



Solargiga Energy

Solargiga Energy Holdings Limited
陽光能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock Code 股份編號: 757

To Create 共創未來

BRIGHT FUTURE

Interim Report 2018 中期業績報告



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Corporate Information

公司資料

Board of Directors

Executive Directors

Mr. TAN Wenhua (Chairman)
Mr. TAN Xin
Mr. WANG Junze

Non-executive Director

Mr. HSU You Yuan

Independent Non-executive Directors

Dr. WONG Wing Kuen, Albert
Ms. FU Shuangye
Mr. ZHANG Chun

Company Secretary

Mr. Yuen Kin Shan

Audit Committee

Dr. Wong Wing Kuen, Albert (Chairman)
Ms. Fu Shuangye
Mr. Zhang Chun

Remuneration Committee

Ms. Fu Shuangye (Chairman)
Dr. Wong Wing Kuen, Albert
Mr. Zhang Chun
Mr. Tan Wenhua

Nomination Committee

Mr. Zhang Chun (Chairman)
Dr. Wong Wing Kuen, Albert
Ms. Fu Shuangye
Mr. Hsu You Yuan

Auditor

Ernst & Young

董事會

執行董事

譚文華先生(主席)
譚鑫先生
王鈞澤先生

非執行董事

許祐淵先生

獨立非執行董事

王永權博士
符霜葉女士
張椿先生

公司秘書

袁建山先生

審核委員會

王永權博士(主席)
符霜葉女士
張椿先生

薪酬委員會

符霜葉女士(主席)
王永權博士
張椿先生
譚文華先生

提名委員會

張椿先生(主席)
王永權博士
符霜葉女士
許祐淵先生

核數師

安永會計師事務所

Principal Bankers

Jinzhou Rural Commercial Bank
Bank of Jinzhou
Bank SinoPac
China Development Bank
Entie Commercial Bank
Taiwan Cooperative Bank
China Merchants Bank

Registered Office

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Grand Cayman, KY1-1111
Cayman Islands

Head Office and Principal Place of Business in Hong Kong

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25 Harbour Road
Wanchai
Hong Kong

Principal Share Registrar

SMP Partners (Cayman) Limited
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24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
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Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Authorised Representatives

Mr. Wang Junze
Mr. Yuen Kin Shan

Corporate Website

www.solargiga.com

主要往來銀行

錦州農村商業銀行股份有限公司
錦州銀行
永豐銀行
國家開發銀行
安泰商業銀行
合作金庫銀行
招商銀行

註冊辦事處

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Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
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港灣道25號
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股份過戶登記總處

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香港股份過戶登記處

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香港
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法定代表

王鈞澤先生
袁建山先生

企業網站

www.solargiga.com

Company Profile

公司簡介

Solargiga Energy Holdings Limited (the “Company”, together with its subsidiaries, the “Group”, Hong Kong stock code: 757, Taiwan stock code: 9157.TT) is a leading supplier of upstream and downstream vertically integrated solar energy services. Its products are not only sold to customers in the upstream and mid-stream industries, but also directly to end users.

During the period, the Group was mainly engaged in four main businesses:

- (a) the manufacturing of, trading of and provision of processing services for monocrystalline silicon solar ingots/wafers;
- (b) the manufacturing and trading of monocrystalline silicon solar cells;
- (c) the manufacturing and trading of photovoltaic modules; and
- (d) the construction and operating of photovoltaic power plants.

Currently, our integrated business model includes monocrystalline silicon solar ingot production with annual capacity of 1.2GW, solar wafer production with annual capacity of 1.2GW, as well as photovoltaic cells production and modules production with annual capacity of 400MW and 2.2GW, respectively.

Through vertical integration and strategic partnerships, the Group actively expanded the business of end-user market apart from its efforts in stabilizing its upstream and midstream business development, direct contact with end-users, thereby driving demand for products from downstream to upstream, covering the entire industry chain of the photovoltaic sector.

陽光能源控股有限公司(「本公司」，連同其附屬公司統稱「本集團」，香港股份代號：757，台灣股份代號：9157.TT)為上下游垂直整合太陽能服務的領先供應商。其產品不僅向上游及中游工業客戶出售，而且直接向終端客戶出售。

回顧期內，本集團主要從事的四項主要業務分別為：

- (a) 太陽能單晶硅棒／硅片製造、買賣及提供太陽能單晶硅棒／硅片加工服務；
- (b) 製造及買賣太陽能單晶硅電池；
- (c) 製造及買賣光伏組件；及
- (d) 興建及經營光伏電站。

目前，本集團的整合業務模式包括年產能1.2吉瓦的太陽能單晶硅棒生產業務、年產能1.2吉瓦的太陽能硅片生產業務以及年產能分別400兆瓦及2.2吉瓦的光伏電池及組件生產業務。

通過垂直整合及戰略夥伴關係的優勢，在穩固上中游業務發展的同時，本集團積極開拓終端業務，直接接觸終端客戶，由下而上拉動產品需求，從而覆蓋整個光伏產業鏈。

Financial Highlights

財務摘要

- Shipment of major products for the period under review amounted to 1,207MW, a growth of 4% comparing to 1,161MW of the corresponding period of last year. However, due to the unanticipated magnitude in the drop in unit selling price, revenue decreased by 8.9% to RMB1,813.778 million (corresponding period in 2017: RMB1,989.961 million).
- Due to the unanticipated decline in sales volume and price caused by the new photovoltaic industry policy released by the Chinese government and the recognition of inventory provision loss during the period under review, gross profit decreased to RMB183.084 million (corresponding period in 2017: RMB305.235 million). Gross profit margin decreased from 15.3% in the first six months ended 30 June 2017 to 10.1% in the six months ended 30 June 2018.
- In addition to the reasons above, due to the significant increase in input in research and development expenses during the period, the net loss attributable to the equity shareholders of the Company for the period under review amounted to RMB107.280 million (corresponding period in 2017: Net profit of RMB95.299 million).
- During the period under review, the net cash inflow from operating activities was RMB339.971 million, a significant increase of 103.3% from RMB167.219 million in the corresponding period of last year.
- Basic loss per share amounted to RMB3.34 cents (corresponding period in 2017: RMB2.97 cents earnings per share).
- Net asset value per share amounted to RMB0.26 (HKD0.30) (note: translated at HKD1.15 to every RMB1).
- The board of directors of the Company does not recommend the distribution of any interim dividend for the six months ended 30 June 2018 (corresponding period in 2017: Nil).
- 回顧期間主要產品出貨量1,207兆瓦，較去年同期1,161兆瓦，成長4%，惟因銷售單價非預期下跌較大，故收益下跌8.9%至人民幣1,813.778百萬元(二零一七年同期：人民幣1,989.961百萬元)。
- 回顧期間因中國政府新發佈至光伏產業政策所引發之非預期銷售量與價的下滑與認列存貨跌價損失，造成毛利下跌至人民幣183.084百萬元(二零一七年同期：人民幣305.235百萬元)。毛利率由截至二零一七年六月三十日止首六個月的15.3%下跌至截至二零一八年六月三十日止六個月的10.1%。
- 除上述原因外，本期研究發展費用投入大幅增加，使得本公司權益股東應佔虧損為人民幣107.280百萬元(二零一七年同期：應佔盈利人民幣95.299百萬元)。
- 回顧期內營業活動產生淨現金流入為人民幣339.971百萬元，較去年同期人民幣167.219百萬元，大幅成長103.3%。
- 每股基本虧損為人民幣3.34分(二零一七年同期：每股盈利人民幣2.97分)。
- 每股淨值為人民幣0.26元(港幣0.30元)(註：以每人民幣1元兌港幣1.15元換算)。
- 本公司董事會不建議就截至二零一八年六月三十日止六個月派發任何中期股息(二零一七年同期：無)。

Management Discussion and Analysis

管理層討論及分析

Market Overview

China's installed photovoltaic power generation capacity has ranked first in the world for five consecutive years, in which history was made in 2017 with 53.06GW of newly-added volume of photovoltaic power generation capacity. During the period under review, the solar market maintained its rapid growth. According to data from the China Photovoltaic Industry Association* (中國光伏行業協會), the newly-added volume of photovoltaic power generation to grid connection in China was 24.3GW (comparable to the 24GW in the corresponding period of 2017). Of which, distributed power plants accounted for 12.24GW (70% growth from the corresponding period of 2017). Accumulated photovoltaic capacity reaches 154.5GW (31 December 2017: 130.2GW).

Since its launch, the Photovoltaic Power Generation Top Runner Program* (領跑者計劃) of the National Energy Bureau of China (中國國家能源局) has promoted healthy competition through high standards of technical certification and efficiency requirements. According to the targets for 2017 to 2020 announced by the National Energy Bureau, projects totaling an annual 8GW will be arranged under the Top Runner Program. By analysing the results of the successful tenders, it was found that mono-crystalline photovoltaic products still hold its absolute advantage, with over 50% adopting double-sided power generation. It is expected the products used in the successful bids will lead the technical levels of the industry and will become the mainstream of the market.

In addition, the Chinese government has also developed a special photovoltaic poverty alleviation program* (光伏扶貧方案) to, apart from helping conserve energy and reduce carbon emission, improve the lives of the poor through photovoltaic power generation. At the end of 2017, the National Energy Bureau and the State Council Poverty Alleviation Office* (國務院扶貧開發領導小組辦公室) jointly issued the "Notice on the Release of the First Batch of Photovoltaic Poverty Alleviation Projects of the 13th Five-Year Plan"* (《關於下達“十三五”第一批光伏扶貧項目計劃的通知》), and where 8,689 village-level photovoltaic poverty alleviation power stations with a total installed photovoltaic capacity of 4.186GW will be installed under the project. According to the National Energy Administration's "Guidance on Energy-related Work for 2018"* (《二零一八年能源工作指導意見》) issued by the National Energy Bureau, the 15GW scale of the village-level photovoltaic poverty alleviation power station will be installed in three years (2018-2020). In 2018, the village-level photovoltaic poverty alleviation power station will be about 4.18GW, benefiting about 2 million population from poverty-stricken households. This photovoltaic poverty alleviation program places its focus on the distributed power plant market and is also conducive to the continued growth in the Group's market share of the monocrystalline silicon products.

市場概覽

過去連續五年中國光伏新增裝機容量位居世界第一，其中二零一七年中國光伏新增裝機53.06吉瓦更是創下歷史新高，回顧期內光伏市場仍繼續保持蓬勃發展態勢，根據中國光伏行業協會發佈的數據顯示，二零一八年上半年中國新增裝機量約有24.3吉瓦(與二零一七年同期24吉瓦比較基本持平)，其中分佈式光伏新增約12.24吉瓦(同比增長超過70%)。光伏發電累計裝機容量達154.5吉瓦(二零一七年十二月三十一日：130.2吉瓦)。

中國國家能源局「領跑者」計劃自推出以來，透過高標準的技術認證和效率要求，不斷的促進企業良性競爭。國家能源局發佈的2017年至2020年光伏發電的指標中，每年安排的領跑者項目為8吉瓦。而透過分析競標結果後發現，光伏單晶產品仍佔有絕對優勢，雙面發電技術亦超過五成，預期中標的產品內容將引領產業技術水平提升，並成為市場主流。

此外，中國政府亦發展出特殊的光伏發電扶貧方案，除有助於節能減碳之外，亦可透過光伏發電改善貧戶生活。二零一七年底，國家能源局會同國務院扶貧辦聯合印發《關於下達「十三五」第一批光伏扶貧項目計劃的通知》，下達8,689個村級光伏扶貧電站，總裝機4.186吉瓦的光伏扶貧項目計劃。根據國家能源局印發《二零一八年能源工作指導意見》，此次下達的村級光伏扶貧電站4.18吉瓦規模將分為三年(2018-2020年)實施。二零一八年要下達村級光伏扶貧電站規模約15吉瓦，惠及約200萬建檔立卡貧困戶。而這些增強貧困村經濟實力的光伏扶貧計畫，主要是著重於分佈式電站建設，相信亦有利於本集團主力產品單晶光伏組件的市場份額持續攀高。

Market Overview (Continued)

As at the end of 2017, China has completed and exceeded the installation target of solar energy set out in the “13th Five-Year Plan for Solar Energy Development” (《太陽能發展「十三五」規劃》) ahead of schedule. However, in order to accelerate the ripening of photovoltaic grid parity and guide the photovoltaic industry into a more robust development direction, China National Development and Reform Commission (中國國家發展和改革委員會), Ministry of Finance (財政部) and the National Energy Bureau (國家能源局) jointly issued a “Notice on Matters Related to Photovoltaic Power Generation” on 31 May 2018 (referred to as “531 New Policy” below). It guides the market and industry to adjust their development ideas, changing the key structure of the development of the photovoltaic industry from scale-expansion to quality and efficiency improvement. It also encourages high-end products, promotes technological advancement, reduces power generation costs, lowers dependence on subsidies, and promotes the industry to high quality development. Therefore, although the announcement of the “531 New Policy” has sent shockwaves to the market in the short-term, it is in fact promoting the launch of a comprehensive market-oriented cycle of grid parity by 2020. By then, “photovoltaic solar power, wind power, energy storage”, the core of the third generation of energy, will replace the core of second generation of energy of “coal, oil, natural gas”.

In the Indian market, the planned photovoltaic construction for 2018 is 11GW and the installation capacity is expected to reach 12GW. They are hopeful of, after overtaking Japan in 2017, surpassing the U.S. and become the second largest market for photovoltaics in the world. India's Ministry of New and Renewable Energy announced the extension of the implementation schedule for the 40GW solar park and ultra-large-scale solar project from 2020 to 2022. On 20 June 2018, Shri Anand Kumar, Secretary General of the Ministry of New Energy and Renewable Energy of India, said, “We must achieve 350GW solar capacity by 2030 to meet demands, of which it will reach 100GW by 2022. Therefore, we must tender at least 30GW per year from 2020 onwards to achieve an additional 250GW.”

市場概覽 (續)

截至二零一七年年底，中國已提前並超額完成十三五規劃的裝機目標，但是為了加速催熟光伏平價上網(grid parity)，且將光伏產業導入更為健全的發展方向，二零一八年五月三十一日，中國國家發展和改革委員會、財政部及國家能源局聯合發佈一份關於二零一八年光伏發電有關事項通知(簡稱「531新政」)，引導市場和行業調整發展思路，將光伏行業發展的重點結構改變，從擴大規模轉到提質增效，鼓勵高端產品，推進技術進步，降低發電成本，減少補貼依賴，推動行業向高質量發展。因此，雖然「531新政」的公佈造成市場短期的劇烈震動，但卻可促使全面市場化的平價上網大週期於二零二零年開始啟動，屆時以「光伏、風能、儲能」為核心的第三代能源，勢將替代以「煤炭、石油、天然氣」為核心的第二代能源。

印度市場方面，二零一八年光伏建設規劃為11吉瓦，預計安裝量將達12吉瓦，有望繼於二零一七年超越日本後，再超越美國，成為世界上第二大光伏太陽能發電市場。印度新能源和可再生能源部(Ministry of New and Renewable Energy)宣佈將40吉瓦太陽能園區及超大規模太陽能項目計劃的實施時間表從二零二零年延長到二零二二年。在二零一八年六月二十日，印度新能源和可再生能源部秘書長Shri Anand Kumar表示，「我們必須於二零二零年實現350吉瓦太陽能容量才能滿足需求，其中計劃到二零二二年達到100吉瓦。因此，我們必須從二零二零年起每年至少招標30吉瓦以實現額外250吉瓦的需求。」

Market Overview (Continued)

According to the latest research data from GTM Research and the US Solar Energy Industry Association (“SEIA”), the installed capacity of photovoltaic power in the first quarter of 2018 in the United States amounted to 2.5GW, an increase of 13% from the corresponding period of last year. GTM Research and SEIA predicted the annual installed capacity of photovoltaic power for 2018 will reach 10.8GW. Thereafter, it is expected growth in solar power will gather further momentum in 2019 and accelerate in 2020. Part of the reason is that California recently implemented a solar policy in all new homes. According to the analysis, by 2023, the United States will install more than 14GW of photovoltaic capacity each year.

In the Japanese market, although the Feed-in-Tariff (FIT) subsidy was further lowered on 1 April 2018, the market still expects Japan’s newly installed capacity to maintain at 7GW in 2018. The Japanese government’s zero-energy residential project “ZEH” is expected to continue to be the main catalyst for growth in the residential solar installation market. ZEH was launched in early 2016 to reduce the energy consumption of residential buildings and enhance its energy efficiency. The target is to have 50% of new residential buildings to be zero-energy housing by 2020. In addition, on 3 July 2018, the Japanese government passed the newly revised “Energy Basic Plan”, aiming to position renewable energy sources such as solar energy and wind energy as the main power source, and to raise the proportion of renewable energy generation to total power generation from 22% to 24% by 2030, with the hope that renewable energy will become the mainstream by 2050.

The European market is entering a recovery phase and is expected to boost demand. Minimum Import Price (MIP) policy will end on 30 September 2018, which will make Europe a highly competitive market. In the emerging markets, according to the report of the second quarter of 2018 by EnergyTrend, Australia’s demand is expected to boom this year. The Middle East, Morocco and Egypt in North Africa, Mexico and Brazil in South America are also expected to grow considerably this year. According to the GTM Research report, compared with only eight GW-class countries in 2017, there will be 13 countries in the world where the installed capacity of photovoltaics will reach GW-class in 2018, indicating that the demand for global photovoltaic products will increase significantly in emerging markets.

