



## NEO-NEON HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)  
Stock Code: 1868.HK; 911868.TDR

# 2015 INTERIM REPORT

A collage of several images showing various LED lighting applications, including architectural lighting on buildings, interior lighting in a modern office or retail space, and outdoor lighting on a bridge or walkway.

**NEW BEGINNING  
NEW WARPATH**

Professional LED product research,  
development and production.

## CONTENTS

	<i>Page(s)</i>
Corporate Information	2
Management Discussion and Analysis	4
Corporate Governance and Other Information	10
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	21
Condensed Consolidated Statement of Financial Position	23
Condensed Consolidated Statement of Changes in Equity	25
Condensed Consolidated Cash Flow Statement	27
Notes to the Condensed Consolidated Financial Statements	28

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Executive Directors**

Mr. Lu Zhi Cheng (*Chairman*)  
Mr. Ben Fan  
Mr. Wang Liang Hai  
Mr. Seah Han Leong  
Mr. Pan Jin

**Non-executive Director**

Mr. Liu Wei Dong

**Independent non-executive Directors**

Mr. Fan Ren Da Anthony  
Mr. Liu Tian Min  
Ms. Li Ming Qi

**AUDIT COMMITTEE**

Ms. Li Ming Qi (*Chairman*)  
Mr. Liu Tian Min  
Mr. Fan Ren Da Anthony

**REMUNERATION COMMITTEE**

Mr. Liu Tian Min (*Chairman*)  
Mr. Lu Zhi Cheng  
Mr. Fan Ren Da Anthony  
Ms. Li Ming Qi

**NOMINATION COMMITTEE**

Mr. Lu Zhi Cheng (*Chairman*)  
Mr. Fan Ren Da Anthony  
Mr. Liu Tian Min  
Ms. Li Ming Qi

**REGULATORY COMPLIANCE COMMITTEE**

Mr. Fan Ren Da Anthony (*Chairman*)  
Mr. Pan Jin  
Mr. Liu Tian Min  
Ms. Li Ming Qi

**AUTHORIZED REPRESENTATIVES**

Mr. Seah Han Leong  
Mr. Chan Cheung

**COMPANY SECRETARY**

Mr. Chan Cheung

**CORPORATE INFORMATION** *(Continued)*

<b>HONG KONG BRANCH SHARE REGISTRAR</b>	Tricor Investor Services Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
<b>AUDITOR</b>	KPMG
<b>LAWYER AS TO HONG KONG LAWS</b>	Orrick, Herrington & Sutcliffe 43rd Floor, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong
<b>PRINCIPAL BANKS</b>	China Construction Bank Limited, HeShan Branch Taishin International Bank, Hong Kong Branch China Everbright Bank Company Limited, Jiangmen Branch
<b>REGISTERED OFFICE</b>	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
<b>PRINCIPAL PLACE OF BUSINESS IN HONG KONG</b>	Unit 806-810, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong
<b>PRINCIPAL SHARE REGISTRAR</b>	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House 24 Shedden Road, George Town Grand Cayman KY1-1110 Cayman Islands
<b>COMPANY WEBSITE ADDRESS</b>	<a href="http://www.neo-neon.com">www.neo-neon.com</a>
<b>STOCK CODE</b>	1868

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Revenue

The revenue for the Period was approximately RMB242.3 million, as compared to approximately RMB404.7 million for six months ended 30 September 2014, which was mainly attributable to (1) the seasonality of our sales (July, August and September are generally peak season of our sales), (2) the selective acceptance of orders. During the Period, the Group took a prudent approaching in dealing with orders by selecting the orders with relatively higher profit margin, and (3) the relatively slow-down in economy in Europe (the revenue attributable to our European market was RMB30.4 million, representing a decrease of RMB45.8 million as compared to approximately RMB76.2 million, as restated, for the six months ended 30 September 2014).

#### Cost of Goods Sold

For the Period, the cost of goods sold was approximately RMB178.8 million, representing a decrease of approximately RMB236.3 million over approximately RMB415.1 million for the six months ended 30 September 2014. Such decrease was mainly attributable to the decrease in sales revenue.

