零一八年六月三十日：89.0%)，且分部溢利減少約10.3%至約人民幣230,000,000元(二零一八年六月三十日：人民幣256,300,000元)，此乃主要由於折舊開支及財務費用於收購設備後增加。

照明產品業務

截至二零一九年六月三十日止六個月，本集團照明產品業務的收益約為人民幣167,900,000元(二零一八年六月三十日：人民幣165,200,000元)，貢獻本集團收益總額約36.8%(二零一八年六月三十日：36.5%)，較二零一八年同期產生的收益增加1.6%。撇除於截至二零一九年六月三十日止六個月人民幣兌港幣貶值的影響，收益較二零一八年同期減少5.4%。截至二零一九年六月三十日止六個月，照明產品業務分部利潤率轉為負值至約-1.1%(二零一八年六月三十日：1.7%)，分部虧損約人民幣1,900,000元(二零一八年六月三十日：分部溢利約人民幣2,700,000元)。分部虧損乃由於美國實施的額外關稅、本集團照明產品的主要市場持續劇烈競爭及經營開支增加所致。

前景及展望

光伏發電業務

本公司之董事(「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(部分將根據融資租賃協議支付予承租人)，並將改善本集團流動資金狀況。



In the second half of 2019, the Group will continue to leverage the knowledge and experiences of its management to evaluate and seek appropriate opportunities for the Group's established Photovoltaic Power Generation Business and identify opportunities with reasonable returns in the energy sector. 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 of the Company (the "**Shareholders**") as a whole.

Lighting Products Business

For the second half of 2019, it is expected that the Lighting Products Business will continue to be adversely affected by the additional tariffs imposed by the United States, intensified competition in its principal markets and rising costs of labour and raw materials. 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

Change of functional currency

Prior to 1 January 2019, United States Dollars ("**US\$**") was regarded as the functional currency of the Company and the consolidated financial statements were presented in Hong Kong Dollars ("**HK\$**"). For the six months ended 30 June 2019, the Board consider that as a result of continued focus on the Photovoltaic Power Generation Business in the PRC and the significant amount of acquisition of the Equipment which was financed by a source of funding in the PRC, the primary economic environment in which the Company operates has changed and it is more appropriate to use Renminbi ("**RMB**") as the functional currency. The presentation currency of the financial information is also changed to RMB in line with the change in functional currency.

The change in functional and presentation currencies was accounted for in accordance with Hong Kong Accounting Standard 21 "The Effects of Changes in Foreign Exchange Rates" ("**HKAS 21**"). The effects of the change in presentation currency have been accounted for retrospectively with comparative figures restated. The comparative information in these unaudited condensed consolidated financial statements has been restated to reflect as if RMB has always been the presentation currency of the Group. The change in functional currency of the Company was applied prospectively from the date of change in accordance with HKAS 21.

於二零一九年下半年，本集團將憑藉其管理層的知識及經驗，繼續為本集團的既有光伏發電業務評估及物色適當機會，亦尋求能源界別具有合理回報的契機。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本公司股東（「**股東**」）的整體利益。

照明產品業務

於二零一九年下半年，預期照明產品業務仍將受到美國實施的額外關稅、主要市場競爭加劇及勞工和原材料成本上漲的不利影響。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

功能貨幣變更

於二零一九年一月一日前，本公司的功能貨幣為美元（「**美元**」）而本集團綜合財務報表乃按港元（「**港元**」）呈列。於截至二零一九年六月三十日止六個月，董事會認為鑒於持續關注中國光伏發電業務以及收購設備的大量金額乃由中國資金來源撥資，本公司運營所在的主要經濟環境已變更而使用人民幣（「**人民幣**」）為功能貨幣更為合適。財務資料呈列貨幣亦與功能貨幣一致變更為人民幣。

功能及呈列貨幣變更乃根據香港會計準則第21號「外匯匯率變動的影響」（「**香港會計準則第21號**」）予以列賬。變更呈列貨幣的影響已追溯入賬，並已重列比較數字。該等未經審核簡明綜合財務報表的比較資料已按猶如人民幣一直以來均為呈列貨幣而予以重列。本公司功能貨幣變更已自變更日期起根據香港會計準則第21號獲追溯應用。

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/loss and segment profit margin of its operation by segment for the six months ended 30 June 2018 and 2019.