市場概覽(續)

據GTM Research及美國太陽能產業協會(SEIA)的最新研究數據顯示，美國在2018年第一季度新增的太陽能光伏發電裝機容量為2.5吉瓦，同比增長13%。GTM Research及SEIA預計二零一八年全年新增光伏10.8吉瓦。隨後預計太陽能將在二零一九年實現更強勁的增長，並在二零二零年初加速增長，部分原因包括加利福尼亞州近期在所有新建住宅中實施太陽能政策。據分析公司稱，到二零二三年，美國每年將安裝超過14吉瓦的光伏容量。

日本市場方面，雖然從二零一八年四月一日起進一步下調FIT補貼，市場仍預計二零一八年日本新增裝機維持7吉瓦水平。日本政府的零耗能住宅計劃「ZEH計劃」預期將繼續成為住宅太陽能安裝市場增長的主要催化劑。ZEH計劃於二零一六年初推出，藉以降低住宅的能耗並提升其能源效益，目標是到二零二零年將有50%的新建住宅成為零耗能住宅。另一方面，日本政府在二零一八年七月三日通過了新修訂的「能源基本計劃」，目標將太陽能、風能等可再生能源發電定位為主力電源，要在二零二零年實現把可再生能源發電在總發電量中所佔比例提高到22%至24%，並希望在二零二零年讓再生能源成為主流。

歐洲市場方面，將進入復甦期而帶動需求，但最低進口價格(MIP)政策將於二零一八年九月三十日結束，這將使歐洲成為一個高度競爭的市場；新興市場方面，根據集邦新能源網(EnergyTrend)二零一八年第二季的報告預測，預期今年澳洲需求蓬勃，中東、北非的摩洛哥與埃及、南美的墨西哥與巴西等市場今年也預期會有比較大的成長。根據GTM Research報告預計，相比二零一七年只有8個吉瓦級國家，二零一八年全球將有13個國家光伏裝機量達到吉瓦級，預示新興市場對全球光伏產品需求將帶來巨大提升。

Market Overview (Continued)

In summary, in addition to the stable demand in the traditional markets, emerging markets continue to develop in scale. Global demand is decentralised. The “One Belt, One Road” international cooperation strategy also promotes the development of emerging markets. This will offset the short-term slide in growth of the Chinese photovoltaic market. The outlook of the global photovoltaic market is still relatively optimistic. The global photovoltaic market installed capacity is expected to continue its steady growth, with an expected newly installed capacity of close to 100GW in 2018.

Operations Review

The Group focuses on the vertical integration for photovoltaic monocrystalline products, providing one-stop solutions for the photovoltaic industry ranging from the manufacturing and sales of silicon ingots and wafers, photovoltaic cells and photovoltaic modules, the installation of photovoltaic system and the development, design, construction, operation and maintenance of photovoltaic generation plants. Apart from not self-manufacturing polysilicon, the scope of its business covers the whole industry chain of photovoltaic industry.

Although the Group possesses the capacities to manufacture the aforementioned mono-crystalline silicon ingots, mono-crystalline silicon wafers, solar cells and modules, the production capacity of each is not exactly the same. Currently, the Group's production capacities for monocrystalline silicon ingots and monocrystalline silicon wafers are both 1.2GW respectively and is expected to increase to 1.8GW respectively in the second half of the year. Monocrystalline solar cell annual production capacity remains at 400MW with photovoltaic module production capacities at 2.2GW (including the 1GW capacity commissioned at the end of the second quarter of the year). The strategy adopted by the Group is to focus its investments in upstream monocrystalline silicon ingot/wafer capacities and in downstream module capacity and to have its downstream module capacity slightly greater than its upstream monocrystalline silicon ingot/wafer capacities, while maintaining or only slightly increasing its manufacturing capacity in solar cells. Therefore, through this capacity allocation strategy, the Group will be able to satisfy the external demands for its photovoltaic modules, of which the Group has its largest manufacturing capacity, while, at the same time, boosting the internal demands for its monocrystalline silicon ingots/ wafers. Further, through the strategy of partly self-manufacturing and partly externally procuring the mid-stream solar cells, under the abovementioned strategy to drive the Group's overall capacity utilisation from bottom up, the Group is able to better mitigate the market risks arising from fluctuant sales of upstream silicon wafers or unstable supply of mid-stream solar cells.

市場概覽 (續)

綜上所述，除了傳統市場穩定的需求，新興市場方面亦繼續規模化發展，全球需求呈現去中心化，「一帶一路」國際合作戰略亦促進開拓新興市場，這都將抵消中國光伏市場短期增長率下滑的影響，對整體全球光伏市場發展還是相對比較樂觀，全球光伏市場裝機量有望繼續保持穩定增長，預計二零一八年仍約接近100吉瓦新增裝機量。

營運回顧

本集團專注於光伏單晶產品垂直一體化整合，提供單晶硅棒、單晶硅片、單晶電池、光伏組件之製造及銷售、光伏系統安裝及光伏電站之開發、設計、建設、運營及維護的一站式光伏發電行業解決方案，除了不自行生產化工類產品多晶硅原料之外，其垂直整合業務範圍覆蓋光伏產業全產業鏈。

雖然本集團具有單晶硅棒，單晶硅片，單晶電池，與光伏組件等各項產品的生產製造能力，但各產品環節的產能配置卻不盡相同。目前本集團單晶硅棒和單晶硅片年產能各分別是1.2吉瓦，並預計於今年下半年會分別提升至1.8吉瓦，單晶電池年產能則是維持400兆瓦，光伏組件年產能則為2.2吉瓦（註：其中包含於本年度第二季度末始量產的1吉瓦）。本集團策略為：重點投資於上游單晶硅棒／硅片和下游組件的生產製造，並規劃下游組件產能略大於上游的單晶硅棒／硅片產能，且保留現有規模或小幅增加電池製造能力。因此，透過如此產能配置策略，本集團可透過滿足擁有最大產能的下游終端組件客戶的外部需求，進而拉動上游自產硅棒／硅片的內部需求，加之透過中游電池片部份自產和部份外購的策略，以自下而上帶動集團每個生產環結的產能利用率，將可抵禦上游硅片市場銷售波動或中游電池供給不穩定的風險。

Operations Review (Continued)

In terms of operating results, in the first half of 2018, although the market was generally affected by the news of the “531 New Policy”, especially those inefficient photovoltaic products on the market, the Group’s high-end photovoltaic products continued to be welcomed by domestic state-owned enterprises and multinational composite enterprises. Total shipment increased from 1,161MW in the first half of 2017 to 1,207MW in the first half of 2018, of which subcontracted processing volume increased from 338MW in 2017 to 361MW in 2018.

In terms of price, affected by the news of the “531 New Policy”, the sudden and rapid freezing of market demand caused the supply side to irrationally cut prices in the short term. However, not only did the price cuts failed to immediately stimulate demand, it even caused deferrals in procurement by the buy side. In addition, the decrease in purchase price of raw and auxiliary materials was not as elastic in the said price cuts. The Group’s overall gross profit was hence greatly compressed. The gross profit margin reduced from 15.3% in the first half of 2017 to 10.1% in the first half of 2018, resulting in an operating loss of RMB40.844 million in the first half of 2018, whereas an operating profit of RMB181.663 million was recorded in the first half of 2017.

However, despite the sudden and irrational factors of the aforementioned market, and even though the average unit price of the product in the future is still expected to gradually decrease with the advent of grid parity, the Group can rely on (1) the comparative advantages from technological superiority of its diversified product lines; (2) the progressive commissioning of the high-efficiency production equipment; and (3) the highly competitive supporting outsourced production, to significantly drive its production costs down. It is expected that the magnitude of decrease in cost of the Group’s products will be greater than that of the decrease in unit selling price and the Group’s gross profit will return to a reasonable level.

營運回顧 (續)

在具體的營運實績方面，二零一八年上半年，雖然市場普遍受「531新政」的消息影響，尤以市場低效光伏產品為甚。但本集團憑藉著多年來深化下游組件產品客戶群合作關係的成果，高端光伏產品仍受國內國企及海外復合企業歡迎，總出貨量由二零一七年上半年的1,161兆瓦提高至二零一八年上半年的1,207兆瓦，其中代工總量亦由二零一七年的338兆瓦提高至二零一八年的361兆瓦。

價格方面，受「531新政」的消息影響，市場需求突發性的急速冷凍，造成市場供給端短期內非理性的大幅降價，但降價的結果非但無法立即刺激需求，反而造成市場採購端的遞延採購，加上原輔材料的進貨價格並無法同時等幅度降價的雙重影響下，集團綜合毛利受到大幅壓縮，毛利率由二零一七年上半年的15.3%下調至二零一八年上半年的10.1%，造成二零一七年上半年產生經營利潤人民幣181.663百萬元，但二零一八年上半年卻錄得經營虧損人民幣40.844百萬元。

然而，若撇除前述市場突發性且非理性的影響因素後，雖然預期未來平均產品銷售單價仍將隨著全面平價上網的來臨而逐漸降低，但本集團可憑藉著(1)長期以來各產品線多元化的技術疊加優勢，(2)高效生產設備已陸續投入量產，與(3)更有競爭力的外部生產配套設施而帶動的生產成本大幅降低，預期本集團產品成本下降幅度將可較銷售價格的降幅更低，使得集團毛利回歸於正常水平。

Operations Review (Continued)

While maintaining its own leading technological advantage in monocrystalline products, and adhering to the vertical integration strategy, through external demand for the Group's downstream modules driving the internal demand of its upstream ingots and wafers, also through establishing and strengthening strategic partnerships, the Group and its partners will be able to leverage their respective strengths and experiences in laying a solid foundation for broader co-operation in the future. For example, particularly in our solar cell segment with a lower internal capacity, under the vertical integration strategy of the Group, the Group has established strong strategic alliances with local and overseas manufacturers, through which the Group's photovoltaic wafers are sold to our strategic partners and the Group in turn purchase solar cells from them. According to our needs, this arrangement provides a stable sales channels for our photovoltaic wafers and a secure source for our solar cells if there is any turbulence in the market. As such, the Group is able to focus on manufacturing the upper stream monocrystalline silicon ingots and wafers and also on developing the markets and sales channels for the downstream photovoltaic modules at the same time. Hence this becomes the Group's competitive advantage by benefiting from its vertical integration strategy in upper and lower stream monocrystalline silicon products.

Silicon ingot and wafer business

Apart from not producing its own polysilicon, a chemical product, in the scope of its business, the Group covers an all-rounded photovoltaic industry production chain under its vertically integrated business model. As such, the Group both self-manufactures and process upstream of ingots, wafers and solar cells for the utilisation by its downstream modules, in order to enhance the respective external market competitiveness of each product segment, and to allow for their external sales. During the period, demand for monocrystalline products had continuously increased which led to rapid growing market share of monocrystalline products. In addition to the traditional monocrystalline P-type products, shipment volume of monocrystalline N-type products with higher conversion efficiencies are also increasing. With the continued realisation of advantages in better improvement in conversion efficiency, more stable decay rate in its photovoltaic systems, continued reduction in unit costs, etc. of monocrystalline products, it is expected that the advantages of monocrystalline products will become more obvious in the field of photovoltaic power generation, and the market share of monocrystalline silicon products will further increase significantly. Guided by this advantageous environment in the industry, the Group, through its long-term strategic partnerships with well-known solar cell-focused manufacturers, not only enjoys priority distribution channels for the sales of its monocrystalline wafers, but also ensures the long-term stable utilisation of the Group's capacity and shipment volume. The benefits of the Group's upstream and downstream vertical integration are fully realised.

營運回顧(續)

本集團將繼續保持自身在單晶產品中的技術領先優勢，深入貫徹垂直整合，以下游組件的外部需求而拉動上游單晶硅棒和單晶硅片的內部需求，且透過建立及深化戰略夥伴關係，利用各自的長處及經驗為未來更廣泛的合作奠定穩固基礎。例如：針對本集團垂直整合中自有產能較少的光伏電池生產環節，本集團即與專注於生產光伏電池的大廠形成策略夥伴關係，由本集團將所生產的硅片銷售給該等策略夥伴，再由該等策略夥伴採購電池，以因應本集團下游組件生產所需，故在產業劇烈變化的市場情勢下，本集團可保持穩定的硅片銷售渠道，且組件所需的電池片亦得到充分的供貨保障。因此，本集團將更能專注於上游單晶硅棒及硅片的生產製造與下游終端組件產品的市場開發與銷售，進而充分發揮本集團上下游單晶產品垂直整合的既有優勢。

硅棒及硅片業務

本集團業務範圍除了不自行生產化工類產品多晶硅原料之外，係為上下游垂直一體化生產以貫徹全光伏產業鏈，故本集團自產及加工的硅棒、硅片及電池等上游產品除了需提供集團下游組件產品生產所需之外，為了增強各產品環節的外部市場競爭力，亦有對外銷售。期內，單晶產品需求持續增加，市場份額快速成長。集團除了傳統的單晶P型產品外，亦有更高轉換效率的單晶N型產品出貨。隨著單晶產品光電轉換效率的潛在提升空間較大、光伏系統衰減率較穩定、生產技術大幅提升所造成的單位成本持續下降等等優勢已浮現，預期單晶產品將比多晶產品於未來光伏發電上的應用更見優勢，單晶產品的市場份額將持續的快速增加。在此有利的產業環境引領下，本集團透過長期戰略聯盟，與專注於生產太陽能電池片的生產大廠形成戰略夥伴，除了集團所生產的單晶硅棒與單晶硅片將可得到優先的出貨口之外，亦可由該等戰略夥伴取得更穩定的電池片以作為集團下游組件事業群的生產之用，使得本集團上下游垂直整合效益得以充分發揮。

Operations Review (Continued)

Silicon ingot and wafer business (Continued)

The Group have consolidated its leading position in the monocrystalline silicon solar ingot and wafer manufacture industry in terms of technology and product quality. The quality stability of its monocrystalline silicon products is amongst those of the industry leaders. During the period, the external shipment volume of monocrystalline silicon ingots was 206.4MW, representing an increase of 12% compared to 184.5MW in the corresponding period of 2017. External shipment volume of monocrystalline silicon wafers has remained stable at 323.3MW (331.7MW in the corresponding period of 2017). Major customers of external sales included huge state-owned enterprises in China, such as State Power Investment Corporation (中國國家電力投資集團公司) ("SPIC"), TW Solar Group (通威太陽能集團), Motech Industries, Inc. (MOTECH), etc.

In addition, the Group has invested in a project located in Qujing City, Yunnan Province, China in two phases. Each phase consists of 600MW and the total investment will be 1.2GW in two phases. The first phase of 600MW capacity is expected to commence mass production in the second half of 2018. The management believes that there is local suppliers for raw material, polysilicon, required for the project, which will significantly reduce the cost involved in raw material transportation; the local water and electricity costs at the new plant has to be lower than that at our major production base to facilitate the lowering of manufacturing cost of ingots and wafers; strong support from the local government are available, in particular financial support obtained for land, warehouses and a variety of factory facilities, the construction and follow-up operation, in order to improve the operating efficiency of the new plant. The Group expects the Qujing Project will become the new layout point of the Group, and further improve the Group's overall manufacturing costs.

Solar cell business

The Group's production lines of solar cells are located at the Group's manufacturing base in Jinzhou, Liaoning. During the period, the annual production capacity of solar cells was 400MW (31 December 2017: 400MW). Solar cells are mainly provided internally to the downstream module business of the Group. Only a small portion of solar cells with special specifications are sold to our selected customers in China and Japan. The Group's solar cell manufacturing capacity is highly flexible. Our products range is hence extensive, which includes monocrystalline, multicrystalline, P-type high end, N-type double-sided solar cells, etc. Focusing on the implementation of the vertical integration strategy on monocrystalline products, most of the solar cells being main products are mainly provided to the Group's downstream solar modules companies.

營運回顧 (續)

硅棒及硅片業務 (續)

本集團擁有行業領先的太陽能單晶硅棒及硅片製造技術，其產品品質優良及質量穩定皆位於同業領先位置。期內，單晶硅棒對外付運量為206.4兆瓦，較二零一七年的184.5兆瓦增加12%。硅片對外付運量則保持穩定，為323.3兆瓦(二零一七年期為331.7兆瓦)。對外銷售的主要客戶為國內大型央企，如中國國家電力投資集團公司(「國電投」)、通威太陽能集團、茂迪股份有限公司等。

另外，本公司於中國雲南省曲靖市，分為兩期新增投資單晶硅棒及單晶硅片項目，每期各投入600兆瓦，兩期合計投入1.2吉瓦，其中，第一期之600兆瓦產能預計於二零一八年下半年正式量產。管理層認為項目所需之原材料多晶硅可就近由當地供貨商提供，以降低原材料運輸成本；新廠當地用電成本需較原主要生產基地大幅降低，將顯著降低硅棒硅片生產成本；針對土地廠房及各種廠務配套設施，與建設期間和後續運營的財政補助，亦需取得當地政府強大力度的鼓勵和支持，以加強新廠運營效率。本集團預計曲靖項目將成為集團新的佈局點，進一步改善集團整體製造成本。

電池業務

本集團的太陽能電池生產線設於遼寧錦州生產基地。期內，太陽能電池的年產能為400兆瓦(二零一七年十二月三十一日：400兆瓦)，產品提供給本集團下游的組件子公司使用，少部分也銷售給特選的中國及日本的客戶，製作特別規格的電池片。本集團太陽能電池片產能具備高度彈性，產品種類多元化，包括單晶、多晶、P型高端、N型雙面電池，但由於本集團專注於單晶產品垂直一體化戰略，主力產品為單晶太陽能電池且大都提供給集團下游組件公司使用。

Operations Review (Continued)

Solar cell business (Continued)

Besides, in terms of solar cell production process, in addition to the current mass production capacity of monocrystalline P-type solar cells and the mainstream of the future of monocrystalline N-type solar cells, the Group also possesses the technology reserves including P-type mono-crystalline solar cell Passivated Emitter and Rear Cell (PERC) technology, which is gradually gaining market share, multi-crystalline black silicon solar cell technology, etc. In addition, the Group has also been collaborating with university teams of the highest levels in the field of global perovskite (鈣鈦礦) research in projects to jointly develop perovskite solar cells in order to pave the way for solar cell development in the next decade and keep abreast of the latest trends in the photovoltaic industry.

Module business

During the period under review, due to the influence of the aforementioned "531 New Policy" by the Chinese government, the unit price of the modules was irrationally lowered. This led to a decrease in total sales from RMB1,499.41 million in the first half of 2017 to RMB1,360.73 million in the first half of 2018. In terms of shipments, although the "531 New Policy" also caused sudden freezing in short-term market demand, the Group's photovoltaic module shipments maintained an upward trend during the period. The Group's external shipments during the period were 643.3MW, greater than the 616.5MW external shipments in the corresponding period of 2017. With regard to the planning of module production capacity, the Group has newly added an annual production capacity of 1GW of module production capacity, which was officially commenced mass-production at the end of the second quarter of 2018, adding that to the existing annual production capacity of 1.2GW. The total production capacity has reached 2.2GW.