#### Gross Profit (Loss) and Gross Profit (Loss) Margin

For the Period, the Group recorded a gross profit of approximately RMB63.5 million, which represents a significant improvement compared with the six months ended 30 September 2014, when the Group recorded a gross loss of approximately RMB10.3 million.

The Group recorded a gross profit margin of approximately 26.2% for the Period, representing an increase of 28.8% over a gross loss margin of approximately 2.6% for the six months ended 30 September 2014, primarily due to (1) impairment provision for inventory of approximately RMB0.3 million (the six months ended 30 September 2014: RMB58.1 million, as restated), (2) the selective acceptance of orders. During the Period, the Group took a prudent approaching to sales by selecting the orders with relatively higher profit margin, and (3) decrease in manufacturing expenses of approximately RMB66.0 million, mainly comprising staff salaries, depreciation costs and utility charges.

## FINANCIAL REVIEW *(Continued)*

### Other Gains, Losses and Expenses

For the Period, the Group recorded other gains of approximately RMB44.9 million, representing an increase of approximately RMB43.2 million over other gains of RMB1.7 million for the six months ended 30 September 2014, due to (1) the net gains of approximately RMB27.4 million resulting from sales of workshops and land use right of Yinyu Semiconductor Photovoltaic (Guangdong) Limited (廣東銀雨芯片半導體有限公司) (“**Yinyu Semiconductor**”), a subsidiary of the Company, as compared to RMB52.7 million, as restated, from disposal of plant and land of Heshan Tongfang Lighting Technology Co., Ltd. (鶴山同方照明科技有限公司) (“**Heshan Tongfang**”), a subsidiary of the Company, for the six months ended 30 September 2014, and (2) the reversal of allowance for bad debt being RMB13.3 million for the Period due to the improvement on receivables recovery, as compared to allowance for bad debt being RMB42.5 million, as restated, for the six months ended 30 September 2014.

### Impairment Loss of Property, Plant and Equipment

For the Period, the amount of impairment losses recognised in respect of property, plant and equipment was nil (30 September 2014: RMB32.7 million, as restated).

### Operating Expenses

The distribution and selling expenses mainly comprised staff costs, promotion and advertising, freight and transportation, agency and custom costs and rent and rates. For the Period, the distribution and selling expenses of the Group were approximately RMB38.3 million, representing a decrease of approximately RMB4.5 million over approximately RMB42.8 million for the six months ended 30 September 2014, mainly due to (1) the decrease in transportation expense for approximately RMB1.6 million, (2) the decrease in after-sales services expenses for approximately RMB1.0 million and (3) the decrease in inspection expenses and insurance related expenses for approximately RMB1.8 million.

The administrative expenses mainly comprised staff costs, directors remuneration, depreciation charge, professional and legal fee and business tax. The administrative expenses for the Period were approximately RMB66.9 million, representing a decrease of approximately RMB3.6 million over approximately RMB70.5 million for the six months ended 30 September 2014, mainly due to the decrease in human resources costs for approximately RMB7.3 million.

### Finance Costs

The finance costs for the Period was approximately RMB1.2 million, representing a decrease over RMB4.5 million for the six months ended 30 September 2014, mainly due to the bank loan of RMB89.8 million as at 30 June 2015, representing a decrease of RMB78.8 million as compared to RMB168.6 million as at 30 September 2014.

## FINANCIAL REVIEW *(Continued)*

### Taxation

For the Period, the Group's tax charge of RMB3.6 million (30 September 2014: tax charge of RMB0.09 million, as restated) mainly included taxation imposed in overseas jurisdictions of approximately RMB4.3 million, and deferred taxation of approximately RMB0.7 million.

### Profit (Loss) Attributable to Owners of the Company

For the Period, the Group recorded a profit attributable to owners of the Company of RMB3.4 million. This represents an improvement compared with the six months ended 30 September 2014 when the Group recorded a loss attributable to owners of the Company of RMB156.5 million. Such improvement was mainly due to (1) increase in gross profit of approximately RMB73.8 million, (2) the decrease in gains on disposal of property, plant and equipment and prepaid lease payments for RMB25.3 million, (3) a decrease in impairment losses recognised in respect of property, plant and equipment of RMB32.7 million, (4) a decrease in provision on receivables of RMB56.3 million, and (5) decrease in operating expenses and other expenses of approximately RMB18.8 million.