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。下表為截至二零一八年及二零一九年六月三十日止六個月本集團業務按分部劃分的收益、分部溢利／虧損及分部利潤率分析。

		For the six months ended 30 June 截至六月三十日止六個月							
		2019 二零一九年				2018 二零一八年			
		Revenue	% of revenue	Segment profit/ loss	Segment profit margin	Revenue	% of revenue	Segment profit/ loss	Segment profit margin
		收益	佔收益 百分比	分部溢利／ 虧損	分部 利潤率	收益	佔收益 百分比	分部溢利／ 虧損	分部 利潤率
		RMB'000		RMB'000	(%)	RMB'000		RMB'000	(%)
		人民幣千元		人民幣千元	(%)	人民幣千元		人民幣千元	(%)
Photovoltaic Power Generation Business	光伏發電業務	288,094	63.2	229,972	79.8	287,927	63.5	256,290	89.0
Lighting Products Business	照明產品業務	167,862	36.8	(1,872)	(1.1)	165,239	36.5	2,743	1.7
Total	總計	455,956	100	228,100	50.0	453,166	100	259,033	57.2

Revenue

During the six months ended 30 June 2019, revenue of the Group amounted to approximately RMB456.0 million, representing an increase of approximately 0.6% from approximately RMB453.2 million for the six months ended 30 June 2018. Revenue derived from the Photovoltaic Power Generation Business amounted to RMB288.1 million, representing an increase of approximately 0.1% from approximately RMB287.9 million for the six months ended 30 June 2018. The Photovoltaic Power Generation Business continued to be the major contributor to the Group's total revenue. During the six months ended 30 June 2019, while the revenue from Photovoltaic Power Generation Business was adversely affected by the decrease in number of sunny days, the impact of which was offset by an increase in average unit selling price (tax exclusive) as a result of reduction of VAT rate. Revenue derived from the Lighting Products Business amounted to RMB167.9 million, representing an increase of approximately 1.6% from approximately RMB165.2 million for the six months ended 30 June 2018. The Lighting Products Business continued to be impacted by the additional tariff imposed by the United States and the fierce competition in the market. As a result, excluding the effect of RMB depreciation against HK\$, the revenue from the Lighting Products Business decreased by 5.4% compared to the corresponding period in 2018.

收益

截至二零一九年六月三十日止六個月，本集團的收益約為人民幣456,000,000元，較截至二零一八年六月三十日止六個月約人民幣453,200,000元增加約0.6%。來自光伏發電業務的收益為人民幣288,100,000元，相當於較截至二零一八年六月三十日止六個月的約人民幣287,900,000元增加約0.1%。光伏發電業務持續為本集團總收益的主要貢獻。於截至二零一九年六月三十日止六個月，來自光伏發電業務的收益受到晴朗天數減少的不利影響，其影響由平均單位售價（除稅後）因增值稅率減少而增加予以抵銷。來自照明產品業務的收益為人民幣167,900,000元，相當於較截止二零一八年六月三十日止六個月的約人民幣165,200,000元增加約1.6%。照明產品業務持續受到美國施加的額外關稅以及市場內激烈競爭的影響。因此，剔除人民幣兌港幣貶值的影響，來自光照產品業務產生的收益較二零一八年同期減少5.4%。

Gross profit and gross profit margin

During the six months ended 30 June 2019, the gross profit of the Group amounted to approximately 259.6 million, representing a decrease of approximately 5.9% from approximately RMB275.8 million for the corresponding period in 2018. The gross profit margin of the Group decreased from approximately 60.9% for the six months ended 30 June 2018 to approximately 56.9% for the corresponding period in 2019. The decrease in both gross profit and gross profit margin of the Group for the period was due to an increase in costs of sales of approximately 10.7% from approximately RMB177.4 million for the six months ended 30 June 2018 to approximately 196.4 million for the six months ended 30 June 2019.