External sales was mainly made to huge Chinese state-owned enterprises and Japanese multinational composite enterprises, such as CGN New Energy Holdings Co., Ltd. (中國廣核新能源控股有限公司) ("CGN"), China Huadian Corporation (中國華電集團公司) ("Huadian"), Beijing Enterprises Holdings Limited (北京控股集團有限公司) ("BEGCL"), SHARP Corporation and SANSHIN ELECTRONICS CO., LTD., etc.

營運回顧(續)

電池業務(續)

然而，在電池生產工藝上，除已經具備單晶P型及未來主流的單晶N型電池的批量生產能力，本集團亦擁有目前市場份額不斷提高的P型單晶電池 Passivated Emitter and Rear Cell (PERC)工藝、多晶硅電池黑硅工藝等技術儲備。此外，本集團亦與全球鈣鈦礦研究領域中最高水平的大學團隊合作，共同研發鈣鈦礦太陽能電池項目，為未來十年的電池發展做好鋪墊，進而隨時掌握光伏產業的最新發展趨勢。

組件業務

回顧期內，受中國政府前述「531新政」的影響，組件單價非理性下降，令集團上半年銷售總額由二零一七年上半年的1,499.41百萬元下降至二零一八年上半年的1,360.73百萬元。在出貨量方面，雖然「531新政」亦使得市場短期需求出現突發性急凍，但期內本集團光伏組件出貨量仍維持上升趨勢，本集團期內對外付運量為643.3兆瓦，較二零一七年同期對外付運量則為616.5兆瓦為高。關於組件產能規劃方面，本集團期內新增投資年產1吉瓦的組件產能，已於二零一八年第二季度末正式量產，加上過去已有之年產能1.2吉瓦生產線後，總產能已達2.2吉瓦。

對外銷售的主要客戶為國內大型央企和日本複合型企業，如中國廣核新能源控股有限公司（「中廣核」）、中國華電集團公司（「華電」）、北京控股集團有限公司（「北控」）、SHARP、SANSHIN ELECTRONICS CO., LTD.等。

Operations Review (Continued)

Module business (Continued)

On the other hand, following the increasing awareness of the benefits of higher conversion efficiency and more competitive costs offered by the Group's focused monocrystalline photovoltaic modules, there is a stronger demand for high conversion efficiency photovoltaic modules and a rapid growth in this market. With the introduction of the "Top Runner Program", "Super Runner Program" and other favourable policies, coupled with the further growth in the market share of monocrystalline silicon products with higher photovoltaic conversion efficiencies, demand for N-type monocrystalline photovoltaic modules has surged. Being the company with the largest number of successful bids in the third batch of the Top Runner Program, China National Power Investment Corporation* (中國國家電力投資集團) announced in July this year that the Group has become one of the three major module suppliers of the project, and will supply modules such as N-type monocrystalline silicon and P-type PERC modules for the project.

As a company focusing on monocrystalline silicon photovoltaic products, equipped with high-quality, self-produced upstream monocrystalline silicon ingots and monocrystalline silicon wafers, customers' demand for the Group's monocrystalline modules has always remained high. The proportion of sales of the Group's mono-to-multicrystalline silicon photovoltaic modules has remained at 70:30. In addition to flexibly supporting the manufacturing of mono- and multi-crystalline photovoltaic modules, the Group will continue to expand and strengthen the development and sales of monocrystalline silicon high-efficiency module products such as N-type double-sized glass photovoltaic modules, half-cell photovoltaic modules, P-type monocrystalline solar cell Passivate Emitter and Rear Cell (PERC), smart photovoltaic modules, and Super Runner Program-related high-end products. Among them, modules of N-type monocrystalline IBC solar cell, which produces higher current output, open circuit voltage, fill factor and other electrical performance advantages, are also expected to start stable large-scale shipment to major overseas customers before the end of 2018. It will become one of the Group's main module products in 2019.

營運回顧 (續)

組件業務 (續)

另一方面，跟隨市場意識到我集團所專注的光伏單晶組件產品的光電轉換效率較高且成本較有競爭力之利基，單晶光伏產品市場份額不斷快速增長，不僅有「領跑者」，「超級領跑者」等政策的出台，單晶組件產品的市場份額不斷快速提升，N型單晶等高端組件產品市場需求亦水漲船高。作為第三批領跑者基地中標數量最大的企業，中國國家電力投資集團公司於今年七月份公佈了本集團成為該項目三大組件供應商，將為項目供給N型單晶及P型PERC等組件。

本集團作為專注於單晶光伏產品企業，並且配套著高品質自家生產的上游單晶硅棒和單晶硅片，使得客戶對本集團的單晶組件的需求高企，集團單多晶組件銷售比例保持於約70%單晶對30%多晶的水平。本集團除靈活配套單多晶光伏組件生產，亦將持續拓展並強化單晶高效組件產品的開發與銷售，如N型雙面玻璃組件、半片電池組件、P型PERC (Passivated Emitter and Rear Cell)組件、智能光伏組件、超級領跑者等相關高端產品。其中，可令組件呈現出較高的輸出電流、開路電壓、填充因子等電性能優勢的N型單晶IBC電池組件產品，亦預計於二零一八年底開始大規模穩定出貨給海外主要客戶，且於二零一九年開始成為本集團主力組件產品之一。

Operations Review (Continued)

Module business (Continued)

In our continuous effort to drive production costs down, the new 1GW addition of high-efficiency module production line was officially commissioned at the end of the second quarter of this year. Adding this to the module production line with an annual production capacity of 1.2GW, the total annual production capacity has reached 2.2GW. Not only will the economies of scale be more distinguished, through commencement of production by the newly added capacity, it enhances the flexibility in scheduling of high-end products. Unit production costs and product yield will also continuously be improved significantly.

In summary, through customer demand for the Group's downstream modules, it has, not only driven the internal demand for the Group's upstream monocrystalline ingots and monocrystalline wafers, but also helps realise the benefits arising from the Group's vertical integration strategy, and better mitigate the market risks arising from fluctuant sales of upstream silicon wafers or unstable supply of mid-stream solar cells.

Construction and operation of photovoltaic system business

To consolidate its advantages of the business model of vertical integration, the Group actively expanded the business of end-user market apart from its efforts in stabilising its upstream and midstream business development, thereby driving demand for products from downstream to upstream. As such, in respect of the business opportunity derived from the construction of distributed power plants, apart from establishing internal photovoltaic power plant system companies of the Group, the Group also plans to establish joint venture companies with companies from other industries in order to share the profits and also provide extra distribution channels for the Group's module sales. In respect of large-scale centralised power plants, the Group will, through investing as minority shareholders, seek construction opportunities as an EPC service provider and help drive the sales of the Group's modules.

營運回顧(續)

組件業務(續)

針對持續降低生產成本方面，新增的年產能1吉瓦高效組件生產線已於本年第二季度末正式開出，加計原來年產能1.2吉瓦的組件生產線，合計年產能已達2.2吉瓦，不僅使得規模經濟效益更為顯著，透過新產能的投產，可使得高端產品的生產調度更為靈活，且單位生產成本與產品良率亦持續顯著提升。

綜上所述，本集團藉由下游組件客戶需求的拉動，不僅可帶動了本集團上游單晶硅棒與單晶硅片的自家內部需求，將有助於本集團垂直整合效益的體現，並可增強抵禦上游硅片銷售波動或中游電池供給不穩定的風險。

興建及經營光伏系統業務

為強化垂直一體化業務模式的優勢，在穩固上中游業務發展的同時，本集團積極多方開拓終端電站建設業務，期以由下而上拉動產品需求。因此，針對分佈式電站建設商機，除了透過集團內部光伏電站系統開發的子公司之外，本集團亦透過合資方式與異業合作而設立新的系統開發公司，以擴展各地區的分佈式光伏系統建設商機，分享系統開發業務利潤，亦可增加本集團組件銷售的出口。而針對大型集中式電站，本集團則透過以小股東入股方式，尋求EPC統包建設，並帶動本集團組件銷售。

Financial Review

Revenue

During the period ended 30 June 2018, although the market was affected by the “531 New Policy” of the Chinese government and market demand was irrationally frozen, reaping the benefits of the Group’s strengthening of its strategic partnerships with customers of its downstream module products over the years, high-end photovoltaic products are very popular by domestic SOEs and overseas composite companies. Total shipments increased from 1,161MW in the first half of 2017 to 1,207MW in the first half of 2018, of which total processing volume also increased from 338MW in 2017 to 361MW in 2018, which are both higher than the same period last year. However, in terms of sales price, in addition to the goal of accelerating the achievement of a comprehensive grid parity and the drive by the technological improvement and product efficiency each year to achieve lower selling prices, sales prices faces irrational downward pressure due to influence of the “531 New Policy”. As such, the Group’s revenue amounted to RMB1,813.778 million, representing a decrease of 9% from RMB1,989.961 million for the same period in 2017.

Cost of sales

Up to 30 June 2018, cost of sales decreased from RMB1,684.726 million last year to RMB1,630.694 million, representing a drop of 3%. The main reason was the continuous improvement of the manufacturing technology of each manufacturing cycle, leading to the decrease in per-W production cost.

Gross profit and gross profit margin

During the period, affected by the news of the “531 New Policy”, the sudden and rapid freezing of market demand caused the supply side to irrationally cut prices in the short term. However, not only did the price cuts failed to immediately stimulate demand, it even caused deferrals in procurement by the buy side. In addition, the decrease in purchase price of raw and auxiliary materials was not as elastic as in the said price cuts, causing significant inventory provision loss. Affected by the twofold influences, the Group recorded gross profit of RMB183.084 million in the first half of 2018, lower than the RMB305.235 million in the corresponding period of 2017. The Group’s overall gross profit was also being lessened. The gross profit margin reduced from 15.3% in the first half of 2017 to 10.1% in the first half of 2018.

財務回顧

收益

截至二零一八年六月三十日止期間，雖然在出貨量方面受到中國政府「531新政」的影響，市場需求出現非理性的急速冷凍，但本集團憑藉著多年來深化下游組件產品客戶群合作關係的成果，高端光伏產品仍受國內國企及海外復合企業歡迎，總出貨量由二零一七年上半年的1,161兆瓦提高至二零一八年上半年的1,207兆瓦，其中代工總量亦由二零一七年的338兆瓦提高至二零一八年的361兆瓦，仍較去年同期繼續錄得提升。然而，於銷售價格方面，除了為加速達成全面平價上網的目標，而每年必須藉由技術提升與產品增效使得銷售單價持續降低的因素之外，由於「531新政」的因素，期間內銷售單價也面臨非理性的下跌壓力。因此，本集團的收益為人民幣1,813.778百萬元，較二零一七年同期人民幣1,989.961百萬元下降9%。

銷售成本

截至二零一八年六月三十日，銷售成本由去年的人民幣1,684.726百萬元下降至人民幣1,630.694百萬元，降幅為3%，主要因為期內光伏產品持續因為各製造環結的技術持續精進，所造成的每瓦生產成本下滑所致。

毛利及毛利率

期內受到中國政府「531新政」的消息影響，市場需求突發性的急速冷凍，造成市場供給端短期內非理性的大幅降價，但降價的結果非但無法立即刺激需求，反而造成市場採購端的遞延採購，加上原輔材料的進貨價格並無法同時等幅度降價致產生較大的存貨跌價損失的雙重影響下，本集團二零一八年上半年錄得人民幣183.084百萬元的毛利，較二零一七年同期為人民幣305.235百萬元為低，而綜合毛利亦受到壓縮，毛利率由二零一七年上半年的15.3%下調至二零一八年上半年的10.1%。

Financial Review (Continued)

Selling and distribution expenses

Selling and distribution expenses mainly comprised packaging expenses, freight charges and insurance expenses. Selling and distribution expenses increased to RMB41.588 million in the first half of 2018 from RMB26.166 million in the first half of 2017. The increase in selling and distribution expense was mainly due to the increase in volume of external shipment in 2018 and also customers' special requirements on the deliveries.

Administrative expenses

Administrative expenses mainly comprised staff costs and research and development expenses. The administrative expenses in the first half of 2018 amounted to RMB197.408 million, an increase of 27% as compared to RMB155.995 million in the corresponding period of 2017. The increase was mainly due to the continuous enhancement of manufacturing process and existing and new products, which resulted in an increase input in research and development expenses. In turn, it led to an increase in administrative expenses.

Finance costs

Finance costs represented mainly bank loan interests. As the amounts of long-term and short-term financing during the period has been similar to those of last year, the finance costs of RMB64.380 million for the period, similar to the RMB61.901 million of the corresponding period of last year. No material variance was noted.

Income tax

Income tax credit was RMB1.860 million in the first half of 2018, while an income tax expense amounted to RMB4.560 million was recorded in the corresponding period of 2017. Income tax credit recorded in 2018 was mainly due to the recognition of the Group's deferred tax assets.

Profit attributable to the equity holders

For the six months ended 30 June 2018, the Group recorded a loss attributable to the equity shareholders of RMB107.280 million, as compared to a profit attributable to the equity shareholders of RMB95.299 million for the corresponding period of 2017.

財務回顧(續)

銷售及分銷開支

銷售及分銷開支主要包括包裝開支、運費及保險費。銷售及分銷開支由二零一七年上半年的人民幣26.166百萬元，增加至二零一八年上半年的人民幣41.588百萬元。銷售及分銷開支上升除了因二零一八年對外付運量上升之外，客戶對於產品運送方式的要求增加亦是造成運輸成本上升的原因。

行政開支

行政開支主要包括員工成本及研發開支。二零一八年上半年的行政開支為人民幣197.408百萬元，較二零一七年同期人民幣155.995百萬元上升27%，上升主要是由於持續改進製造程序及研發最新製程與高效產品，因而投入更多於研究發展，進而造成整體行政開支增加較多。

融資成本

融資成本主要為銀行貸款的利息。由於期內長短期借款金額與去年同期相當，故本期融資成本人民幣64.380百萬元，較去年同期人民幣61.901百萬元亦相當，並無重大變化。

所得稅

二零一八年上半年的所得稅抵免為人民幣1.860百萬元，而二零一七年同期的所得稅開支為人民幣4.560百萬元。二零一八年所錄得的所得稅抵免乃主要由於本集團認列遞延稅項資產所致。

權益持有人應佔利潤

二零一八年上半年，本集團錄得權益股東應佔虧損人民幣107.280百萬元，二零一七年同期權益股東應佔利潤人民幣95.299百萬元。

Financial Review (Continued)

Inventory turnover days

In order to replace traditional petrochemical energy in a larger scale and to effectively achieve the ultimate goal of green and clean energy, continuous technological advancement has driven down the prices of photovoltaic products over the years. This led to declining trends in prices of many related raw and auxiliary materials for production and finished products. Hence, in terms of inventory reserve strategy, the Group has been focusing its efforts in raising inventory turnover and lowering the inventory turnover days in order to mitigate the risk of a sudden decline in inventory prices, help reduce committed capital and, at the same time, further strengthen the Group's operation working capital. As a result, the Group's inventory turnover days has been lowered to 44 days during the year (31 December 2017: 58 days).

Trade receivable turnover days

The Group completed the vertical integration of upstream and downstream monocrystalline silicon products. Apart from not producing polysilicon in-house, the scope of the Group's business covers self-production of monocrystalline silicon ingots, monocrystalline silicon wafers, solar cells and solar modules. However, due to the large capacity of upstream products in earlier years, external sales were at the time dominated by monocrystalline silicon wafers. Hence, to get closer to the customer needs of the module end-user market, the capacity of module production gradually increased from 400 MW in 2013 to 2.2 GW by the end of the second quarter of 2018. Under the rapid growth of the capacity of module production, the solar modules sales accounted for over 70% of the Group's overall sales. According to the terms of the industry's general module sales contract, the recovery of module receivable depends on the construction progress of the photovoltaic power plant. For instance, some trade receivables can only be recovered after the customer's photovoltaic power plant is connected to the grid. In addition, 10% of the total amount of receivables are retained as warranties. These warranties will generally be recovered in around one year. As a result, the trade receivables turnover days of module business are generally longer. As the Group's module sales has sustained rapid growth in the proportion of operating income, the trade receivables turnover days increased. Further, as most sales in the first half of 2018 was recorded during the second quarter, most of the receivables are not yet received. As a result of the above, the trade receivables turnover days of the Group increased to 157 days (2017: 96 days) in the first half of 2018.

財務回顧(續)

存貨週轉日

為了快速取代傳統石化能源，以有效實現綠色清潔能源的最終目標，光伏產品售價近年來隨著技術不斷創新而持續下降，致相關生產所需的原輔材料和製成品的價格也大多呈現走跌的趨勢，因此，本集團在存貨的儲備策略上，主要是提高存貨周轉率而降低存貨集團週轉天期，以期避免存貨價格快速下跌的風險，同時亦可減少資金積壓而進一步充實營運週轉金，故期內本集團存貨週轉日降低至44日(二零一七年十二月三十一日：58日)。

應收貿易賬款週轉日

本集團於完成了單晶產品上下游垂直整合一體化整合生產能力，其業務範圍除了未自行生產化工類多晶硅原材料之外，單晶硅棒、單晶硅片、電池、組件皆有自行生產，但初期由於上游產品環節產能較大，故當時對外銷售仍以單晶硅片為主。然而，為了更接近終端光伏組件市場的客戶需求，組件產能由二零一三年400兆瓦的組件產能逐步提升至二零一八年第二季度末的2.2吉瓦，在組件產能的快速成長下，組件銷售比重已佔集團整體銷售之70%以上。根據行業一般組件銷售合同條款，組件應收帳款的回收需取決於電站建設的進度，例如：部分應收貿易賬款需於客戶的電站併網後始能收回，此外，亦需留有應收帳款總額的10%以上作為質保金，此質保金需約一年始能回收，故組件業務應收貿易賬款週轉日普遍較長。由於本集團組件銷售佔營業收入比重持續快速成長，造成應收貿易賬款週轉日增加。其次，二零一八年上半年銷售大多集中發生於第二季度，造成許多應收帳款亦尚未收回。綜上原因，二零一八年上半年應收貿易賬款週轉日增加至157日(二零一七年：96日)。

Financial Review (Continued)

Trade payable turnover days

The trade payables turnover day was 120 days, which rose significantly comparing to 97 days of the corresponding period of last year. This increase was mainly due to the strategic partnerships established with our major suppliers, under stable and frequent co-operations, and the suppliers have gradually increased our lines of credits and payment terms.