### Financial Resources and Liquidity and Gearing Ratio

The Group maintained a stable financial position. As at 30 June 2015, the Group had bank balances of RMB580.8 million and short-term bank loans of RMB89.8 million. The gearing ratio representing the ratio of short-term bank loans to total equity of the Group was 7.9% as at 30 June 2015 (31 December 2014: 9.9%). Such decrease was mainly caused by decrease in bank loan of RMB23.0 million.

### Cash Flows

The Group's financial resources mainly consist of cash flow from investing activities and financing activities.

For the Period, the Group recorded (1) cash outflow from operating activities of approximately RMB62.3 million (the six months ended 30 September 2014: RMB97.5 million, as restated), (2) cash outflow from investing activities of approximately RMB12.1 million (for the six months ended 30 September 2014: cash inflow of approximately RMB80.4 million, as restated), and (3) cash outflow from financing activities of approximately RMB23.1 million (the six months ended 30 September 2014: cash inflow of approximately RMB701.0 million, as restated).

## FINANCIAL REVIEW *(Continued)*

### Cash Flows *(Continued)*

The above decrease in cash inflow from investing activities was mainly attributable to (1) the sales of properties, workshops and equipment during the Period being RMB0.9 million, as compared to RMB72.7 million, as restated, for the six months ended 30 September 2014 and (2) the nil recovery of loan receivables during the Period (for the six months ended 30 September 2014: RMB35.2 million, as restated).

The above decrease in cash inflow from financing activities was mainly attributable to (1) decrease in bank loan of RMB21.9 million during the Period, as compared to RMB10.4 million, as restated, for the six months ended 30 September 2014 and (2) the subscription of shares in the Company by THTF ES for a consideration of RMB715.9 million, as restated, during the six months ended 30 September 2014.

### Assets and Liabilities

As at 30 June 2015, the Group recorded the total assets of approximately RMB1,473.9 million (31 December 2014: RMB1,524.6 million) and total liabilities of approximately RMB334.8 million (31 December 2014: RMB387.8 million).

As at 30 June 2015, the Group's current assets and non-current assets were approximately RMB1,051.3 million (31 December 2014: RMB1,068.7 million) and approximately RMB422.6 million (31 December 2014: RMB455.9 million) respectively. The decrease in assets was mainly attributable to the sales of workshops and land use right of Yinyu Semiconductor.

As at 30 June 2015, the Group's current liabilities and long-term liabilities were approximately RMB316.1 million (31 December 2014: RMB367.8 million) and approximately RMB18.7 million (31 December 2014: RMB20.0 million) respectively. The decrease in current liabilities was mainly attributable (1) the bank loan of RMB89.8 million as at 30 June 2015, representing a decrease of RMB23.0 million as compared to RMB112.8 million as at 31 December 2014, and (2) the refunding of the government grants amounting to RMB37.2 million due to change of the Group's investment plan in one of the economic development zones.



## FINANCIAL REVIEW *(Continued)*

### Foreign Exchange Risk

Several subsidiaries of the Company have sales and purchases denominated in currencies other than the functional currency of respective entity, which expose the Group to foreign currency risk.

The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures. However, the management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposures should the need arise.

### Charge on Assets

As at 30 June 2015, the Group had pledged certain of its land and buildings with an aggregate carrying value of RMB20.5 million (31 December 2014: RMB10.7 million), certain of its trade receivables and inventories with an aggregate carrying value of RMB26.9 million (31 December 2014: RMB26.9 million), and also bank deposits of aggregate carrying value of RMB1.5 million (31 December 2014: RMB1.2 million) to secure bank credit facilities granted to the Group.

### Capital Commitments

As at 30 June 2015, the Group had capital expenditure contracted for but not provided in the financial statements in respect of the acquisition of property, plant and equipment of RMB4.7 million (31 December 2014: RMB13.0 million).

### Contingent Liabilities

During the Period, certain subsidiaries are parties to various legal claims in their ordinary course of business. In the opinion of the Directors, these claims would not have a significant impact on the Group's results and financial position.