Operating costs

During the six months ended 30 June 2019, the total operating cost increased to approximately RMB45.8 million, representing an increase of approximately 12.8% from approximately RMB40.7 million for the corresponding period in 2018. The increase in operating costs was primarily due to rising staff costs and other operating expenses.

Finance Costs

The Group recorded finance costs amounting to approximately RMB14.1 million for the six months ended 30 June 2019 (30 June 2018: RMB4.0 million). The increase in finance costs during the period was mainly due to the interest expenses and handling charges under the Finance Lease Agreement.

Profit attributable to owners of the Company

Profit attributable to owners of the Company of approximately RMB190.2 million was recorded for the six months ended 30 June 2019, as compared with a profit of approximately RMB245.1 million attributable to owners of the Company for the corresponding period in 2018. The decline in profit was mainly due to an increase in depreciation expenses and finance costs after the acquisition of the Equipment and an increase in income tax expenses as a result of increased deferred taxation in connection with the dividends to be distributed and the expiry of a tax holiday of 3-year full exemption that was entitled by a subsidiary of the Company. Earnings per share was RMB28.66 cents for the six months ended 30 June 2019, as compared with earnings per share of RMB43.17 cents for the corresponding period in 2018. This decrease was partly due to the issue of 96,150,000 shares of the Company (the "Shares") in the second half of 2018.

毛利及毛利率

截至二零一九年六月三十日止六個月，本集團的毛利為數約人民幣259,600,000元由二零一八年同期約人民幣275,800,000元減少約5.9%。本集團毛利率由截至二零一八年六月三十日止六個月約60.9%減少至二零一九年同期約56.9%。本期間本集團毛利及毛利率均有所下降乃由於銷售成本由截至二零一八年六月三十日止六個月的約人民幣177,400,000元增加約10.7%至截至二零一九年六月三十日止六個月的約人民幣196,400,000元。

經營成本

截至二零一九年六月三十日止六個月，總經營成本增加至約人民幣45,800,000元，較二零一八年同期約人民幣40,700,000元增加約12.8%。經營成本增加乃主要由於員工成本及其他經營開支增加。

財務費用

截至二零一九年六月三十日止六個月，本集團錄得財務費用約人民幣14,100,000元(二零一八年六月三十日：人民幣4,000,000元)。財務費用增加乃主要由於融資租賃協議項下的利息開支及手續費所致。

本公司擁有人應佔溢利

截至二零一九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人民幣190,200,000元，而二零一八年同期的本公司擁有人應佔溢利則約為人民幣245,100,000元。溢利減少乃主要由於折舊開支及財務費用於收購設備後增加以及遞延稅項因有待分派之股息以及本公司一間附屬公司有權享受的三年免稅期屆滿而增加，從而令所得稅開支增加。截至二零一九年六月三十日止六個月，每股股份盈利為人民幣28.66分，而二零一八年同期的每股盈利則為人民幣43.17分。該減少一部分由於在二零一八年下半年發行96,150,000股本公司股份(「股份」)。

Non-HKFRS Measures

Earnings before interest and taxes, depreciation and amortisation

To supplement the unaudited condensed consolidated financial information of the Group prepared in accordance with HKFRS, one non-HKFRS measure, namely the earnings before interest and taxes, depreciation and amortisation ("EBITDA"), as additional financial measure, has been presented in this interim results announcement. The EBITDA is calculated by adding (i) depreciation of property, plant and equipment; (ii) depreciation for right-of-use assets; (iii) amortisation of intangible asset; and (iv) finance costs to the profit before tax. This unaudited non-HKFRS financial measure should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with HKFRS. In addition, this non-financial measure may be defined differently from similar terms used by other companies. The Board believes that the presentation of non-HKFRS measures when shown in conjunction with the corresponding HKFRS measures provides useful information to Shareholders and the Board regarding financial and business trends relating to its financial condition and results of operations. The Board also believes that the non-HKFRS measures are appropriate for evaluating the Group's operating performance.