Liquidity and financial resources

The principal sources of working capital of the Group during the year were cash flows from bank borrowings. As at 30 June 2018, the current ratio (current assets divided by current liabilities) of the Group was 0.83 (31 December 2017: 0.89). The Group had net borrowings of RMB1,502.236 million as at 30 June 2018 (31 December 2017: RMB1,636.798 million), including cash in bank and on hand of RMB116.047 million (31 December 2017: RMB191.185 million), pledged deposits of RMB416.291 million (31 December 2017: RMB219.097 million), bank loans due within one year of RMB1,903.834 million (31 December 2017: RMB1,922.322 million) and noncurrent bank and other loans of RMB130.740 million (31 December 2017: RMB124.758 million). The net debt to equity ratio (net debt divided by total equity) was 161.5% (31 December 2017: 158.1%).

Funding and treasury policies

The Group's funding and treasury policy is designed to maintain a diversified debt profile and financing structure. The Group continues to monitor its cash flow position and debt profile, and to enhance the cost-efficiency of funding initiatives by its centralized treasury function. In order to maintain financial flexibility and adequate liquidity for the Group's operations, potential investments and growth plans, the Group has built a base of funding resources and will keep exploring cost-efficient ways of financing.

財務回顧(續)

應付貿易賬款週轉日

本期應付貿易賬款週轉日為120日較去年同期97日大幅提高，主係本集團與主要供應商已形成策略夥伴關係，在穩定與頻繁的合作下，供應商逐漸提高對本集團的授信額度與帳期。

流動資金及財務資源

本集團於年內主要營運資金來源為銀行借貸所得款項。於二零一八年六月三十日，本集團的流動比率(流動資產除流動負債)為0.83(二零一七年十二月三十一日：0.89)。本集團於二零一八年六月三十日有借貸淨額人民幣1,502.236百萬元(二零一七年十二月三十一日：人民幣1,636.798百萬元)，其中包括銀行及手頭現金人民幣116.047百萬元(二零一七年十二月三十一日：人民幣191.185百萬元)、已抵押存款人民幣416.291百萬元(二零一七年十二月三十一日：人民幣219.097百萬元)、一年內到期銀行貸款人民幣1,903.834百萬元(二零一七年十二月三十一日：人民幣1,922.322百萬元)以及非流動銀行及其他貸款人民幣130.740百萬元(二零一七年十二月三十一日：人民幣124.758百萬元)。淨借貸權益比率(借貸淨額除權益總額)為161.5%(二零一七年十二月三十一日：158.1%)。

融資及庫務管理

本集團採納維持分散負債組合及財務架構的融資及庫務政策。本集團持續監控其現金流狀況和負債組合，並由本集團的庫務部門中央統籌以提升融資活動的成本效益。本集團已建立資金來源基礎並將持續尋求符合成本效益的融資途徑，為本集團的營運、潛在投資及發展計劃維持財務靈活性及充足的流動資金狀況。

Financial Review (Continued)

Earnings before interest, taxes, depreciation and amortisation (“EBITDA”)

During the period, earnings before interest, taxes, depreciation and amortisation (“EBITDA”) was RMB65.676 million (3.6% to revenue) (RMB271.008 million in the corresponding period of 2017, 13.6% to revenue). The main reason for the decrease in EBITDA was due to the drop in the Group’s revenue during the period.

Foreign currency risk

The Group is exposed to foreign currency risk primarily through sales and purchases, cash, bank deposits and bank loans that are denominated in a currency other than the functional currency, Renminbi, of the operations to which they relate. The currencies giving rise to this risk are primarily the US Dollar and Euro. Currently, the Group has not entered into agreements or purchased instruments to hedge the Group’s exchange rate risks, among other matters. The Directors do not expect any significant impact from the change in exchange rates since the Group uses foreign currencies received from customers to settle the amounts due to suppliers which naturally mitigates the exchange rate risk. In addition, the Group will consider the difference in interest rates and fluctuations in the exchange rates of foreign currency denominated and local currency-denominated loan balance, and the need to mitigate the risk through low-risk forward contracts, in order to strike a balance between the exposure to the variations in interest costs and fluctuations in foreign exchange rates.

Human resources

As at 30 June 2018, the Group had 3,833 (31 December 2017: 3,565) employees.

Emolument Policy

The emolument policy of the employees of the Group is set out by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided by the Remuneration Committee, having regard to the Company’s operating results, individual performance and comparable market statistics.

財務回顧(續)

未計利息、稅項、折舊及攤銷前盈利(「稅息折舊及攤銷前利潤」)

期內，本集團錄得未計利息、稅項、折舊及攤銷前盈利為人民幣65.676百萬元(收益之3.6%)(二零一七年同期的人民幣271.008百萬元(收益之13.6%))。稅息折舊及攤銷前利潤下降的主要原因是本集團期內收益下降所致。

外幣風險

本集團所承受的外匯風險主要來自以相關業務的功能貨幣人民幣以外貨幣進行的買賣交易以及現金、銀行存款及銀行貸款，當中主要來自美元及歐元。目前，本集團並無訂立任何協議或購買任何工具以對沖本集團的匯率風險。由於本集團以從客戶所收取的外幣清償來應付予供應商款額形成匯率自然避險，故董事預期匯率變動不會構成任何重大影響。此外，本集團會考慮外幣與本幣借款利息成本差異性及匯率變化，並進一步考量搭配風險較低的遠期合約交易來避險，使得於利息成本高低和外幣匯率變化風險中取得平衡。

人力資源

於二零一八年六月三十日，本集團的僱員數目為3,833名(二零一七年十二月三十一日：3,565名)。

薪酬政策

薪酬委員會按照僱員表現、資歷及能力，制定本集團僱員之薪酬政策。

薪酬委員會參照本公司的營運業績、董事個別表現及可比較市場統計數據，決定董事的薪酬。

Financial Review (Continued)

Training Schemes

Training and development always serve as the key factors for business success. During the reporting period, the Group has provided various tailor-made training programs covering corporate culture, occupational safety, laws and regulations, professional skills and other aspects for employees from different departments to cope with their business needs. The training programs are evaluated regularly to review the effectiveness and compared to the business needs. During the reporting period, the Group has also updated its employees from time to time on the latest information of the industry and laws and regulations which is essential to the Group's operations and their job responsibilities.

Future prospects and strategies

It is always the darkest before dawn. "531 New Policy" will accelerate the early arrival of grid parity. The market is currently undergoing a structural transformation, in terms of production capacity and product quality improvement, to encourage high-end and high-efficiency products, and promote technological advancement, reduce costs of power generation, reduce dependence on subsidies, promote industry to high quality development, and accelerate to reach grid parity. The problems in the power grid and energy storage are also improving continuously. Therefore, after reaching grid parity, without the need for government subsidies, it is expected that the photovoltaic market will prosper and those operators who survive shall enjoy fruitful results.

As for the impact of China's "531 New Policy" on the world market, as China's solar industry chain is complete, the competitiveness is currently unmatched by other countries. In some countries with mature solar markets, hampered by the limitation of financial subsidies, their solar market has been shrinking for years. Currently, as the cost of electricity generated by photovoltaic power plant has significantly reduced, with FIT also followed and dropped significantly, the installation of photovoltaic power plants has surged once again. The reduction of the cost of electricity generated by photovoltaic power plant has also allowed many emerging markets to enter the GW-level clubs. Growth in these countries and areas will partly offset the negative influence from the deterioration in the Chinese market. As a result, the Group will leverage on the solid foundation of strategic cooperation with existing overseas customers and further expand sales in the overseas markets.

財務回顧(續)

培訓計劃

培訓及發展一直為業務成功的關鍵因素。本集團為不同部門僱員度身設計不同的培訓計劃，涵蓋企業文化、職業安全、法律法規、專業技能及其他方面，以應付其業務需要。我們定期評估培訓計劃的成效，並與業務需要互相對比。本集團亦不時向僱員提供對本集團營運及其職責至為重要的最新行業及法律法規信息。

未來展望及策略

黎明來臨前本就是最黑暗時刻，531光伏新政會加速催熟平價上網(grid parity)的早日到來，市場正在經歷一個結構性的轉變，產能和產品提質增效，鼓勵高端高效產品，推進技術進步，降低發電成本，減少補貼依賴，推動行業向高質量發展，並加速達至平價上網。而電網或及儲能問題也在持續改善中，因此，平價上網後，在不須政府補貼下，光伏市場會噴發，所以其能熬過這關卡的業者，必能享受到豐碩的果實。

至於中國「531新政」對世界市場之影響方面，因中國光伏產業鏈配套完整，競爭力目前無其它國家能企及。有些光伏市場較成熟的國家，原本囿於財政補貼負荷之限制，光伏市場已萎縮多年，今因光伏电站設置的度電成本顯著下降，FIT也隨之顯著下降，從而使得光伏电站裝機量將能再度爬升；而且光伏电站設置的度電成本顯著下降，也使得許多新興國家市場有能力加入吉瓦級俱樂部，這些國家地區市場的成長，將部分抵銷中國市場下降的不利影響。因此，本集團亦將憑藉著現有海外客戶殷實的合作基礎，再進一步擴大中國境外市場的銷售。

Financial Review (Continued)

Future prospects and strategies (Continued)

Analysts expect that, by the end of 2020, culminated installation will surge above 250GW. The advantage of high conversion ratios, stable decay rate in its photovoltaic systems, continued reduction in unit cost, etc. of monocrystalline products are highlighted. In addition, with the increased attention by national policy on distributed solar power plants, markets of monocrystalline products are expected to grow continually. Hence, monocrystalline products are becoming the popular choice in solar projects and the market share of monocrystalline products is improving. The proportion of solar plants installing monocrystalline PV systems and the monocrystalline products used by distributed power plants have increased as a result.

Further, since the introduction of the “Top Runner Program” (the “Program”), the Program has promoted healthy competition through high standards of technical certification and efficiency requirements. In view of this, the National Energy Bureau launched an upgraded version of the national “Top Runner Program”, the program of application of advance technology on construction of photovoltaic power generating plants, also known as the “Super Runner Program”, focusing and promoting large-scale and advanced technology companies. “Super Runner Program” considers efficient product development as its main focus, this includes double-sided photovoltaic modules, black silicon photovoltaic modules, half-cell photovoltaic modules and smart modules. The Group’s high-end product, N-type double-sided photovoltaic modules, is expected to gain attention from the market. Amongst all solar products, by focusing on the development of monocrystalline products, the Group commands industry-leading technology for the production of monocrystalline products. Through vertically integrating its upstream and downstream manufacturing capacities, apart from not self-producing polysilicon, the Group covers the whole industry chain of the photovoltaic industry, fully leveraging the synergy among different business segments of the Group.

財務回顧(續)

未來展望及策略(續)

分析預測到二零二零年底，太陽能發電裝機將達到250吉瓦以上。而其中單晶產品憑其高轉換率光伏系統衰減率較穩定、單位成本持續下降等優點備受關注，加上國家重視分佈式電站發展等政策，單晶產品市場將持續向上發展。因此，單晶產品正在成為太陽能項目的熱門選擇，單晶產品的市場佔有率則正持續增加。安裝單晶光伏系統的太陽能發電站及各類分佈式電站採用單晶產品的比例亦因此而增加。

另外，「領跑者」計劃自推出以來，透過高標準的技術認證和效率要求，促進企業良性競爭。為響應國家政策，國家能源局推出升級版「領跑者」計劃，即光伏發電先進技術應用基地建設計劃，又稱「超級領跑者」，以鼓勵和扶持具規模化且先進技術之企業。「領跑者」及「超級領跑者」認證主要產品包括有N型組件、雙面組件、黑硅電池組件、半片電池組件、智能組件等。而本集團的高端產品N型雙玻組件及N型IBC組件預期將得到市場高度重視。本集團專注光伏產品中的單晶產品，擁有行業領先的單晶產品生產技術，於光伏產業垂直整合的上下游裡，除了未自行生產化工類的多晶硅原材料之外，其業務形態覆蓋全光伏產業鏈，可以充分發揮本集團業務間之協同效應。

Financial Review (Continued)

Future prospects and strategies (Continued)

The strategy adopted by the Group is to focus its investments in upstream monocrystalline silicon ingot/wafer capacities and in downstream module capacity and to have its downstream module capacity slightly greater than its upstream monocrystalline silicon ingot/wafer capacities, while maintaining or only slightly increasing its manufacturing capacity in solar cells. Therefore, through this capacity allocation strategy, the Group will be able to satisfy the external demands for its photovoltaic modules, of which the Group has its largest manufacturing capacity, while, at the same time, boost the internal demands for its monocrystalline silicon ingots/wafers. Further, through the strategy of partly self-manufacturing and partly externally procuring the mid-stream solar cells, under the abovementioned strategy to drive the Group's overall capacity utilisation from bottom up, the Group is able to better mitigate the market risks arising from fluctuant sales of upstream silicon wafers or unstable supply of mid-stream solar cells.

Dividend

The Directors do not recommend the distribution of interim dividend in respect of the six months ended 30 June 2018 (six months ended 30 June 2017: Nil).

財務回顧(續)

未來展望及策略(續)

因此，本集團整體策略為：重點投資於上游單晶硅棒／硅片和下游組件的生產製造，並規劃下游組件產能略大於上游的單晶硅棒／硅片產能，且保留現有規模或小幅增加電池製造能力。因此，透過如此上下游產能配置策略，本集團可透過滿足最大產能的下游終端組件客戶的外部需求，而拉動上游自產硅棒／硅片的內部需求，加之透過中游電池片部份自產和部份外購的策略，以自下而上帶動集團整體產能利用率，則可增強抵禦上游硅片銷售波動或中游電池供給不穩定的風險。

股息

董事不建議就截至二零一八年六月三十日止六個月派發中期股息(截至二零一七年六月三十日止六個月：無)。

Disclosure of Interests

權益披露

Share Option Scheme

The Company has conditionally approved and adopted the share option scheme on 27 February 2008 (“Share Option Scheme”), which had lapsed on 27 February 2018 and was not renewed thereafter.

No share option was granted under the Share Option Scheme during the period under review.

Save as otherwise disclosed, at no time during the period was the Company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of Shares in or debentures of the Company or any other body corporate.

Interest and Short Positions of the Directors and the Chief Executives of the Company in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 30 June 2018, so far as the Directors are aware, the Directors and the chief executives of the Company and their associates had the following interests in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (“Stock Exchange”) pursuant to the Model Code:

Name of Director 董事姓名	Nature of interest 權益性質	Number of ordinary shares held (Note 1) 所持普通股數目 (附註1)	Approximate percentage of shareholding (%) 概約持股 百分比(%)
Mr. TAN Wenhua 譚文華先生	Beneficial interest (Note 2) 實益權益(附註2)	556,924,443 (L)	17.34%
	Interest of a controlled corporation (Note 2) 受控法團權益(附註2)	155,320,308 (L)	4.84%
Mr. WANG Junze 王鈞澤先生	Beneficial interest 實益權益	100,500 (L)	Less than 0.01% 少於0.01%
Mr. HSU You Yuan 許祐淵先生	Beneficial interest 實益權益	13,861,346 (L)	0.43%
	Interest in options (Note 3) 於購股權的權益(附註3)	239,835 (L)	0.01%
	Security interest (Note 3) 抵押權益(附註3)	239,835 (L)	0.01%
	Trustee's interest 受託人權益	7,252,085 (L)	0.23%

購股權計劃

本公司已於二零零八年二月二十七日有條件批准及採納購股權計劃(「購股權計劃」)，並於二零一八年二月二十七日失效，而其後不會更新。

回顧期內概無根據購股權計劃授出購股權。

除另行披露者外，本公司、其任何控股公司、附屬公司或同系附屬公司於期內任何時間概無參與任何安排，致使董事可透過收購本公司或任何其他法人團體的股份或債券而獲益。

董事及本公司最高行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零一八年六月三十日，據董事所知悉，董事及本公司最高行政人員及彼等的聯繫人士於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中，擁有已記錄於根據證券及期貨條例第352條規定存置的登記冊或已根據標準守則知會本公司及香港聯合交易所有限公司(「聯交所」)的權益如下：

Disclosure of Interests 權益披露

Interest and Short Positions of the Directors and the Chief Executives of the Company in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations (continued)

Notes:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) As at 30 June 2018, Mr. Tan Wenhua is interested in an aggregate of 712,244,751 Shares, of which 556,924,443 Shares are directly held by Mr. Tan Wenhua and 155,320,308 Shares are held by You Hua Investment Corporation, which is wholly-owned by Mr. Tan Wenhua.
- (3) As at 30 June 2018, Mr. Hsu You Yuan had security interest in these Shares pursuant to a share charge granted by the relevant employees and consultants to secure their obligations to pay for the purchase price of the Shares and their obligations to comply with the relevant regulatory requirements to which they are subject (if any).

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2018, so far as the Directors are aware, save as disclosed above, the substantial shareholders (not being a Director or chief executive of the Company) who had interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO or had otherwise notified to the Company were as follows:

Name Capacity 名稱／姓名	Nature of interest 身分	Number of ordinary shares held (Note 1) 所持普通股數目 (附註1)	Approximate Percentage of shareholding (%) 概約持股 百分比(%)
Hiramatsu International Corp.	Beneficial owner 實益擁有人	354,261,692 (L)	11.03%
Hiramatsu Hiroharu (Note 2) Hiramatsu Hiroharu (附註2)	Interest of a controlled corporation 受控法團權益	354,261,692 (L)	11.03%

Notes:

1. The letter "L" denotes the person's long position in such securities.
2. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Hiramatsu International Corp. is wholly-owned by Hiramatsu Hiroharu as at the date of this report. By virtue of the SFO, Hiramatsu Hiroharu is deemed to be interested in the Shares held by Hiramatsu International Corp.