### Capital Structure

As at 30 June 2015, the issued share capital of the Company was RMB171,896,724 (equivalent to HK\$193,931,969) (31 December 2014: RMB171,896,724 (equivalent to HK\$193,931,969)), divided into 1,939,319,694 ordinary shares of HK\$0.10 each.

### Material Acquisition, Disposal and Significant Investment

There is no major acquisition, disposal or significant investment during the Period.

### Interim Dividend

The Board resolved not to declare any interim dividend for the Period (30 September 2014: nil, as restated).

## BUSINESS REVIEW

### Overview

During the Period, the Group seized the opportunity to explore the overseas market without slack, vigorously developed sales channels in the PRC market, increased the gross margins, improved the management level, and revitalized idle assets, then an improvement in operating performance has been achieved.

During the Period, the sales revenue of American Lighting Inc., an indirect wholly owned subsidiary of the Company and based in Denver, USA has outperformed the expectation. The primary fuels are its opportunity to drive strong revenue growth in large national retailers, its step-up presence in e-commerce, and that American Lighting Inc. has started harvesting success in newly developed products. Management believes the momentum will continue through the foreseeable future.

During the Period, the Group focused on better after-sales services and experienced a number of customer complaints on improving customer satisfaction. In addition, to prevent controversial disputes and litigation, the Group strengthened its quality control over production and enhanced the effectiveness in management.

### Sales and Distribution

During the Period, the Group took efforts in distribution and marketing, improves and expands the sales channel of general LED lighting products. The Group proactively made deployment in brand establishment and sales channel in the world's fastest growing markets and brought to its customers better sales services in energy-saving technologies and solutions.

### Research and Development ("R&D")

The Group's R&D efforts were driven towards product design, new product development and production efficiency improvement in order to reduce the overall production cost.

### Employees and Remuneration Policy

As at 30 June 2015, the Group's total number of employees was approximately 3,000 (31 December 2014: 3,300). The basic remunerations of the employees are determined with reference to the industry remuneration benchmark, the employees' experience and their performance. Salaries of employees are maintained at a competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. Directors' remuneration is determined based on a variety of factors such as market conditions and responsibilities assumed by each Director. Apart from the basic remuneration and statutory benefits required by laws, the Group provides discretionary bonus based upon the Group's results and the individual performance of the staff.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **CORPORATE GOVERNANCE CODE**

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders.

Throughout the Period, the Company complied with all code provisions and, where appropriate, adopted the recommended best practices as set out in the Corporate Governance Code in Appendix 14 to the Listing Rules.

### **MODEL CODE**

The Company has also adopted the Model Code set out in Appendix 10 of the Listing Rules throughout the Period as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with all Directors of the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the Period.

### **REVIEW OF INTERIM FINANCIAL STATEMENTS**

The Directors confirm that disclosure of financial information in this interim report complies with Appendix 16 of the Listing Rules. The audit committee of the Company has held meetings to discuss the internal controls and financial reporting matters of the Company, including the review of the interim results and the unaudited consolidated interim financial statements for the Period. The interim financial report is unaudited.

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

### **DIVIDENDS**

The Board of Directors resolved not to declare any interim dividend for the Period.

## DISCLOSURE OF INTERESTS

### Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2015, the Directors and the chief executive of the Company and their respective associates had the following interests or short positions 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 (Chapter 571 of the laws of Hong Kong) (the "SFO")) which have been notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executive of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are 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 pursuant to the Model Code:

#### Long Positions in the Shares and underlying Shares of the Company:

Name	Capacity	Number of Ordinary Shares as at the date of this report	Percentage of total issued share capital as at the date of report
Mr. Ben Fan <sup>(1)</sup>	Beneficial owner, spouse interest and interest of controlled corporation	364,866,000	18.81%
Mr. Lu Zhi Cheng <sup>(2)</sup>	Beneficial owner	3,000,000	0.15%
Mr. Wang Liang Hai <sup>(3)</sup>	Beneficial owner	1,500,000	0.08%
Mr. Seah Han Leong <sup>(4)</sup>	Beneficial owner	1,500,000	0.08%
Mr. Pan Jin <sup>(5)</sup>	Beneficial owner	1,500,000	0.08%
Mr. Liu Wei Dong <sup>(6)</sup>	Beneficial owner	1,000,000	0.05%
Mr. Fan, Ren Da Anthony <sup>(7)</sup>	Beneficial owner	600,000	0.03%
Mr. Liu Tian Min <sup>(8)</sup>	Beneficial owner	600,000	0.03%
Ms. Li Ming Qi <sup>(9)</sup>	Beneficial owner	600,000	0.03%