The following table sets forth the reconciliation of the Group's non-HKFRS financial measures for six months ended 30 June 2019 and the corresponding period in 2018 to the nearest measures prepared in accordance with HKFRS:


非香港財務報告準則計量

除利息及稅項、折舊及攤銷前盈利

為補充根據香港財務報告準則編製的本集團未經審核簡明綜合財務報表，一種非香港財務報告準則計量，即除利息及稅項、折舊及攤銷前盈利（「EBITDA」），作為額外的財務計量，已於本中期業績公告中呈列。EBITDA乃按於除稅前溢利加上(i)物業、廠房及設備折舊；(ii)使用權資產折舊；(iii)無形資產攤銷；及(iv)財務費用計算所得。該未經審核非香港財務報告準則財務計量應當被視為對本集團根據香港財務報告準則編製的財務表現的補充而非替代計量。此外，該等非香港財務報告準則財務計量或與其他公司所使用類似詞彙具有不同定義。董事會認為連同相應香港財務報告準則計量一併呈列非香港財務報告準則計量為股東及董事會提供關於本集團財務狀況及經營業績相關財務及業務趨勢的有用信息。董事會亦認為，非香港財務報告準則計量適用於評估本集團的經營表現。

下表載列截至二零一九年六月三十日止六個月及二零一八年相應期間本集團非香港財務報告準則財務計量與根據香港財務報告準則編製的最接近計量之對賬：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Reconciliation of profit before taxation to EBITDA:	除稅前溢利與EBITDA的對賬：		
Profit before tax	除稅前溢利	216,816	248,679
Add:	加：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14,237	3,055
Depreciation for right-of-use assets	使用權資產折舊	824	—
Amortisation of intangible asset	無形資產攤銷	40	38
Finance costs	財務費用	14,089	3,984
EBITDA	EBITDA	246,006	255,756



During the six months ended 30 June 2019, EBITDA of the Company was approximately RMB246.0 million, representing a decrease of approximately 3.8% from approximately RMB255.8 million for the corresponding period in 2018. The decrease of the EBITDA was mainly due to rising staff costs and other operating expenses.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2019, cash and cash equivalents of the Group were approximately RMB376.6 million, representing an increase of 418.7% from approximately RMB72.6 million as at 31 December 2018. This was mainly due to the cash of RMB300,000,000 received from the Vendor under the Assignment Agreement.

For the six months ended 30 June 2019, the Group's primary source of funding included cash generated from its operating activities and interest bearing borrowing.

As at 30 June 2019, the Group had a total interest bearing borrowing of RMB1,703.4 million which represents the finance lease obligation under the Finance Lease Agreement (31 December 2018: nil). The Group's current ratio (current asset divided by current liabilities) was 2.0 times as at 30 June 2019, declined from 9.5 times as at 31 December 2018 which was mainly due to the increase in current liabilities owing to the Vendor under the Sale and Purchase Agreement after acquisition of the Equipment and cash received under the Assignment Agreement.

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend of 20 HK cents (equivalent to RMB18 cents) per share for the six months ended 30 June 2019 (2018: Nil) (the "Interim Dividend"). The Interim Dividend is expected to be paid on Thursday, 5 September 2019 to the Shareholders whose names appear on the register of members of the Company on Monday, 2 September 2019.

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 interest bearing borrowing 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 2019, net gearing ratio was 80.4% (31 December 2018: net cash in excess of debts). This ratio is based on interest bearing borrowing and bills payable less cash and cash equivalents and pledged bank deposit divided by total equity.