董事及本公司最高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 (續)

附註：

- (1) 字母「L」指該人士於該等證券的好倉。
- (2) 於二零一八年六月三十日，譚文華先生合共於712,244,751股股份中擁有權益，當中556,924,443股股份由譚文華先生直接持有，而155,320,308股股份由譚文華先生全資擁有的佑華投資有限公司持有。
- (3) 於二零一八年六月三十日，許祐淵先生根據相關僱員及顧問授出的股份抵押擁有該等股份的抵押權益，以確保彼等履行支付股份收購價以及遵從彼等受其限制的相關規程規定(如有)的責任。

主要股東於股份及相關股份的權益及淡倉

於二零一八年六月三十日，據董事所知悉，除上文披露者外，以下主要股東(並非董事或本公司最高行政人員)於本公司股份及相關股份中，擁有已記錄於根據證券及期貨條例第336條規定存置的登記冊或已知會本公司的權益或淡倉：

附註：

1. 字母「L」指該人士於該等證券的好倉。
2. 據董事於作出一切合理查詢後所深知、全悉及確信，於本報告日期，Hiramatsu International Corp. 由Hiramatsu Hiroharu 全資擁有。根據證券及期貨條例，Hiramatsu Hiroharu被視為於Hiramatsu International Corp.持有的股份中擁有權益。

Disclosure of Interests 權益披露

Other Persons' Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2018, so far as the Directors are aware, save as disclosed above, the other persons or corporations (not being a Director, chief executive or substantial shareholder of the Company) who had interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO or had otherwise notified to the Company were as follows:

Name Capacity 名稱／姓名	Nature of interest 身分	Number of ordinary shares held (Note 1) 所持普通股數目 (附註1)	Approximate Percentage of shareholding (%) 概約持股 百分比(%)
Wafer Works Investment Corp. ("WWIC")	Beneficial owner 實益擁有人	248,759,822 (L)	7.75%
Wafer Works Corp. ("WWX") (Note 2) 合晶科技股份有限公司(「合晶科技」)(附註2)	Interest of a controlled corporation 受控法團權益	248,759,822 (L)	7.75%

Notes:

1. The letter "L" denotes the person's long position in such securities.
2. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, WWIC is wholly-owned by WWX as at the date of this report. By virtue of the SFO, WWX is deemed to be interested in the Shares held by WWIC.

Save as disclosed above, as at 30 June 2018, the Directors are not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company which fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO.

其他人士於股份及相關股份的權益 及淡倉

於二零一八年六月三十日，據董事所知悉，除上文披露者外，以下其他人士或法團(並非董事、本公司最高行政人員或主要股東)於本公司股份及相關股份中，擁有已記錄於根據證券及期貨條例第336條規定存置的登記冊或已知會本公司的權益或淡倉：

Number of ordinary shares held (Note 1) 所持普通股數目 (附註1)	Approximate Percentage of shareholding (%) 概約持股 百分比(%)
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附註：

1. 字母「L」指該人士於該等證券的好倉。
2. 據董事於作出一切合理查詢後所深知、全悉及確信，於本報告日期，合晶科技全資擁有WWIC。根據證券及期貨條例，合晶科技被視為於WWIC持有的股份中擁有權益。

除上文披露者外，截至二零一八年六月三十日，董事並不知悉有任何其他人士或法團於本公司的股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須予披露的權益或淡倉。

Corporate Governance and Other Information

企業管治及其他資料

Corporate Governance

The Company has complied with the requirements set out in the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2018.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions (the “Model Code”) as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the Directors. Specific enquiries have been made by the Company to confirm that all Directors have complied with the Model Code for the six months ended 30 June 2018.

Purchase, Sale and Redemption of the Company’s Listed Securities

There was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company’s listed securities during the six months ended 30 June 2018.

Audit Committee

The Audit Committee of the Company, comprising three independent non-executive Directors, has reviewed the accounting principles and practices adopted by the Group and such matters as internal controls and financial reporting with the management of the Company, including the review of the interim results for the six months ended 30 June 2018.

By Order of the Board

Solargiga Energy Holdings Limited
Wang Junze
Executive Director

Hong Kong, 31 August 2018

企業管治

本公司於截至二零一八年六月三十日止六個月已遵守上市規則附錄十四所載企業管治常規守則（「守則」）所載的規定。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載證券交易的標準守則（「標準守則」），作為董事進行證券交易的操守守則。本公司已作出特定查詢，以確認全體董事已於截至二零一八年六月三十日止六個月遵守標準守則。

購買、出售及贖回本公司的上市證券

截至二零一八年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

審核委員會

本公司審核委員會（成員包括三名獨立非執行董事）已審閱本集團採納的會計原則及慣例，並已與本公司管理層檢討內部監控及財務報告等事宜，包括審閱截至二零一八年六月三十日止六個月的中期業績。

承董事會命

陽光能源控股有限公司
執行董事
王鈞澤

香港，二零一八年八月三十一日

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表審閱報告



Report on review of interim condensed consolidated financial statements
To the shareholders of Solargiga Energy Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim condensed consolidated financial statements set out on pages 30 to 68, which comprise the interim condensed consolidated statement of financial position of Solargiga Energy Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2018 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Main Board Listing 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 interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review. Our report is made 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 interim 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.

中期簡明綜合財務報表審閱報告
致陽光能源控股有限公司股東
(於開曼群島註冊成立之有限公司)

引言

我們已審閱列載於第30至68頁的陽光能源控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的中期簡明綜合財務報表，當中包括於二零一八年六月三十日的中期簡明綜合財務狀況表、截至該日止六個月期間的有關中期簡明綜合損益表、全面收入表、權益變動表及現金流量表以及附註解釋。香港聯合交易所有限公司主板證券上市規則規定必須遵照上市規則中的相關規定及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」)的規定編製中期財務資料報告。貴公司董事須負責根據香港會計準則第34號編製及列報該等中期簡明綜合財務報表。我們的責任是根據我們的審閱對該等中期簡明綜合財務報表作出結論。根據雙方協定的應聘條款，我們的報告僅向閣下全體作出報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱委聘準則第2410號*實體的獨立核數師對中期財務信息的審閱*進行審閱。中期財務資料審閱工作包括主要向負責財務及會計事項的人員詢問，並作出分析和其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，所以不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此，我們不會發表任何審核意見。

Report on Review of Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表審閱報告

Conclusion

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

Ernst & Young

Certified Public Accountants

22/F, CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

31 August 2018

結論

根據我們的審閱工作，我們並沒有注意到任何事項，使我們相信中期簡明綜合財務報表沒有在所有重大方面按照香港會計準則第34號編製。

安永會計師事務所

執業會計師

香港
中環添美道1號
中信大廈22樓

二零一八年八月三十一日

Interim Condensed Consolidated Statement of Profit or Loss

中期簡明綜合損益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列值)

		Six months ended 30 June 截至六月三十日止六個月		
		Notes 附註	2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue	收益	4	1,813,778	1,989,961
Cost of sales	銷售成本		(1,630,694)	(1,684,726)
Gross profit	毛利		183,084	305,235
Other income and gains, net	其他收入及收益·淨額	5	15,068	58,589
Selling and distribution expenses	銷售及分銷開支		(41,588)	(26,166)
Administrative expenses	行政開支		(197,408)	(155,995)
Operating (loss)/profit	經營利潤(虧損)/利潤		(40,844)	181,663
Share of losses of associates	應佔聯營公司虧損		(452)	(14,644)
Finance costs	融資成本	6	(64,380)	(61,901)
(Loss)/profit before tax	除稅前(虧損)/利潤	7	(105,676)	105,118
Income tax credit/(expense)	所得稅抵免/(開支)	8	1,860	(4,560)
(Loss)/profit for the period	期間(虧損)/利潤		(103,816)	100,558
Attributable to:	以下人士應佔:			
Equity holders of the Company	本公司權益持有人		(107,280)	95,299
Non-controlling interests	非控制性權益		3,464	5,259
(Loss)/profit for the period	期間(虧損)/利潤		(103,816)	100,558
BASIC AND DILUTED (LOSS)/ EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (RMB cents)	本公司普通股權益持有人應佔 每股基本及攤薄(虧損)/盈利 (人民幣分)	9	(3.34)	2.97

Interim Condensed Consolidated Statement of Comprehensive Income

中期簡明綜合全面收入表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列值)

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
(Loss)/profit for the period	期間(虧損)/利潤	(103,816)	100,558
Other comprehensive (loss)/income for the period (after tax):	期間其他全面(虧損)/收入 (扣除稅項後):		
Items that may be reclassified subsequently to profit or loss:	可於後期被重分類至損益的項目:		
— Currency translation differences	— 貨幣換算差額	(14,965)	19,479
Total comprehensive (loss)/income for the period, after tax	期間全面(虧損)/收入總額 (扣除稅項後)	(118,781)	120,037
Attributable to:	以下人士應佔:		
Equity holders of the Company	本公司權益持有人	(122,245)	114,778
Non-controlling interests	非控制性權益	3,464	5,259
Total comprehensive (loss)/income for the period	期間全面(虧損)/收入總額	(118,781)	120,037

Interim Condensed Consolidated Statement of Financial Position

中期簡明綜合財務狀況表

As at 30 June 2018 於二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

		Notes 附註	At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	1,514,252	1,531,099
Prepayments for acquisition of property, plant and equipment	購置物業、廠房及設備的預付款項		157,469	14,245
Land lease prepayments	土地租賃預付款項	11	144,195	146,233
Prepayments for raw materials	原材料的預付款項	12	50,680	55,298
Investments in associates	於聯營公司的投資	13	5,400	5,251
Available-for-sale investments	可供出售投資		–	2,430
Financial assets at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的金融資產	14	2,430	–
Deferred tax assets	遞延稅項資產		39,450	34,763
			1,913,876	1,789,319
Current assets	流動資產			
Inventories	存貨	15	389,730	403,531
Trade and bills receivables	應收貿易賬款及票據	16	1,490,129	1,648,608
Contract assets	合約資產	16	34,089	–
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	17	309,691	347,327
Current tax recoverable	即期可收回稅項		9,233	12,143
Pledged deposits	已抵押存款	18	416,291	219,097
Cash and cash equivalents	現金及現金等價物	19	116,047	191,185
			2,765,210	2,821,891
Current liabilities	流動負債			
Interest-bearing borrowings	計息借貸	20	1,903,834	1,922,322
Trade and bills payables	應付貿易賬款及票據	21	1,125,906	1,055,536
Other payables and accruals	其他應付款項及應計開支	22	174,056	134,476
Contract liabilities	合約負債		81,942	–
Current tax payable	即期應付稅項		561	3,618
Provision for inventory purchase commitments	存貨購買承擔撥備	23	47,127	46,539
Finance lease payables	融資租賃	24	6,840	8,000
			3,340,266	3,170,491
Net current liabilities	流動負債淨額		(575,056)	(348,600)
Total assets less current liabilities	資產總值減流動負債		1,338,820	1,440,719

Interim Condensed Consolidated Statement of Financial Position 中期簡明綜合財務狀況表

As at 30 June 2018 於二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

		Notes 附註	At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Non-current liabilities	非流動負債			
Interest-bearing borrowings	計息借貸	20	130,740	124,758
Deferred tax liabilities	遞延稅項負債		2,729	2,781
Deferred income	遞延收入	25	178,259	163,272
Finance lease payables	融資租賃	24	–	1,840
Other non-current liabilities	其他非流動負債	26	96,902	112,639
			408,630	405,290
NET ASSETS	資產淨值		930,190	1,035,429
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	27	276,727	276,727
Reserves	儲備		555,131	673,612
			831,858	950,339
Non-controlling interests	非控制性權益		98,332	85,090
TOTAL EQUITY	權益總額		930,190	1,035,429

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明綜合權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列值)

		Share capital	Share premium	General reserve fund	Capital reserve	Exchange reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	一般儲備金	資本儲備	匯兌儲備	其他儲備	累計虧損	總計	非控制性權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	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	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 1 January 2018	於二零一八年一月一日	276,727	1,731,645	218,564	42,768	(36,106)	(67,111)	(1,216,148)	950,339	85,090	1,035,429
Loss for the period	期間虧損	-	-	-	-	-	-	(107,280)	(107,280)	3,464	(103,816)
Other comprehensive income for the period:	期間其他全面收入：										
Exchange differences related to foreign operations	有關外國業務的外匯差額	-	-	-	-	(14,965)	-	-	(14,965)	-	(14,965)
Total comprehensive (loss)/income	全面(虧損)/收入總額	-	-	-	-	(14,965)	-	(107,280)	(122,245)	3,464	(118,781)
Acquisition of non-controlling interests	收購非控制性權益	-	-	-	-	-	3,764	-	3,764	(13,724)	(9,960)
Capital contribution from non-controlling interests	非控制性權益出資	-	-	-	-	-	-	-	-	31,228	31,228
Dividends paid to non-controlling shareholders	向非控制性股東分配股利	-	-	-	-	-	-	-	-	(7,726)	(7,726)
As at 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	276,727	1,731,645	218,564	42,768	(51,071)	(63,347)	(1,323,428)	831,858	98,332	930,190
As at 1 January 2017	於二零一七年一月一日	276,727	1,731,645	216,824	42,768	(69,090)	(66,508)	(1,321,870)	810,496	68,192	878,688
Profit for the period	期間利潤	-	-	-	-	-	-	95,299	95,299	5,259	100,558
Other comprehensive income for the period:	期間其他全面收入：										
Exchange differences related to foreign operations	有關外國業務的外匯差額	-	-	-	-	19,479	-	-	19,479	-	19,479
Total comprehensive income	全面收入總額	-	-	-	-	19,479	-	95,299	114,778	5,259	120,037
Disposal of a subsidiary	出售一間附屬公司	-	-	(2,456)	-	-	-	2,456	-	-	-
Capital contribution from non-controlling interests	非控制性權益出資	-	-	-	-	-	-	-	-	5,000	5,000
As at 30 June 2017 (unaudited)	於二零一七年六月三十日 (未經審核)	276,727	1,731,645	214,368	42,768	(49,611)	(66,508)	(1,224,115)	925,274	78,451	1,003,725

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列值)

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Note 附註	
Cash flows from operating activities	經營活動現金流量		
(Loss)/profit before tax	除稅前(虧損)/利潤		105,118
Adjustments for:	調整：		
Loss/(Gain) on disposal of property, plant and equipment	出售物業、廠房及設備的虧損/(收益)	144	(1,146)
Depreciation and amortisation	折舊及攤銷	106,972	103,989
Write-down/(Reversal of write-down) of inventories	存貨撇減/(回沖)	36,461	(2,646)
Impairment losses on trade and other receivables	應收貿易賬款及其他應收款項減值虧損	11,079	5,340
Finance costs	融資成本	64,380	61,901
Interest income	利息收入	(2,025)	(2,701)
(Reversal)/provision for warranty	保用成本(撥備回沖)/撥備	(15,737)	14,994
Gain on previously held equity interest remeasured at acquisition-date fair value	原持有的股權按收購日公平值重新計量之收益	-	(8,819)
Bargain purchase gain on acquisition of a subsidiary	收購附屬公司時的購買收益	-	(159)
Gain on disposal of a subsidiary	出售一間附屬公司的收益	-	(32,520)
Share of losses of associates	應佔聯營公司虧損	452	14,644
(Increase)/decrease in inventories	存貨(增加)/減少	(22,660)	203,605
Decrease/(increase) in trade and other receivables	應收貿易賬款及其他應收款項減少/(增加)	136,065	(712,376)
Decrease in prepayments for raw materials	原材料的預付款項減少	4,618	4,494
Increase in payables and other payables	應付貿易賬款及其他應付款項增加	114,112	433,972
Increase/(decrease) in deferred income	遞延收入增加/(減少)	14,987	(9,052)
Foreign exchange (gain)/loss	匯兌(收益)/虧損	(176)	195
Cash generated from operations	經營活動所得現金	342,996	178,833
PRC enterprise income tax paid	中國企業所得稅	(3,025)	(11,614)
Net cash flows generated from operating activities	經營活動所得現金流量淨額	339,971	167,219

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列值)

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Note 附註	
Cash flows from investing activities	投資活動現金流量		
Payment for the acquisition of property, plant and equipment	就購置物業、廠房及設備支付的款項	(220,570)	(10,264)
Purchase of a shareholding in an associate	購買一間聯營公司股權	(600)	(1,500)
Acquisition of a subsidiary	收購一間附屬公司	-	11,229
Disposal of a subsidiary	出售一間附屬公司	-	(1,194)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	64,725	6,633
Purchases of available-for-sale investments	購買可供出售投資	-	(1,000)
Interest received	已收利息	2,025	2,701
Dividend paid	已付股利	(5,557)	-
Net cash flows (used in)/generated from investing activities	投資活動(所用)/所得現金流量淨額	(159,977)	6,605
Cash flows from financing activities	融資活動現金流量		
Repayment of bank loans and other loans	償還銀行貸款及其他貸款	(1,424,345)	(1,315,405)
Proceeds from bank loans and other loans	銀行貸款及其他貸款所得款項	1,411,839	1,256,744
Placement of pledged deposits	置存已抵押存款	(197,194)	(119,549)
Repayment of finance lease payables	償還融資租賃應付款項	(3,000)	(1,000)
Capital contribution from non-controlling interests	非控制性權益出資	31,228	5,000
Payments for acquisition of non-controlling interests in a subsidiary	取得附屬公司非控制性權益支付的款項	(9,960)	-
Interest paid	已付利息	(64,380)	(61,901)
Net cash flows used in financing activities	融資活動所用現金流量淨額	(255,812)	(236,111)
Decrease in cash and cash equivalents	現金及現金等價物減少淨額	(75,818)	(62,287)
Effect of exchange rate change	匯率變動的影響淨額	680	(3,136)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	191,185	293,628
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	116,047	228,205

Notes to Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

30 June 2018 二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

1 Corporate Information

Solargiga Energy Holdings Limited (the “Company”, together with its subsidiaries, the “Group”, Hong Kong stock code: 757, Taiwan stock code: 9157.TT) is a leading supplier of upstream and downstream vertically integrated solar energy services. During the period, the Group was mainly engaged in the following four main businesses:

- (a) the manufacturing of, trading of and provision of processing services for monocrystalline silicon solar ingots/wafers;
- (b) the manufacturing and trading of monocrystalline silicon solar cells;
- (c) the manufacturing and trading of photovoltaic modules; and
- (d) the construction and operation of photovoltaic power plants.