**DISCLOSURE OF INTERESTS** *(Continued)***Long Positions in the Shares and underlying Shares of the Company:**  
*(Continued)*

Notes:

- (1) Mr. Ben beneficially holds 600,000 Shares and holds the entire issued share capital of Rightmass Agents Limited ("Rightmass") and is therefore deemed to be interested in all 336,400,000 Shares held by Rightmass. Mr. Ben Fan is the spouse of Mr. Michelle Wong and he is therefore deemed to be interested in all 26,366,000 Shares in which Mr. Michelle Wong is interested in by reason that she directly holds 10,668,000 Shares and holds 35% interest in Charm Light International Limited, which in turn holds 15,698,000 Shares of the Company. Mr. Ben is also deemed to be interested in 1,500,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.
- (2) Mr. Lu Zhi Cheng is deemed to be interested in 3,000,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.
- (3) Mr. Wang Liang Hai is deemed to be interested in 1,500,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.
- (4) Mr. Seah Han Leong is deemed to be interested in 1,500,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.
- (5) Mr. Pan Jin is deemed to be interested in 1,500,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.
- (6) Mr. Liu Wei Dong is deemed to be interested in 1,000,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.
- (7) Mr. Fan, Ren Da Anthony is deemed to be interested in 600,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.
- (8) Mr. Liu Tian Min is deemed to be interested in 600,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.
- (9) Ms. Li Ming Qi is deemed to be interested in 600,000 Shares which may be issued to him upon the exercise of the share options granted to him on 15 May 2015.

**DISCLOSURE OF INTERESTS** *(Continued)***Long Positions in the Shares and underlying Shares of the associated corporation:***American Lighting*

<b>Name</b>	<b>Capacity</b>	<b>Number of Ordinary Shares as at the date of this report</b>	<b>Percentage of total issued share capital of American Lighting as at the date of report</b>
Mr. Seah Han Leong <sup>(1)</sup>	Beneficial owner	363	0.99%
Mr. Pan Jin <sup>(2)</sup>	Beneficial owner	363	0.99%

*Notes:*

- (1) Mr. Seah Han Leong is deemed to be interested in 363 common stocks which may be issued to him upon the exercise of the share options granted to him under the Subsidiary Share Incentive Plan on 30 June 2015.
- (2) Mr. Pan Jin is deemed to be interested in 363 common stocks which may be issued to him upon the exercise of the share options granted to him under the Subsidiary Share Incentive Plan on 30 June 2015.

Save as disclosed above, as at 30 June 2015, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

At no time was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors and the chief executive of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

**DISCLOSURE OF INTERESTS** *(Continued)***Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares**

So far as is known to any Director or chief executive of the Company, as at 30 June 2015, the persons or corporations (other than the Directors or chief executive of the Company) who had interest or short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

<b>Name</b>	<b>Capacity</b>	<b>Number of Ordinary Shares as at the date of this report</b>	<b>Percentage of total issued share capital as at the date of report</b>
THTF ES <sup>(1)</sup>	Beneficial owner	1,000,692,690	51.60%
Resuccess Investments Limited <sup>(1)</sup>	Interest of controlled corporation	1,000,692,690	51.60%
Tsinghua Tongfang <sup>(1)</sup>	Interest of controlled corporation	1,000,692,690	51.60%
Righthmass	Beneficial owner	336,400,000	17.35%
Ms. Michelle Wong <sup>(2)</sup>	Beneficial owner, Interest of spouse, and Interest of controlled corporation	364,866,000	18.81%

Notes:

- (1) Resuccess Investments Limited ("Resuccess") holds the entire issued share capital of THTF ES and Tsinghua Tongfang holds the entire issued share capital of Resuccess, therefore, each of Resuccess and Tsinghua Tongfang is deemed to be interested in all 1,000,692,690 Shares held by THTF ES.
- (2) Ms. Michelle Wong is the spouse of Mr. Ben Fan and she is therefore deemed to be interested in all Shares held by him. Ms. Michelle Wong directly holds 10,668,000 Shares and holds 35% issued share capital of Charm Light International Limited and she therefore deemed to be interested in all 15,698,000 Shares held by Charm Light.