截至二零一九年六月三十日止六個月，本公司之EBITDA約為人民幣246,000,000元，較二零一八年同期的約人民幣255,800,000元減少約3.8%。EBITDA減少乃主要由於員工成本及其他營運開支增加。

流動資金及財務資源

於二零一九年六月三十日，本集團現金及現金等值物約為人民幣376,600,000元，較於二零一八年十二月三十一日約人民幣72,600,000元增加418.7%，主要由於根據轉讓協議自賣方收取的現金人民幣300,000,000元。

截至二零一九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計息借款。

於二零一九年六月三十日，本集團的總計息借款為人民幣1,703,400,000元，指融資租賃協議項下之融資租賃承擔(二零一八年十二月三十一日：無)。本集團的流動比率(即流動資產除以流動負債)於二零一九年六月三十日為2.0倍，較二零一八年十二月三十一日的9.5倍下降乃主要由於設備收購事項後在買賣協議項下結欠賣方的流動負債以及轉讓協議項下應收現金增加。

中期股息

董事會已宣派截至二零一九年六月三十日止六個月之每股股份20港仙(相當於人民幣18分)的中期股息(「中期股息」)(二零一八年：無)。中期股息預計於二零一九年九月五日(星期四)向於二零一九年九月二日(星期一)名列本公司股東名冊之股東派發。

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(包括計息借款以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)。於二零一九年六月三十日，淨資本負債比率為80.4%(二零一八年十二月三十一日：現金淨額超過債務)。該比率乃根據計息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。

As at 30 June 2019 and 31 December 2018, the Group has no bank borrowings. As at 31 December 2018, bills payable amounting to RMB1.3 million were secured by bank deposits of RMB1.3 million. There was no bill payable and pledged bank deposit as at 30 June 2019.

As at 30 June 2019, the other interest bearing borrowing which represents the finance lease obligation under the Finance Lease Agreement amounted to RMB1,703.4 million (31 December 2018: nil), which carried interests at 5.978% (31 December 2018: nil). It was guaranteed by the Company and secured by a charge over the entire equity interest in Baofeng Photovoltaic, by a charge over all receivables arising from the income of the Yinchuan Project from time to time (other than the amount of tariff adjustment receivables already assigned by Baofeng Photovoltaic), and by a charge over all power generation equipment and ancillary facilities used in the Yinchuan Project, in favour of the Lessor (31 December 2018: nil).

As at 30 June 2019, the Group's cash and cash equivalents were mainly held in Renminbi, US dollars and HK dollars.

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.

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 2019, the Group has a total of nine (31 December 2018: nine) Directors and employed 208 (31 December 2018: 214) employees. Total staff costs, including Directors' emoluments, amounted to approximately RMB25.4 million for the six months ended 30 June 2019 (30 June 2018: RMB23.1 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 (the "**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.

於二零一九年六月三十日及二零一八年十二月三十一日，本集團並無銀行借款。於二零一八年十二月三十一日，應付票據人民幣1,300,000元由銀行存款人民幣1,300,000元作抵押。於二零一九年六月三十日，概無應付票據及已抵押銀行存款。

於二零一九年六月三十日，其他計息借款指融資租賃協議項下的融資租賃承擔，金額為人民幣1,703,400,000元（二零一八年十二月三十一日：無），並按5.978%（二零一八年十二月三十一日：無）的利率計息。其由本公司擔保及以寶豐光伏的全部股權的押記、由銀川項目收入不時產生的所有應收款項（寶豐光伏已經轉讓的電價調整應收款項金額除外）的押記及就銀川項目所用的所有發電設備及輔助設施的押記為抵押，以出租人為受益人（二零一八年十二月三十一日：無）。

於二零一九年六月三十日，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。

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。

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。

於二零一九年六月三十日，本集團有合共九名（二零一八年十二月三十一日：九名）董事及208名（二零一八年十二月三十一日：214名）員工。截至二零一九年六月三十日止六個月，總僱員開支（包括董事酬金）約為人民幣25,400,000元（二零一八年六月三十日：人民幣23,100,000元）。本集團的薪酬政策乃按照個人表現、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（「**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，以此獎勵彼等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。

CONTINGENT LIABILITIES

As at 30 June 2019 and 31 December 2018, the Group did not have any contingent liability.