2 Basis of Preparation and Changes in Accounting Policies and Disclosures

2.1 Basis of preparation

These interim condensed consolidated financial statements for the six months ended 30 June 2018 are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2017, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The accounting policies and the basis of preparation adopted in the preparation of these interim condensed consolidated financial statements are in consistent with those accounting policies adopted in the annual financial statements for the year ended 31 December 2017, except for the adoption of the new and revised HKFRSs as disclosed in note 2.2 below.

1 公司資料

陽光能源控股有限公司(「本公司」, 連同其附屬公司統稱「本集團」, 香港股份代號: 757, 台灣股份代號: 9157.TT) 為上下游垂直整合太陽能服務的領先供應商。期內, 本集團主要從事以下四項主要業務:

- (a) 太陽能單晶硅棒/硅片製造、買賣及提供太陽能單晶硅棒/硅片加工服務;
- (b) 製造及買賣太陽能單晶硅電池;
- (c) 製造及買賣光伏組件; 及
- (d) 興建及經營光伏電站。

2 編製基準及會計政策變動與披露

2.1 編製基準

截至二零一八年六月三十日止六個月的本中期簡明綜合財務資料乃根據香港會計師公會(「香港會計師公會」)頒佈的香港會計準則(「香港會計準則」)第34號中期財務報告編製。中期簡明綜合財務報表並不包括年度財務報表規定的所有資料及披露事項, 並應與根據香港財務報告準則(「香港財務報告準則」)編製的截至二零一七年十二月三十一日止年度的年度財務報表一併閱覽。

除按下文附註2.2所披露採納新訂及經修訂香港財務報告準則外, 編製本中期簡明綜合財務報表所採納的會計政策及編製基準, 與截至二零一七年十二月三十一日止年度的年度財務報表所採納的該等會計政策相符。

Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

30 June 2018 二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

2 Basis of Preparation and Changes in Accounting Policies and Disclosures

(continued)

2.1 Basis of preparation (continued)

As at 30 June 2018, the Group's current liabilities exceeded its current assets by RMB575,056,000. The liquidity of the Group is primarily dependent on its ability to maintain adequate cash flows from operations, to renew its short-term bank loans and to obtain adequate external financing to support its working capital and meet its obligations and commitments when they become due.

The Group has carried out a review of its cash flow forecast for the twelve months ending 30 June 2019. Based on such forecast, the directors believe that adequate sources of liquidity exist to fund the Group's working capital and capital expenditure requirements, and to meet its short-term debt obligations and other liabilities and commitments as they become due in the twelve months ending 30 June 2019. In preparing the cash flow forecast, management has considered historical cash requirements of the Group, as well as other key factors, including anticipated sales in the twelve months ending 30 June 2019 and unconditional unutilised banking facilities as at 30 June 2018 from the Group's major banks with an amount of RMB1,693,213,000 which will be expired on 31 December 2020.

Based on the above factors, the directors are confident that the Group will have sufficient funding to enable the Group to operate as a going concern and meet its financial obligations as and when they fall due for at least twelve months from the reporting date. Accordingly, the interim consolidated financial statements have been prepared on a going concern basis.

2 編製基準及會計政策變動與披露(續)

2.1 編製基準(續)

於二零一八年六月三十日，本集團的流動負債超逾其流動資產人民幣575,056,000元。本集團流動資金主要依靠其於經營中維持足夠營運現金流量、重續其短期銀行貸款及取得適合外部融資以支持其營運資金及於到期時履行其責任及承擔的能力。

本集團已對其截至二零一九年六月三十日止十二個月的現金流量預測進行審閱。按照該預測，董事認為有足夠流動資金資源可撥付本集團的營運資金及資本開支需求及於截至二零一九年六月三十日止十二個月到期時履行其短期債務責任及其他負債與承擔。就編製現金流量預測而言，管理層已考慮本集團過往現金需求及其他主要因素，包括截至二零一九年六月三十日止十二個月的預計銷售及於二零一八年六月三十日從本集團主要銀行獲得的無條件未動用銀行融資為數人民幣1,693,213,000元(將於二零二零年十二月三十一日屆滿)。

基於上文因素，董事有信心，本集團將擁有充裕資金，以讓其能持續經營，並滿足本集團於報告日期起最少十二個月的財務責任。因此，中期綜合財務資料乃按持續經營基準編製。

Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

30 June 2018 二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

2 Basis of Preparation and Changes in Accounting Policies and Disclosures

(continued)

2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of new standards effective as of 1 January 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group has applied, for the first time, HKFRS 15 Revenue from Contracts with Customers and HKFRS 9 Financial Instruments that require restatement of previous financial statements. As required by HKAS 34, the nature and effect of these changes are disclosed below.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the interim condensed consolidated financial statements of the Group.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 supersedes HKAS 18 *Revenue* and HKAS 11 *Construction Contracts*. HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group elected to adopt HKFRS 15 using the modified retrospective method to all contracts that are not completed at the date of initial application. The Group concluded that there was no transitional adjustment made on 1 January 2018 to retained earnings upon initial adoption of HKFRS 15. It is because the Group recognises revenue upon the transfer of significant risks and rewards, which coincides with the fulfilment of performance obligations. Additionally, the Group's contracts with customers generally have only one performance obligation.

2 編製基準及會計政策變動與披露 (續)

2.2 會計政策變動及披露

除採用於二零一八年一月一日開始生效的新準則以外，編製中期簡明財務合併報表的會計政策與二零一七年年末合併財務報表的會計政策一致。本集團並無提早採納任何其他已經頒布尚無生效的會計準則、詮釋或修訂本。

本集團以修訂追溯方式，首次應用國際香港財務報告準則15號客戶合約收入及香港財務報告準則第9號金融工具。根據香港會計準則第34號的規定，該等變動的性質及影響於下文披露。

其他若干修訂及詮釋於二零一八年首次適用，但對本集團中期簡明綜合財務報表並無影響。

香港財務報告準則第15號客戶合約收入

香港財務報告準則第15號取代香港會計準則第18號收入及香港會計準則第11號建築合約。香港財務報告準則第15號建立一個確認來自客戶合約收入的綜合框架。新準則設立五步模式，將客戶合約收入入賬。根據香港財務報告準則第15號，收入按能反映實體預期有權就向客戶轉讓貨物或服務而換取的代價金額確認。

本集團以修訂追溯方式對首次應用日期尚未完成的所有合約應用香港財務報告準則第15號。本集團認為於首次採納香港財務報告準則第15號後將於二零一八年一月一日對未分配利潤作出的過渡性調整為零，乃由於本集團於應用該準則前基於重大風險報酬轉移而確認的收入與履約義務的實現是同步進行的。此外，本集團與客戶的銷售合同通常僅有一項履約義務。

Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

30 June 2018 二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

2 Basis of Preparation and Changes in Accounting Policies and Disclosures

(continued)

2.2 Changes in accounting policies and disclosures (continued)

HKFRS 15 Revenue from Contracts with Customers (continued)

The impact on the Group's consolidated statement of financial position as at 1 January 2018 is as follows:

		Under HKAS 18 香港會計準則 第18號 RMB'000 人民幣千元	Reclassification 重分類 RMB'000 人民幣千元	Under HKFRS 15 香港財務報告 準則第15號 RMB'000 人民幣千元
Contract assets	合約資產	-	35,125	35,125
Trade and bills receivables	應收貿易賬款及票據	1,648,608	(35,125)	1,613,483
Contract liabilities	合約負債	-	43,850	43,850
Other payables and accruals	其他應付款項及應計開支	134,476	(43,850)	90,626

Prior to the adoption of HKFRS 15, the conditional right to receive consideration in exchange for goods or services and the obligation to transfer goods or services were represented in "trade and bills receivables" and "other payables and accruals" in the consolidated statement of financial position, respectively. Upon the adoption of HKFRS 15, the Group reclassified above right and obligation to "contract assets" and "contract liabilities", respectively.

HKFRS 9 Financial Instruments

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

2 編製基準及會計政策變動與披露(續)

2.2 會計政策變動及披露(續)

香港財務報告準則第15號客戶合約收入(續)

會計政策變動對本集團二零一八年一月一日綜合財務狀況報表的影響如下：

採用香港財務報告準則第15號前，有條件收取交換貨物或服務的對價的權利及交付貨物或服務的義務分別於綜合財務狀況表中「應收貿易賬款及票據」及「其他應付款項及應計開支」下列示。採用香港財務報告準則第15號時，本集團將上述權利及義務分別重分類至「合約資產」及「合約負債」。

香港財務報告準則第9號金融工具

香港財務報告準則第9號取代香港會計準則第39號中關於金融資產及金融負債確認、分錄及計量，金融工具終止確認，金融資產減值及套期會計的條款。

Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

30 June 2018 二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

2 Basis of Preparation and Changes in Accounting Policies and Disclosures

(continued)

2.2 Changes in accounting policies and disclosures (continued)

HKFRS 9 Financial Instruments (continued)

(1) Classification and measurement

On 1 January 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories. The main effects resulting from this reclassification are as follows:

		Financial assets at fair value through other comprehensive income 以公允價值 計量且其變動 計入其他綜合 收益的金融資產 RMB'000 人民幣千元	Available-for-sale investments 可供出售投資 RMB'000 人民幣千元
Closing balance as at 31 December 2017	於二零一七年十二月 三十一日的期末結餘	-	2,430
Reclassification from available- for-sale investments to financial assets at fair value through other comprehensive income	將可供出售投資重分類 至以公允價值計量且其 變動計入其他綜合收益 的金融資產	2,430	(2,430)
Re-measurement of financial assets	重新計量金融資產	-	-
Opening balance as at 1 January 2018	於二零一八年一月一日的 期初結餘	2,430	-
		2,430	-

The financial assets of RMB2,430,000 that were previously classified as available-for-sale investments under HKAS 39 have been reclassified as financial assets at fair value through other comprehensive income under HKFRS 9. No gain or loss was recognised in profit or loss.

根據香港財務報告準則第9號，香港會計準則第39號項下金額為人民幣2,430,000元的金融資產被重分類為以公允價值計量且其變動計入其他綜合收益的金融資產。未有收益或損失計入損益表。

2 編製基準及會計政策變動與披露 (續)

2.2 會計政策變動及披露 (續)

香港財務報告準則第9號金融工具 (續)

(1) 分錄及計量

於二零一八年一月一日(香港財務報告準則第9號首次應用之日)，本集團管理層已對其金融資產適用的商業模式做出評估並分類至香港財務報告準則第9號項下的適當類別。本次重新分類產生的主要影響如下：

Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註

30 June 2018 二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

2 Basis of Preparation and Changes in Accounting Policies and Disclosures

(continued)

2.2 Changes in accounting policies and disclosures (continued)

HKFRS 9 Financial Instruments (continued)

(2) Impairment

HKFRS 9 requires an impairment on debt instruments recorded at amortised cost or at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts that are not accounted for at fair value through profit or loss under HKFRS 9, to be recorded based on an expected credit loss model either on a twelve-month basis or a lifetime basis. The Group has applied the simplified approach and recorded lifetime expected losses that are estimated based on the present values of all cash shortfalls over the remaining life of all of its trade and other receivables. Furthermore, the Group has applied the general approach and recorded twelve month expected credit losses that are estimated based on the possible default events on its other receivables within the next twelve months. The adoption of HKFRS 9 have had no significant impact on the financial position or performance of the Group except the reclassification mentioned above.

3 Segment Reporting

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has identified four reportable segments: (i) the manufacturing of, trading of, and provision of processing services for polysilicon and monocrystalline and multicrystalline silicon solar ingots/wafers ("Segment A"); (ii) the manufacturing and trading of photovoltaic modules ("Segment B"); (iii) the manufacturing and trading of monocrystalline silicon solar cells ("Segment C"); and (iv) the construction and operation of photovoltaic power plants ("Segment D"). No operating segments have been aggregated to form these reportable segments. Revenue, costs and expenses are allocated to the reportable segments with reference to sales generated by those segments and the costs and expenses incurred by those segments.

2 編製基準及會計政策變動與披露(續)

2.2 會計政策變動及披露(續)

香港財務報告準則第9號金融工具(續)

(2) 減值

香港財務報告準則第9號規定，以攤銷成本列賬或以公允價值計入其他綜合收益的債務工具、租賃應收款項、貸款承擔及根據香港財務報告準則第9號無須以公允價值計入計入損益的財務擔保合約的減值，須按預期信用虧損模式以十二個月或以生命週期為基礎入賬。本集團已使用簡化方法且預計根據所有應收賬款剩餘週期內的所有現金差額的現值計量週期內預期損失。此外，本集團已採用一般方法，並根據未來十二個月內其他應收款的可能違約事件估計錄入十二個月預期信用損失。除以上提及的重分類以外，採用香港財務報告準則第9號不會對本集團財務狀況或財務表現產生重大影響。

3 分部報告

就資源分配及表現評估而言，本集團按照與本集團最高級行政管理人員內部呈報資料一致的方式，確認四個可報告分部：(i)多晶硅以及太陽能單晶及多晶硅棒／硅片的製造、買賣及提供多晶硅以及太陽能單晶及多晶硅棒／硅片加工服務(「分部A」)；(ii)製造及買賣光伏組件(「分部B」)；(iii)製造及買賣太陽能單晶硅電池(「分部C」)；及(iv)興建及經營光伏電站(「分部D」)。並無合併經營分部以組成此等可報告分部。分配予該等可報告分部的收益、成本及開支乃參考該等分部產生的銷售及該等分部產生的成本及開支計算。

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3 Segment Reporting (continued)

(a) Segment results, assets and liabilities

For the purpose of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the bases as they are presented in the Group's financial statements. Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the period is set out below:

		Six months ended 30 June 2018 截至二零一八年六月三十日止六個月				
		Segment A 分部A RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment B 分部B RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment C 分部C RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment D 分部D RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 總計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue from external customers	來自外界客戶的收益	393,449	1,360,733	47,789	11,807	1,813,778
Inter-segment revenue	分部間收益	976,384	1,119,918	280,934	610	2,377,846
Reportable segment revenue	可報告分部收益	1,369,833	2,480,651	328,723	12,417	4,191,624
Reportable segment loss/(profit)	可報告分部虧損/(利潤)	(79,291)	10,869	(16,262)	(19,132)	(103,816)

		At 30 June 2018 於二零一八年六月三十日				
		Segment A 分部A RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment B 分部B RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment C 分部C RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment D 分部D RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 總計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Reportable segment assets	可報告分部資產	3,122,656	690,138	722,259	144,033	4,679,086
Reportable segment liabilities	可報告分部負債	2,536,516	715,592	376,899	119,889	3,748,896

3 分部報告 (續)

(a) 分部業績、資產及負債

為評估分部表現及於分部間分配資源，本集團最高級行政管理人員會監察各可報告分部應佔的業績、資產及負債（按照本集團財務報表呈列的基準）。期內向本集團最高級行政管理人員提供的有關本集團可報告分部的資料載列如下：

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3 Segment Reporting (continued)

(a) Segment results, assets and liabilities (continued)

3 分部報告(續)

(a) 分部業績、資產及負債(續)

		Six months ended 30 June 2017 截至二零一七年六月三十日止六個月				
		Segment A 分部A RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment B 分部B RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment C 分部C RMB'000 人民幣千元 (Unaudited) (未經審核)	Segment D 分部D RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 總計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue from external customers	來自外界客戶的收益	424,690	1,499,407	50,015	15,849	1,989,961
Inter-segment revenue	分部間收益	216,394	916,363	205,409	1,329	1,339,495
Reportable segment revenue	可報告分部收益	641,084	2,415,770	255,424	17,178	3,329,456
Reportable segment profit/(loss)	可報告分部利潤/(虧損)	59,917	49,214	4,614	(13,187)	100,558

		At 31 December 2017 於二零一七年十二月三十一日				
		Segment A 分部A RMB'000 人民幣千元 (Audited) (經審核)	Segment B 分部B RMB'000 人民幣千元 (Audited) (經審核)	Segment C 分部C RMB'000 人民幣千元 (Audited) (經審核)	Segment D 分部D RMB'000 人民幣千元 (Audited) (經審核)	Total 總計 RMB'000 人民幣千元 (Audited) (經審核)
Reportable segment assets	可報告分部資產	3,204,874	578,659	674,060	153,617	4,611,210
Reportable segment liabilities	可報告分部負債	2,461,294	690,585	302,967	120,935	3,575,781

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3 Segment Reporting (continued)

- (b) For the six months ended 30 June 2018, revenue from the major customers, each of which amounted to 10% or more of the Group's total revenue, is set out below:

3 分部報告 (續)

- (b) 截至二零一八年六月三十日止六個月，各自佔總收益10%或以上的主要客戶如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Customer A	客戶A		
— From segment A	— 來自分部A	11,977	11,544
— From segment B	— 來自分部B	307,747	540,605
— From segment C	— 來自分部C	5	-
Customer B	客戶B		
— From segment A	— 來自分部A	72,099	58,561
— From segment B	— 來自分部B	181,933	-

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3 Segment Reporting (continued)

(c) Geographic information

The following table sets out information about the Group's revenue from external customers by geographical location. The geographical location of a customer is based on the location to which the goods were delivered or the services were provided.

3 分部報告(續)

(c) 地區資料

下表載列有關本集團來自外界客戶的收益所在地的資料。客戶所在地以交付貨品或提供服務的地點為依據。

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Mainland China (place of domicile) 中國大陸(註冊地點)		1,353,740	1,375,385
Export sales	出口銷售		
— Japan	— 日本	330,500	583,868
— South East Asia	— 東南亞	117,448	—
— Taiwan	— 台灣	6,381	28,700
— America	— 美國	—	610
— Europe	— 歐洲	4,068	—
— Others	— 其他	1,641	1,398
Sub-total	小計	460,038	614,576
Total	總計	1,813,778	1,989,961

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4 Revenue

The principal activities of the Group are the manufacturing, trading and provision of processing services for polysilicon and monocrystalline and multicrystalline silicon solar ingots/wafers, the manufacturing and trading of monocrystalline silicon solar cells, the manufacturing and trading of photovoltaic modules, and the construction and operation of photovoltaic power plants.