Save as disclosed above, as at 30 June 2015, the Directors and the chief executive of the Company are not aware of any other person or corporation having an interest or short position in the Shares and underlying Shares of the Company which would require to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## SHARE OPTION SCHEMES

### Share Option Scheme

The Share Option Scheme was adopted by the Company pursuant to the Shareholders' resolutions passed on 20 November 2006 for the primary purpose of providing incentives to Directors and eligible employees. The Share Option Scheme became effective on 15 December 2006 and the options issued pursuant to the Share Option Scheme will expire no later than 10 years from the date of grant of the option. Under the Share Option Scheme, the Board may grant options to any employees of the Company or any of its subsidiaries to subscribe shares of the Company.

For any options granted to Directors, chief executives or substantial shareholders of the Company, options to be granted shall be approved by the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the proposed grantee of options).

The maximum number of shares which may be issued upon the exercise of all the options to be granted under the Share Option Scheme was refreshed at the annual general meeting of the Company held on 10 August 2012. Subsequently, the number of options available for future grants is 94,244,069 shares, representing 10% of the issued share capital of the Company at that time under the refreshed scheme mandate limit and representing 4.86% of the issued share capital of the Company as of the date of this report. As at 30 June 2015, the number of options available for future grants is 50,371,069, representing 2.60% of the issued share capital of the Company as at the date of this report.

The number of shares issued and to be issued in respect of options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the total shares of the Company in issue at any point in time, without prior approval from the Company's Shareholders.

The amount payable on acceptance of an option is HK\$1.00. In relation to any options granted under the Scheme, the exercise price is determined by the Directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.



**SHARE OPTION SCHEMES** *(Continued)***Share Option Scheme** *(Continued)*

Details of the share options under the Share Option Scheme during the Period are set forth as below:

Category of participants	Date of grant	Exercise price per share (HK\$)	Outstanding at 1 January 2015	Granted during the Period	Exercise during the Period	Forfeited/	
						Lapsed during the Period	Outstanding as at 30 June 2015
<b>Directors</b>							
Mr. Lu Zhi Cheng	15 May 2015	1.31	-	3,000,000	-	-	3,000,000
Mr. Ben Fan	15 May 2015	1.31	-	1,500,000	-	-	1,500,000
Mr. Wang Liang Hai	15 May 2015	1.31	-	1,500,000	-	-	1,500,000
Mr. Seah Han Leong	15 May 2015	1.31	-	1,500,000	-	-	1,500,000
Mr. Pan Jin	15 May 2015	1.31	-	1,500,000	-	-	1,500,000
Mr. Liu Wei Dong	15 May 2015	1.31	-	1,000,000	-	-	1,000,000
Mr. Fan, Ren Da Anthony	15 May 2015	1.31	-	600,000	-	-	600,000
Mr. Liu Tian Min	15 May 2015	1.31	-	600,000	-	-	600,000
Ms. Li Ming Qi	15 May 2015	1.31	-	600,000	-	-	600,000
<b>Employees</b>	15 May 2015	1.31	-	21,200,000	-	-	21,200,000

Notes:

- (1) Share options granted under the Share Option Scheme on 15 May 2015 vest in the relevant grantee in accordance with the timetable below with a 5-year exercise period.

Vesting date	Percentage of options to vest	Vesting condition
1 July 2016	50% of the total number of share options granted	The vesting of the share options shall be conditional upon the Company meeting its performance targets for the year of 2015
1 July 2017	50% of the total number of share options granted	The vesting of the share options shall be conditional upon the Company meeting its performance targets for the year of 2016

Save as disclosed above, no share option was granted, exercised, lapsed, or cancelled during the Period.

Further details of the Share Option Scheme are set out in note 17a to the financial statements.