SIGNIFICANT INVESTMENTS

Save as disclosed, the Group did not have any other significant investment as at 30 June 2019.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 30 June 2019. 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 2019, there was no material acquisition or disposal of subsidiaries, associated companies and joint ventures by the Group.

CHARGES ON ASSETS

As at 30 June 2019, no bank deposits (31 December 2018: RMB1.3 million) were pledged to a bank for issue of bills payable. The Group’s land and buildings with carrying value of RMB0.6 million (31 December 2018: RMB0.6 million) were pledged to a bank to secure banking facilities granted to the Group.

In addition, charges were created over (i) the entire equity interest in Baofeng Photovoltaic; (ii) all receivables arising from the income of the Yinchuan Project from time to time (other than the amount of tariff adjustment receivables already assigned by Baofeng Photovoltaic); and (iii) all power generation equipment and ancillary facilities used in the Yinchuan Project, in favour of the Lessor for the obligations of Baofeng Photovoltaic under the Finance Lease Agreement.

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 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 2019 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 2019. However, the management monitored foreign exchange exposure closely to keep the net exposure to an acceptable level.

或有負債

於二零一九年六月三十日及二零一八年十二月三十一日，本集團並無任何或有負債。

重大投資

除披露者外，於二零一九年六月三十日，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

於二零一九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

截至二零一九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

於二零一九年六月三十日，概無銀行存款（二零一八年十二月三十一日：人民幣1,300,000元）已抵押予銀行發行應付票據。本集團賬面值為人民幣600,000元（二零一八年十二月三十一日：人民幣600,000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。

此外，就租賃融資協議項下寶豐光伏之責任，我們對(i)寶豐光伏全部股權；(ii)銀川項目收入不時產生的所有應收款項（寶豐光伏已轉讓的電費調整應收款項金額除外）；及(iii)銀川項目所用的所有發電設備及輔助設施的以出租人為受益人進行抵押。

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，故本集團須承受外匯風險。除本公告所披露者外，於截至二零一九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。於截至二零一九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。

CAPITAL COMMITMENT

As at 30 June 2019, the Group's capital commitment amounted to approximately RMB6.7 million (31 December 2018: RMB13.3 million) in respect of property, plant and equipment contracted but not provided for.

SUBSEQUENT EVENTS

In relation to the Sale and Purchase Agreement, on 30 July 2019, the Vendor notified Baofeng Photovoltaic in writing that due to the reduction of the VAT rate from 16% to 13% effective on 1 April 2019 pursuant to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (《關於深化增值稅改革有關政策的公告》) promulgated by the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs of the PRC, the Vendor has agreed to reduce the amount of the consideration of the Sale and Purchase Agreement from RMB2,398,153,588 (tax inclusive) to RMB2,336,132,374.52 (tax inclusive), which included VAT calculated at the new tax rate of 13%. There is no change to the amount of consideration before tax being RMB2,067,373,782.76.

Save and except disclosed above, all other terms and conditions of the Sale and Purchase Agreement remain unchanged and continue in full force and effect. For details of the reduction of consideration of the Sale and Purchase Agreement, please refer to the announcement of the Company dated 30 July 2019.

CORPORATE GOVERNANCE

The Company endeavours 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 2019, 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 2019, 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 2019.