Revenue represents the sales value of goods and electricity supplied to customers less value added tax or other sales taxes and trade discounts and income from the provision of processing services. The amount of each significant category of revenue recognised during the period is as follows:

4 收入

本集團主要業務為多晶硅以及太陽能單晶及多晶硅棒／硅片的製造、買賣及提供多晶硅以及太陽能單晶及多晶硅棒／硅片加工服務，製造及買賣太陽能單晶硅電池及光伏組件與興建及經營光伏電站。

收益指供應予客戶貨物及電力的銷售值(減增值稅或其他銷售稅及貿易折扣)以及提供加工服務所得收入。期內確認的各項重大收入類別的金額如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue	收入		
Sales of monocrystalline and multicrystalline silicon solar ingots/wafers	銷售太陽能單晶及多晶硅棒／硅片	311,936	307,898
Sales of monocrystalline and multicrystalline silicon solar cells	銷售太陽能單晶及多晶硅電池	47,789	50,015
Sales of photovoltaic modules	銷售光伏組件	1,028,679	1,328,514
Construction and operation of photovoltaic power plants	銷售電力	11,806	15,849
Rendering of services	提供服務	413,568	287,685
		1,813,778	1,989,961

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5 Other Income and Gains, Net

5 其他收入及收益，淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Other income	其他收入		
Government grants	政府補貼	10,907	12,873
Interest income from bank deposits	銀行存款的利息收入	2,025	2,701
Gain on disposal of a subsidiary	出售一間附屬公司的收益	-	32,520
Gain on previously held equity interest remeasured at acquisition-date fair value	原持有的股權按收購日公平值重新計量之收益	-	8,819
Bargain purchase gain on acquisition of a subsidiary	收購附屬公司時的購買收益	-	159
		12,932	57,072
Other gains/(losses), net	其他收益／(虧損)，淨額		
Net foreign exchange (loss)/gain	外匯(虧損)／收益淨額	(111)	4,314
Net (loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備的(虧損)／收益淨額	(144)	1,146
Gain/(loss) from sales of other materials	銷售其他材料收益／(虧損)	2,527	(7,576)
Others	其他	(136)	3,633
		2,136	1,517

6 Finance Costs

6 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest on bank and other borrowings	銀行及其他借貸利息	64,046	61,320
Interests on finance leases	融資租賃利息	334	581
		64,380	61,901

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7 (Loss)/Profit Before Tax

The Group's profit/(loss) before tax is arrived at after charging/
(crediting):

7 除稅前(虧損)/利潤

本集團除稅前利潤/(虧損)已扣除/(抵免):

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Salaries, wages and other benefits	薪金、工資及其他福利	89,506	89,686
Amortisation of lease prepayments	租賃預付款項攤銷	2,038	2,070
Depreciation	折舊	104,934	101,919
Research and development costs	研究及開發成本	110,019	78,674
(Reversal)/provision for warranty	保用成本(撥備回沖)/撥備	(15,737)	14,994
Impairment losses on trade and other receivables	應收貿易賬款及其他應收款項減值損失計提	11,079	5,340
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備的虧損/(收益)淨額	144	(1,146)
Gain on disposal of a subsidiary	出售一間附屬公司的收益	-	(32,520)
Gain on previously held equity interest remeasured at acquisition-date fair value	原持有的股權按收購日公平值重新計量之收益	-	(8,819)
Bargain purchase gain on acquisition of a subsidiary	收購附屬公司時的購買收益	-	(159)
Cost of inventories sold*	已售存貨成本*	1,260,808	1,490,498
Cost of services rendered*	已提供服務成本*	369,886	194,228

* Cost of inventories sold and cost of services rendered include, in aggregate, RMB149,854,000 and RMB192,579,000 for the six months ended 30 June 2018 and 2017, respectively, relating to salaries, wages and other benefits, depreciation and provision for warranty costs which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

* 已售貨品成本及已提供服務成本包括薪金、工資及其他福利、折舊及保用成本的撥備相關的金額，於截至二零一八年及二零一七年六月三十日止六個月合共分別為人民幣149,854,000元及人民幣192,579,000元，此金額亦計入於上文單獨披露的該等各類別開支的各項總金額內。

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8 Income Tax (Credit)/Expense

8 所得稅(抵免)/開支

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Current tax — the PRC	即期稅項 — 中國		
Provision for the period	期間撥備	1,881	6,979
Provision adjustment in respect of prior years	過往年度撥備不足	998	998
		2,879	7,977
Deferred tax	遞延稅項	(4,739)	(3,417)
Income tax (credit)/expense for the period	期間所得稅(抵免)/開支	(1,860)	4,560

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits of the Company's subsidiaries incorporated in Hong Kong for the six months ended 30 June 2018 and 2017. No provision for Hong Kong profits tax has been made as the subsidiaries either did not have any assessable profits subject to Hong Kong profits tax or had accumulated tax losses brought forward from previous years to offset the estimated profits for the period.

The Company and its subsidiaries incorporated in the British Virgin Islands and the Cayman Islands are not subject to any income tax pursuant to the local rules and regulations.

The statutory tax rate applicable to the Company's subsidiary incorporated in Germany was 15% for the six months ended 30 June 2018 and 2017. No provision for Germany income tax has been made as the subsidiary did not have any taxable profits for the period.

The statutory tax rate applicable to the Company's subsidiary incorporated in Ghana was 35% for the six months ended 30 June 2018 and 2017. No provision for Ghana income tax has been made as the subsidiary did not have any taxable profits for the period.

截至二零一八年及二零一七年六月三十日止六個月，香港利得稅按本公司於香港註冊成立的附屬公司的估計應課稅利潤的16.5%計算。由於附屬公司並無任何應繳納香港利得稅的應課稅利潤或過往年度承前累計稅項虧損可抵銷期內估計利潤，故並無作出香港利得稅撥備。

本公司及其於英屬處女群島及開曼群島註冊成立的附屬公司毋須根據當地法律及法規繳納任何所得稅。

截至二零一八年及二零一七年六月三十日止六個月，本公司於德國註冊成立的附屬公司適用的法定稅率為15%。由於該附屬公司並無任何應課稅利潤，故並無於期內作出德國所得稅撥備。

截至二零一八年及二零一七年六月三十日止六個月，本公司於迦納註冊成立的附屬公司適用的法定稅率為35%。由於該附屬公司並無任何應課稅利潤，故並無於期內作出迦納所得稅撥備。

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8 Income Tax (Credit)/Expense (continued)

The income tax rate of the Company's PRC subsidiaries is 25% except for the subsidiaries mentioned below:

Solargiga Energy (Qinghai) Co., Ltd. ("Qinghai") has been accredited as "High and New Technology Enterprise" by the relevant government authority in 2016 for a term of three years, and has been registered with the local tax authority to be eligible for a reduced income tax rate of 15%. Accordingly, Qinghai was entitled to the 15% income tax rate for the six months ended 30 June 2018 and 2017.

Jinzhou Yangguang Jinmao Photovoltaic Technology Co., Ltd. ("Jinzhou Jinmao") has been accredited as "High and New Technology Enterprise" by the relevant government authority in 2016 for a term of three years, and has been registered with the local tax authority to be eligible for a reduced income tax rate of 15%. Accordingly, Jinzhou Jinmao was entitled to the 15% income tax rate for the six months ended 30 June 2018 and 2017.

Jinzhou Huachang Photovoltaic Technology Ltd ("Jinzhou Huachang") has been accredited as "High and New Technology Enterprise" by the relevant government authority in 2014 for a term of three years, and has been registered with the local tax authority to be eligible for a reduced income tax rate of 15%. Jinzhou Huachang has renewed the "High and New Technology" certificate in 2017 effective for the three years from 2017 to 2019. Accordingly, Jinzhou Huachang was entitled to the 15% income tax rate for the six months ended 30 June 2018 and 2017.

Jinzhou Yangguang Motech Renewable Energy Co., Ltd ("Jinzhou Motech") has been accredited as "High and New Technology Enterprise" by the relevant government authority in 2017 for a term of three years, and has been registered with the local tax authority to be eligible for a reduced income tax rate of 15%. Accordingly, Jinzhou Motech was entitled to the 15% income tax rate for the six months ended 30 June 2018 and 2017.

8 所得稅(抵免)/開支(續)

本公司的中國附屬公司的所得稅稅率為25%，惟下述附屬公司除外：

陽光能源(青海)有限公司(「青海」)於二零一六年獲有關政府當局授予「高新科技企業」地位，為期三年，並已向當地稅務機關登記，符合資格減按15%的稅率繳付所得稅。因此，青海於截至二零一八年及二零一七年六月三十日止六個月可按15%所得稅率繳稅。

錦州錦懋光伏科技有限公司(「錦州錦懋」)於二零一六年獲有關政府當局授予「高新科技企業」地位，為期三年，並已向當地稅務機關登記，符合資格減按15%的稅率繳付所得稅。因此錦州錦懋於截至二零一八年及二零一七年六月三十日止六個月可按15%所得稅率繳稅。

錦州華昌光伏科技有限公司(「錦州華昌」)於二零一四年獲有關政府當局授予「高新科技企業」地位，為期三年，並已向當地稅務機關登記，符合資格減按15%的稅率繳付所得稅。二零一七年，錦州華昌更新「高新科技」證書，有效期為三年，自二零一七年起至二零一九年止。因此，錦州華昌於截至二零一八年及二零一七年六月三十日止六個月可按15%所得稅率繳稅。

錦州陽光茂迪新能源有限公司(「錦州茂迪」)於二零一七年獲有關政府當局授予「高新科技企業」地位，為期三年，並已向當地稅務機關登記，符合資格減按15%的稅率繳付所得稅。因此，錦州茂迪於截至二零一八年及二零一七年六月三十日止六個月可按15%所得稅率繳稅。

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9 Basic and Diluted (Loss)/Earnings per Share Attributable to Ordinary Equity Holders of the Company

(a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to ordinary equity holders of the Company of RMB107,280,000 (six months ended 30 June 2017: profit of RMB95,299,000) and the weighted average of 3,211,780,566 ordinary shares of the Company in issue during the period (six months ended 30 June 2017: 3,211,780,566).

(b) Diluted (loss)/earnings per share

The Company had no dilutive potential ordinary shares in issue for the periods ended 30 June 2018 and 2017.

10 Property, Plant and Equipment

During the six months ended 30 June 2018, the Group acquired property, plant and equipment at a total cost of RMB74,500,000 (six months ended 30 June 2017: RMB38,245,000). Assets with a net book value of RMB51,591,000 were disposed of by the Group during the six months ended 30 June 2018 (six months ended 30 June 2017: RMB5,487,000) resulting in a net loss on disposal of items of property, plant and equipment of RMB144,000 (six months ended 30 June 2017: net profit of RMB1,146,000). For the six months ended 30 June 2018, based on the estimated future cash flows of the CGUs concerned, no further impairment losses were provided for as at 30 June 2018 (for the six months ended 30 June 2017: no impairment loss).

9 本公司普通股權益持有人應佔每股基本及攤薄(虧損)/盈利

(a) 每股基本(虧損)/盈利

每股基本(虧損)/盈利乃根據本公司普通股權益持有人應佔虧損人民幣107,280,000元(截至二零一七年六月三十日止六個月:利潤人民幣95,299,000元)及期內本公司已發行普通股加權平均股數3,211,780,566股(截至二零一七年六月三十日止六個月:3,211,780,566股)計算。

(b) 每股攤薄(虧損)/盈利

於截至二零一八年及二零一七年六月三十日止期間,本公司並無潛在攤薄的已發行普通股。

10 物業、廠房及設備

於截至二零一八年六月三十日止六個月,本集團以總成本人民幣74,500,000元(截至二零一七年六月三十日止六個月:人民幣38,245,000元)添置物業、廠房及設備。本集團於截至二零一八年六月三十日止六個月期間處置賬面淨值為人民幣51,591,000元(截至二零一七年六月三十日止六個月:人民幣5,487,000元)的資產,因而產生處置物業、廠房及設備項目虧損淨額人民幣144,000元(截至二零一七年六月三十日止六個月:利益淨值人民幣1,146,000元)。截至二零一八年六月三十日止六個月,根據相關現金產生單位的估計未來現金流量,於二零一八年六月三十日概無就進一步減值虧損計提撥備(截至二零一七年六月三十日止六個月:無減值虧損)。

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11 Land Lease Prepayments

Lease prepayments represent the payments made on the acquisitions of the lands held under operating leases for production plants.

12 Prepayments for Raw Materials

In order to secure a stable supply of polysilicon materials, the Group entered into short-term and long-term contracts with certain raw material suppliers and made advance payments to these suppliers which are to be offset against future purchases. Prepayments for raw materials where the Group expects to receive the raw materials more than twelve months after the end of the reporting period are classified as non-current assets and to receive within one year are classified as current assets. There was no prepayment for raw materials made to a related party as at 30 June 2018 (31 December 2017: Nil).

As at 31 December 2014, management reassessed the prepayments for potential impairment and identified one of the suppliers, from which the Group failed to purchase the agreed quantities of polysilicon under the long-term supply contract, and therefore made a provision of RMB70,369,000.

Based on the assessment updated by management for the six months ended 30 June 2018, no further impairment was provided as at 30 June 2018. The movement in the impairment provision during the period merely represented exchange adjustments.

13 Investments in Associates

11 土地租賃預付款項

租賃預付款項為於經營租賃項下持有作生產廠房的土地收購事項作出的付款。

12 原材料的預付款項

為確保有穩定多晶硅原材料供應，本集團與若干原材料供應商訂立短期及長期合約並向該等供應商支付預付款項，該等款項將於日後購買中抵銷。本集團預期於報告期間結算日後十二個月以上方取得原材料的原材料預付款項分類為非流動資產，並將一年內取得原材料的原材料預付款項分類為流動資產。於二零一八年六月三十日，概無支付予關連方的原材料預付款項(二零一七年十二月三十一日：無)。

於二零一四年十二月三十一日，管理層已對預付款項的潛在減值重新作出評估，並已確認其中一名供應商，本集團未有根據長期供應合約向其購買指定數量的多晶硅，並因此作出人民幣70,369,000元的撥備。

根據管理層更新截至二零一八年六月三十日止六個月的評估，於截至二零一八年六月三十日止期間概無就減值進一步計提撥備或撥回減值。期內減值撥備變動僅為匯兌調整。

13 於聯營公司的投資

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Share of net assets 應佔資產淨值	5,400	5,251

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14. Financial Assets at Fair Value through Other Comprehensive Income

14 以公允價值計量且其變動計入其他綜合收益的金融資產

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Unlisted equity investment	非上市公司股權投資	2,430	-

The equity investment in the unlisted company is a limited liability company established in the PRC. On 1 January 2018 (the initial application date of HKFRS 9), the Group's management has assessed and classified the equity investment into equity investment through other comprehensive income and measured it at fair value.

非上市公司股權投資為於中國成立的有限責任公司。於二零一八年一月一日(香港財務報告準則第9號的首次適用日期)，本集團管理層已對該股權投資進行評估，將其重分類至變動計入其他綜合收益的股權投資，並以公允價值進行計量。

15 Inventories

15 存貨

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Materials and supplies	材料及供應品	154,468	156,661
Finished goods	製成品	286,925	262,072
Less: Provision for impairment	減：減值撥備	(51,663)	(15,202)
		389,730	403,531

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16 Trade and Bills Receivables, and Contract Assets **16 應收貿易賬款及票據及票據，合約資產**

(a) Trade and bills receivables

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	應收貿易賬款	1,333,412	1,345,780
Bills receivables	應收票據	241,146	376,178
Less: Impairment	減：減值	(84,429)	(73,350)
		1,490,129	1,648,608

The ageing analysis of trade and bills receivables (net of allowance for doubtful debts) at the end of reporting period based on invoice date is as follows:

於報告期間結算日，扣除呆賬撥備後的應收貿易賬款及票據的賬齡按發票日期分析如下：

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 month	一個月內	380,029	672,937
1 to 3 months	一至三個月	505,968	358,121
4 to 6 months	四至六個月	249,108	233,068
7 to 12 months	七至十二個月	247,834	298,998
Over 1 year	超過一年	107,190	85,484
		1,490,129	1,648,608

The Group normally allows a credit period of 30 to 90 days for its customers.

本集團一般授予其客戶30至90日的信貸期。

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16 Trade and Bills Receivables, and Contract Assets (continued)

(a) Trade and bills receivables (continued)

The ageing analysis of trade and bills receivables that are neither individually or collectively considered to be impaired is as follows:

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Not past due	無逾期	1,046,963	1,368,439
Less than 1 month past due	逾期少於一個月	168,169	90,543
1 to 3 months past due	逾期一至三個月	178,583	118,350
4 to 6 months past due	逾期四至六個月	60,560	13,609
7 to 12 months past due	逾期七至十二個月	16,500	10,516
Over 1 year past due	逾期超過一年	19,354	47,151
		1,490,129	1,648,608

As at 30 June 2018, bills receivables had been pledged as security to banks for acquiring interest-bearing bank borrowings amounting to RMB143,000,000 (31 December 2017: RMB219,749,000), for issuing bills payable to suppliers amounting to RMB16,922,000 (31 December 2017: RMB53,196,000), and for issuing letters of guarantee amounting to RMB18,000,000 (31 December 2017: RMB20,000,000).

(b) Contract assets

As at 30 June 2018, the Group had contract assets of RMB34,089,000 (as at 31 December 2017: Nil) with no impairment for expected credit losses.