## SHARE OPTION SCHEMES *(Continued)*

### **Subsidiary Share Incentive Plan**

On 2 April 2015, the Company adopted the Subsidiary Share Incentive Plan by Shareholders' approval in order to advance the interests of current and future stockholders of American Lighting, by enhancing American Lighting's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to American Lighting by providing such persons with equity ownership opportunities and thereby better aligning the interests of such persons with those of the Company's stockholders. The Subsidiary Share Incentive Plan is valid for ten years after its adoption. The eligible persons include the employees, consultants, and directors of American Lighting or any parent or subsidiary of American Lighting.

Subject to adjustment under the Subsidiary Share Incent Plan, awards may be made under the Subsidiary Share Incentive Plan covering up to 3,632 shares of common stock (all of which may, but need not, be granted as incentive stock options, subject to any limitations under the Internal Revenue Code of 1986), which is equal to 10% of the issued and outstanding shares of Common Stock on the date when the Subsidiary Share Incentive Plan is adopted and approved by the Shareholders. If any award expires or lapses or is terminated, surrendered or canceled without having been fully exercised or is forfeited in whole or in part (including as the result of shares of common stock subject to such award being repurchased by the Company at or below the original issuance price), in any case in a manner that results in any shares of common stock covered by such award not being issued or being so reacquired by the Company, the unused Common Stock covered by such award shall again be available for the grant of awards under the Subsidiary Share Incentive Plan.

The total number of shares of common stock issued and to be issued upon the exercise of options granted and to be granted to each Service Provider (as defined in the Subsidiary Share Incentive Plan) (including both exercised and outstanding options) in any period of twelve (12) consecutive months up to and including the date of grant shall not exceed 1% of shares of common stock in issue as at the date of grant. The Company may grant further options in excess of such limit set out in subject to approval by the Shareholders in general meeting in accordance with the Listing Rules, at which the Service Provider involved and its close associates (or the Service Provider's associates if the Service Provider is a connected person) shall be required to abstain from voting.

## SHARE OPTION SCHEMES *(Continued)*

### **Subsidiary Share Incentive Plan** *(Continued)*

The Administrator (as defined in the Subsidiary Share Incentive Plan) shall establish the exercise price of each Option and specify the exercise price in the applicable award agreement. The exercise price shall be not less than 100% of the Option Exercise Price, which means, as of any date, the price per share of common stock payable on the exercise of the option and determined as follows: (i) if the common stock is listed on any established stock exchange (including but not limited to) a National Securities Exchange (within the meaning of the Exchange Act); the Option Exercise Price shall be the greater of (A) the closing sales price for such common stock as quoted on such exchange on the date of grant of the option, or if no sale occurred on such date, the first market trading day immediately prior to such date during which a sale occurred; and (B) the average closing sales price for such common stock as quoted on such exchange for the five business days preceding the date of grant of option, or if no sale occurred on such date, the first market trading day immediately prior to such date during which a sale occurred, as the prices contemplated by the preceding clauses (A) and (B) are reported in The Wall Street Journal or such other source as the board of American Lighting deems reliable; (ii) if the common stock is not listed on a stock exchange but is quoted on a national market system or other quotation system, the Option Exercise Price shall be the last sales price for such common stock on the date of grant of the option, or if no sales occurred on such date, then on the date immediately prior to such date on which sales prices are reported, as reported in The Wall Street Journal or such other source as the board of American Lighting deems reliable; or (iii) in the absence of an established market for the common stock, the Option Exercise Price shall be determined by the board of American Lighting in its sole discretion.

Notwithstanding anything to the contrary herein, in the event that an award of options is made (a) on or after the date that American Lighting has resolved to seek the listing, or (b) during the six month period immediately preceding the date on which American Lighting files an application for Listing, and the Listing occurs concurrent with the offer and sale of the common stock, then the Option Exercise Price shall be the higher of (a) the offering price for the shares of common stock to be issued in connection with the listing, and (b) the exercise price in the applicable award agreement.