資本承擔

於二零一九年六月三十日，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人民幣6,700,000元(二零一八年十二月三十一日：人民幣13,300,000元)。

期後事項

有關買賣協議，於二零一九年七月三十日，賣方書面通知寶豐光伏，根據中國財政部、稅務總局及海關總署頒佈的《關於深化增值稅改革有關政策的公告》，增值稅率於二零一九年四月一日起由16%降至13%，因此賣方已同意將買賣協議代價由人民幣2,398,153,588元(含稅)減至人民幣2,336,132,374.52元(含稅)，包括按新稅率13%計算之增值稅。除稅前代價金額(即人民幣2,067,373,782.76元)並無變動。

除上文所披露者外，買賣協議之其他全部條款及條件維持不變並維持十足效力及有效。有關買賣協議代價減少之詳情，請參閱本公司日期為二零一九年七月三十日之公告。

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。本公司於截至二零一九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。截至二零一九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，董事會認為截至二零一九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 2019, 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 2019, he had fully complied with the required standard of dealings and there was no event of non-compliance.

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 2019, 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 of Hong Kong Limited (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:

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

遵守證券交易的標準守則

於截至二零一九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，於截至二零一九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。

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

於二零一九年六月三十日，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香港聯合交易所有限公司（「**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：

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)	68.71%

Notes:

- The letter “L” denotes a long position in the interest in the share capital of the Company.
- Mr. Dang Yanbao, the Chairman and an executive Director of the Company, is the sole shareholder and a director of Fung Teng Enterprises Limited (“**Fung Teng**”), a company incorporated in the British Virgin Islands with limited liability and an investment holding company and is therefore deemed to be interested in 456,150,000 Shares held by Fung Teng under the SFO.

附註：

- 「L」指本公司股本中的權益之好倉。
- 本公司主席及執行董事黨彥寶先生為峰騰企業有限公司（「**峰騰**」，為一間於英屬處女群島註冊成立之公司及一間投資控股公司）之唯一股東及董事，故根據證券及期貨條例被視為於峰騰持有之456,150,000股股份中擁有權益。

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 1) 黨彥寶先生(附註1)	Fung Teng 峰騰	Beneficial owner 實益擁有人	1	100%

Note:

附註：

- As at 30 June 2019, 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.

- 於二零一九年六月三十日，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 2019, 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，於二零一九年六月三十日，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 2019, 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

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
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Fung Teng (Note 2)
峰騰(附註2)

Beneficial owner
實益擁有人

456,150,000 (L)

68.71%

Notes:

- The letter "L" denotes a long position in the interest in the share capital of the Company.
- Fung Teng, a company incorporated in the British Virgin Islands 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 2019.

Save as disclosed above, so far as is known to the Directors and chief executive of the Company, as at 30 June 2019, no other person/company, 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.

主要股東於本公司股份及債券的權益及淡倉

於二零一九年六月三十日，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

附註：

- 「L」指本公司股本中的權益之好倉。
- 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，於二零一九年六月三十日，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。

除上文披露者外，就董事及本公司主要行政人員所知悉，於二零一九年六月三十日，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。



SHARE OPTION SCHEME

The Company adopted the Share Option Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Since the Share Option Scheme was effective on 21 June 2012, no share option was granted, exercised, cancelled or lapsed under the Share Option Scheme during the period under review and there was no outstanding share option under the Share Option Scheme as at 30 June 2019.

RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 June 2019 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, there was no change in information of Directors to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2019, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the shares of the Company.

購股權計劃

本公司採納一項購股權計劃，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。自購股權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購股權計劃授出、行使、註銷或失效任何購股權，及於二零一九年六月三十日，購股權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

於截至二零一九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，概無需根據上市規則第13.51B(1)條披露的董事資料。

購買、出售或贖回上市證券

於截至二零一九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、贖回或出售任何本公司股份。

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 2019, 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 consolidated financial statements of the Company for the six months ended 30 June 2019 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 2019, 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, 16 August 2019

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。於二零一九年六月三十日，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。

本公司截至二零一九年六月三十日止六個月之未經審核簡明綜合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」編製之本集團截至二零一九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，二零一九年八月十六日



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