16 應收貿易賬款及票據及票據，合約資產 (續)

(a) 應收貿易款及票據 (續)

並無個別或共同被視為減值的應收貿易賬款及票據的賬齡分析如下：

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Not past due	無逾期	1,046,963	1,368,439
Less than 1 month past due	逾期少於一個月	168,169	90,543
1 to 3 months past due	逾期一至三個月	178,583	118,350
4 to 6 months past due	逾期四至六個月	60,560	13,609
7 to 12 months past due	逾期七至十二個月	16,500	10,516
Over 1 year past due	逾期超過一年	19,354	47,151
		1,490,129	1,648,608

於二零一八年六月三十日，應收票據人民幣143,000,000元(二零一七年十二月三十一日：人民幣219,749,000元)已抵押予銀行作為取得計息借貸的抵押品，作為發行償付供應商的票據的抵押品為人民幣16,922,000元(二零一七年十二月三十一日：人民幣53,196,000元)及開具擔保保函為人民幣18,000,000元(二零一七年十二月三十一日：人民幣20,000,000元)。

(b) 合約資產

於二零一八年六月三十日，本集團的合約資產為人民幣34,089,000元(於二零一七年十二月三十一日：零)，預期信貸虧損並無減值。

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17 Prepayments, Deposits and Other Receivables

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Prepayments for raw materials	原材料的預付款項	95,905	142,686
Deductible value-added tax	可扣減增值稅	192,977	180,412
Other receivables	其他應收款項	27,609	31,029
Less: Impairment	減：減值	(6,800)	(6,800)
		309,691	347,327

18 Pledged Deposits

Certain of the Group's bank deposits were pledged to secure bank loans and other banking facilities granted to the Group as follows:

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Pledged as security for bank loans	抵押作為銀行貸款的抵押品	335,730	176,296
Others	其他	80,561	42,801
		416,291	219,097

17 預付款項、按金及其他應收款項

18 已抵押存款

本集團若干銀行存款已就本集團獲授的銀行貸款及其他銀行融資作出抵押，載列如下：

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19 Cash and Cash Equivalents

19 現金及現金等價物

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Cash and cash equivalents	現金及現金等價物	116,047	191,185

20 Interest-bearing Borrowings

20 計息借貸

Group	本集團	Notes 附註	30 June 2018 二零一八年六月三十日			31 December 2017 二零一七年十二月三十一日		
			Effective interest rate (%) 實際利率 (%)	Maturity 到期	RMB'000 人民幣千元 (Unaudited) (未經審核)	Effective interest rate (%) 實際利率 (%)	Maturity 到期	RMB'000 人民幣千元 (Audited) (經審核)
Current:	流動：							
Bank loans — secured	銀行貸款 — 有抵押	(a)	2.7688–7.5	2018–2019	985,775	2.3744–7.14	2018	1,024,880
Bank loans — guaranteed	銀行貸款 — 已擔保	(b)	2.5–6.3075	2018–2019	915,115	2.5–7.14	2018	895,763
Current portion of long-term borrowings	長期借貸的 流動部分							
Third parties — guaranteed	第三方 — 已擔保	(b)	1.6–3.3	2018–2019	2,944	1.6–3.3	2018	1,679
Total	合計				1,903,834			1,922,322
Non-current:	非流動：							
Third parties — guaranteed	第三方 — 已擔保	(b)	1.6–6	2019–2023	130,740	1.6–6	2019–2020	124,758
Total	合計				130,740			124,758

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20 Interest-bearing Borrowings (continued)

- (a) The bank borrowings are secured, among which RMB985,775,000 (31 December 2017: RMB1,024,880,000) was secured by certain of the Group's bills receivables, property, plant and equipment and land lease prepayments with the net book value of RMB484,681,000 (31 December 2017: RMB604,297,000).
- (b) Certain subsidiaries' borrowings are guaranteed by other subsidiaries of the Group.

20 計息借貸(續)

- (a) 銀行借貸為有抵押，其中人民幣985,775,000元(二零一七年十二月三十一日：人民幣1,024,880,000元)以本集團賬面淨值為人民幣484,681,000元(二零一七年十二月三十一日：人民幣604,297,000元)的若干應收票據、物業、廠房及設備以及土地租賃預付款項作抵押。
- (b) 若干附屬公司的借貸乃由本集團其他附屬公司提供擔保。

21 Trade and Bills Payables

21 應付貿易賬款及票據

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables	應付貿易賬款	467,034	611,729
Bills payables	應付票據	658,872	443,807
		1,125,906	1,055,536

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21 Trade and Bills Payables (continued)

- (a) The ageing analysis of trade and bills payables at the end of the reporting period based on invoice date is as follows:

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 month	一個月內	317,310	413,868
1 to 3 months	一至三個月	325,517	285,633
4 to 6 months	四至六個月	402,909	292,278
7 to 12 months	七至十二個月	40,873	18,226
Over 1 year	超過一年	39,297	45,531
		1,125,906	1,055,536

- (b) As at 30 June 2018, the Group's bills payables of RMB33,845,000 (31 December 2017: RMB95,700,000) were secured by the Group's bills receivables of RMB16,922,000 (31 December 2017: RMB53,196,000) (Note 16).

21 應付貿易賬款及票據(續)

- (a) 於報告期間結算日，應付貿易賬款及票據的賬齡按發票日期分析如下：

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 1 month	一個月內	317,310	413,868
1 to 3 months	一至三個月	325,517	285,633
4 to 6 months	四至六個月	402,909	292,278
7 to 12 months	七至十二個月	40,873	18,226
Over 1 year	超過一年	39,297	45,531
		1,125,906	1,055,536

(b) 於二零一八年六月三十日，本集團人民幣33,845,000元(二零一七年十二月三十一日：人民幣95,700,000元)的應付票據以本集團人民幣16,922,000元(二零一七年十二月三十一日：人民幣53,196,000元)的應收票據作抵押(附註16)。

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30 June 2018 二零一八年六月三十日
(Expressed in Renminbi) (以人民幣列值)

22 Other Payables and Accruals

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Other payables and accrued expenses	其他應付款項及應計開支	147,686	110,890
Other tax payables	其他應付稅項	24,059	23,444
Dividends payable	應付股息	2,311	142
		174,056	134,476

23 Provision for Inventory Purchase Commitments

A subsidiary of the Group entered into a long-term supply contract (the "Supply Contract") with one of its suppliers in 2011. As at 30 June 2018, the subsidiary has made a non-refundable prepayment of US\$11,500,000 to the supplier, based on the Supply Contract. As at 30 June 2018, the subsidiary recognised a provision for impairment of RMB76,091,000 (31 December 2017: RMB75,143,000) (note 12) for the non-refundable prepayment and a provision of RMB47,127,000 (31 December 2017: RMB46,539,000) for the onerous contract.

On 27 April 2018, the supplier filed a complaint and a claim of a sum totalling approximately US\$391,000,000 against the subsidiary for the above breach of the Supply Contract. The case is unsettled and currently under trial. Based on information currently available to the Group, the directors determined that it was not necessary to make any further provision for the contingent losses from the Supply Contract during the period ended 30 June 2018.

22 其他應付款項及應計開支

23 存貨購買承擔撥備

本集團一間附屬公司與其供應商之一於二零一一年訂立長期供應合約(「供應合約」)。於二零一八年六月三十日，該附屬公司向供應商支付不可退回的預付款項11,500,000美元。於二零一八年六月三十日，該附屬公司已就不可退回的預付款項確認減值撥備人民幣76,091,000元(二零一七年十二月三十一日：人民幣75,143,000元)(附註12)，並就有償合約確認撥備人民幣47,127,000元(二零一七年十二月三十一日：人民幣46,539,000元)。

二零一八年四月二十七日，該供應商就上述違反供應合約事項向子公司提出申訴，並索賠總額約391,000,000美元。此案尚未判決，目前正在審理中。根據集團當前可獲得的資訊，董事確定沒有必要對截至二零一八年六月三十日止期間供應合約的或有損失確認進一步撥備。

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24 Finance Lease Payables

The Group leases certain of its plant and machinery for its Segment A. These leases are classified as finance leases and have remaining lease terms ranging from one to three years.

As at 30 June 2018, the total future minimum lease payments under finance leases and their present values were as follows:

24 融資租賃應付款項

本集團就分部A租賃若干廠房及機器。該等租賃歸類為融資租賃，剩餘租期介乎一至三年不等。

於二零一八年六月三十日，根據融資租賃日後的最低租賃付款總額及其現值如下：

		Minimum lease payments 最低租賃款項		Present value of minimum lease payments 最低租賃款項之現值	
		30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)	30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Amounts payable:	應付金額：				
Within one year	一年內	7,049	8,519	6,840	8,242
In the second year	第二年	-	1,864	-	1,598
Total minimum finance lease payments	融資租賃最低付款總額	7,049	10,383	6,840	9,840
Future finance charges	未來融資費用	(209)	(543)		
Total net finance lease payables	融資租賃應付款項總淨額	6,840	9,840		
Portion classified as current liabilities	歸類為流動負債的部分	(6,840)	(8,000)		
Non-current portion	非流動部分	-	1,840		

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25 Deferred Income

Various government grants have been received by the Group for generating export sales, participating in high-tech industry and constructing various manufacturing and photovoltaic power plants in Jinzhou, Liaoning Province, and Qinghai Province, the PRC.

Those government grants related to assets are recognised in the statement of financial position initially as deferred income and are amortised to profit or loss as other income over the useful lives of the assets.

26 Other Non-current Liabilities

The Group's photovoltaic modules were typically sold with a 2 or 5-year warranty for defects in materials and workmanship and a 10-year and 25-year minimum power output warranty, against declines of more than 10% and 20%, respectively, of initial power generation capacity from the date of delivery. The Group has the obligation to repair or replace solar modules, under the terms of the warranty policy. The Group maintains warranty reserves to cover potential liabilities that could arise under these warranties.

The Group have adopted the equivalent of 1% of photovoltaic modules' revenues to estimate the warranty obligation, which is consistent with the practice of the solar industry. In light of the historical sharp decline and anticipated long-term decreasing trend of module prices, the Group reassessed and updated the estimation of future warranty costs with effect from 1 January 2018. The accrual basis still stays at 1% as prior assumptions, and based on the historical experience and best estimation, the Group believes that the average selling price of solar modules over the past two years would reflect the estimated warranty cost liability more precisely, as opposed to the current and past spot prices. According to the updated product replacement cost, the Group decreased the warranty provision in respect of prior years of RMB30,513,000 for the six months ended 30 June 2018.

25 遞延收入

本集團因產生出口銷售、從事高科技行業及在中國遼寧省錦州和青海省興建多個製造廠房及光伏電站而獲得不同的政府補貼。

該等與資產相關的政府補貼最初於財務狀況表中確認為遞延收入，並按資產可使用年期於損益內攤銷為其他收入。

26 其他非流動負債

本集團的光伏組件出售時一般附帶自交付日期起2年或5年物料損壞及人工保用，以及10年及25年最低電力輸出保證，分別保證電力輸出下降幅度不會多於初步發電產能10%及20%。根據保用政策條款，本集團有責任對太陽能組件進行維修或置換。本集團設有保用儲備以覆蓋該等保用項下的潛在負債。

本集團已採用相當於光伏組件1%的收入來估計保用責任，這與太陽能行業的慣例一致。鑑於組件價格的歷史大幅下跌及預期長期下跌趨勢，本集團於二零一八年一月一日起重新評估並更新未來保用成本的估計。計提比例依先前假設仍為1%，並以就歷史經驗及最佳估計而言，本集團相信過去兩年太陽能組件的平均售價更準確地反映估計的保用責任，而不是現時及過去的現貨價格。根據更新後的產品更換成本，截至二零一八年六月三十日止六個月期間，本集團減少以前年度的保用成本撥備人民幣30,513,000元。

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27 Capital, Reserves and Dividends

(a) Dividends

The directors did not recommend the payment of a dividend in respect of the six months ended 30 June 2018 (six months ended 30 June 2017: Nil).

(b) Share capital

The Company's ordinary shares are set out below:

		As at 30 June 2018 於二零一八年六月三十日		As at 31 December 2017 於二零一七年十二月三十一日	
		No. of shares 股份數目	Amount 金額 RMB'000 人民幣千元 (Unaudited) (未經審核)	No. of shares 股份數目	Amount 金額 RMB'000 人民幣千元 (Audited) (經審核)
At 30 June/ 31 December	於六月三十日/ 十二月三十一日	3,211,780,566	276,727	3,211,780,566	276,727

27 資本、儲備及股息

(a) 股息

董事不建議就截至二零一八年六月三十日止六個月派付股息(截至二零一七年六月三十日止六個月：無)。

(b) 股本

本公司的普通股載列如下：

28 Capital Commitments

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Contracted but not provided for	已訂約但未計提撥備	10,224	4,278
Authorised but not contracted for	已授權但未訂約	124,393	332,202
		134,617	336,480

28 資本承擔

Notes to Interim Condensed Consolidated Financial Statements
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29 Material Related Party Transactions and Balances

(a) Significant related party transactions

29 重大關連方交易及結餘

(a) 重大關連方交易

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Note 附註	
Sales of goods to:	銷售貨品予：		
the entities controlled by the directors of the Company or close members of directors' family	本公司董事或董事的近親所控制的實體	(i)	116
			118
Purchases of goods from:	向下列各方購買貨品：		
the associates of the Group	本集團聯營公司	(i)	77
the entities controlled by the directors of the Company or close members of directors' family	本公司董事或董事的近親所控制的實體	(i)	593
			2,326

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30 June 2018 二零一八年六月三十日
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29 Material Related Party Transactions and Balances (continued)

(b) Outstanding balances with related parties

29 重大關連方交易及結餘 (續)

(b) 與關連方之間的尚未償還結餘

			As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade and bills receivables: the associates of the Group the entities controlled by the directors of the Company or close members of directors' family	應收貿易賬款及票據： 本集團聯營公司 本公司董事或 董事的近親 所控制的實體	(ii)	1,003	900
			89	12
			1,092	912
Prepayment: the entities controlled by the directors of the Company or close members of directors' family	預付款項： 本公司董事或 董事的近親 所控制的實體	(ii)	5,707	1,207
			5,707	1,207
Trade payables: the entities controlled by the directors of the Company or close members of directors' family	應付貿易賬款： 本公司董事或 董事的近親 所控制的實體	(ii)	2,180	2,132
			2,180	2,132

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29 Material Related Party Transactions and Balances (continued)

(b) Outstanding balances with related parties (continued)

Notes:

- (i) In the opinion of the directors, the transactions between the Group and the related parties were conducted in the ordinary and usual course of business and on normal commercial terms, and the pricing terms were at the prevailing market prices.
- (ii) The above balances are unsecured, non-interest-bearing and repayable on demand. Trade receivables from and trade payables to related parties are repayable or settled on the respective credit terms.

30 Fair Value and Fair Value Hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of cash and short-term deposits, restricted cash, financial assets included in prepayments, deposits and other receivables, trade and bills receivables, trade and bills payables, financial liabilities included in other payables and accruals, and the current-portion of interest-bearing bank borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of finance lease payables, and the non-current portion of interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments on with similar terms, credit risk and remaining maturities. The carrying amount of the non-current portion of interest-bearing bank borrowings is reasonably approximate to fair values.

The fair value of financial asset at fair value through other comprehensive income has been estimated by using valuation techniques, including price of recent investment, discounted cash flows from the investment, market multiples methods, etc.. The fair value was based on value inputs that are not observable market data, but change of these value inputs to reasonably possible alternatives would not have material effect on the Group's results and financial position. It fall into Level 3 of the fair value hierarchy described below.

29 重大關連方交易及結餘(續)

(b) 與關連方之間的尚未償還結餘 (續)

附註：

- (i) 董事認為，本集團與關連方之間的交易是在一般及日常業務過程中按正常商業條款進行，定價條款乃按照當前的市場慣例。
- (ii) 上述結餘為無抵押、免息及須按求償還。應收及應付關連方的貿易賬款均按各自的信貸條款償還或清償。

30 公平值及公平值層級

財務資產及負債的公平值乃按有關工具在自願雙方進行的當前交易(強迫或清算銷售除外)中可交換的金額入賬。用以估計公平值的方法及假設如下：

現金及短期存款、受限制現金、計入預付款項、按金及其他應收款項的財務資產、應收貿易賬款及票據、應付貿易賬款及票據、計入其他應付款項及應計開支的財務負債以及計息銀行借貸的流動部分的公平值與其賬面值相若，主要因為該等工具均於短期內到期。

應付融資租賃款項以及計息銀行借貸的非流動部分的公平值乃採用條款、信貸風險及餘下到期日類似的工具現時可獲得的利率貼現預期未來現金流量的方式計算。計算銀行借貸非流動部分的賬面值與公平值合理相約。

以公允價值計量且其變動計入其他綜合收益的金融資產的公允價值採用估值技術估計，包括近期投資價格，投資貼現現金流量，市場倍數法等。公允價值乃根據不可觀察市場數據的估值輸入值計量，但更改此等估值輸入值，以其他合理及可能的選擇再作估算，不會對本集團的業績及財務狀況有重大影響。本集團採用下述第三層級公允價值。

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30 Fair Value and Fair Value Hierarchy

(continued)

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: Fair value measured based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Fair value measured based on valuation techniques for which all inputs which have a significant effect on the fair value are observable, either directly or indirectly.

Level 3: Fair value measured based on valuation techniques for which any inputs which have a significant effect on the fair value are unobservable.

As at 30 June 2018

		Fair value measurement using 公允價值計量			
		Quoted prices in active markets (Level 1) 活躍市場報價 第一層級 RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入值第二層級 RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值第三層級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets at fair value through other comprehensive income	以公允價值計量且其變動 計入其他綜合收益的 金融資產	-	-	2,430	2,430

31 Events after the Reporting Period

No significant events after the reporting period are noted.

32 Approval of the Interim Condensed Consolidated Financial Statements

The interim condensed consolidated financial statements were approved and authorised for issue by the board of the directors on 31 August 2018.

30 公平值及公平值層級(續)

本集團採用以下層級確定及披露金融工具的公允價值：

第一層級：公允價值計量基於活躍市場同類資產或負債(未經調整)報價。

第二層級：對於重大直接或間接可觀察輸入值，公允價值基於估值技術。

第三層級：對於重大不可觀察輸入值，公允價值基於估值技術。

於二零一八年六月三十日

31 報告期間後事項

並無注意到報告期間後有任何重大事項。

32 批准中期簡明綜合財務報表

董事會已於二零一八年八月三十一日核准並許可發出中期簡明綜合財務報表。



Solargiga Energy



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