**SHARE OPTION SCHEMES** *(Continued)***Subsidiary Share Incentive Plan** *(Continued)*

Details of the share options under the Subsidiary Share Incentive Plan during the Period are set forth as below:

Category of participants	Date of grant	Exercise price per share (US\$)	Outstanding at 1 January 2015	Granted during the Period	Exercise during the Period	Forfeited/	
						Lapsed during the Period	Outstanding as at 30 June 2015
<b>Directors</b>							
Mr. Seah Han Leong	30 June 2015	330	-	363	-	-	363
Mr. Pan Jin	30 June 2015	330	-	363	-	-	363
<b>Employees</b>	30 June 2015	330	-	2,143	-	-	2,143

Note:

- (1) The Stock Options granted have an exercisable term of 10 years and vest as follows: (i) thirty percent (30%) of the total number of shares subject to the Stock Options vest and become exercisable on the first (1st) anniversary of 30 June 2015 (the "Vesting Commencement Date"); (ii) an additional thirty percent (30%) of the total number of shares subject to the Stock Options vest and become exercisable on the second (2nd) anniversary of the Vesting Commencement Date; and (iii) the remaining unvested forty percent (40%) of the total number of shares subject to the Stock Options vest (and, as a result, the Stock Options become fully vested) on the third (3rd) anniversary of the Vesting Commencement Date; provided in each case that the Grantee continues to provide services to the Company, American Lighting or Tivoli, LLC ("Tivoli"), as the case may be, as of each such vesting date and that the board of directors of American Lighting has determined in its sole discretion that performance criteria, if any, that has been specified by the board of directors and agreed to by the Grantee, has been satisfied.

Save as disclosed above, no share option under the Subsidiary Share Incentive Plan was granted, exercised, lapsed, or cancelled during the Period.

Further details of the Share Option Scheme are set out in note 17b to the financial statements.

## CHANGES IN INFORMATION OF DIRECTORS

The Directors of the Company are not aware of any other information in respect of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rule.

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

For the six months ended 30 June 2015

	Notes	Six months ended	
		30 June 2015 RMB'000 (unaudited)	30 September 2014 RMB'000 (unaudited) Restated*
Turnover	6	242,306	404,728
Cost of goods sold		(178,839)	(415,073)
Gross profit/(loss)		63,467	(10,345)
Other income		3,850	6,677
Other gains and losses	7a	46,271	13,743
Other expenses	7b	(1,370)	(12,069)
Impairment losses recognised in respect of property, plant and equipment		–	(32,720)
Distribution and selling expenses		(38,269)	(42,809)
Administrative expenses		(66,910)	(70,453)
Finance costs		(1,214)	(4,488)
Share of loss of a jointly controlled entity		–	(6,426)
Profit/(Loss) before taxation	8	5,825	(158,890)
Taxation	9	(3,559)	(87)
Profit/(Loss) for the period		2,266	(158,977)
Other comprehensive income for the period:			
Item that may be subsequently reclassified to profit or loss:			
– Exchange differences arising from translation		202	(2,561)
Total comprehensive income for the period		2,468	(161,538)

\* See Note 4

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 30 June 2015

	Notes	Six months ended	
		30 June 2015 <b>RMB'000</b> <b>(unaudited)</b>	30 September 2014 <b>RMB'000</b> <b>(unaudited)</b> Restated*
Profit/(Loss) for the period attributable to			
– Equity holders of the Company		<b>3,379</b>	(156,477)
– Non-controlling interests		<b>(1,113)</b>	(2,500)
		<b>2,266</b>	(158,977)
Total comprehensive income for the period attributable to			
– Equity holders of the Company		<b>3,195</b>	(159,038)
– Non-controlling interests		<b>(727)</b>	(2,500)
		<b>2,468</b>	(161,538)
Proposed interim dividend	10	–	–
Profit/(Loss) per share	11	<b>RMB cents</b>	<b>RMB cents</b>
Basic and Diluted		<b>0.2</b>	(12.3)

\* See Note 4

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At 30 June 2015

		<b>30 June 2015</b>	31 December 2014
	<i>Notes</i>	<b>RMB'000</b>	<i>RMB'000</i>
		<b>(unaudited)</b>	(audited)
<hr/>			
Non-current assets			
Investment properties		<b>15,248</b>	15,300
Property, plant and equipment	12	<b>231,228</b>	244,143
Prepaid lease payments	13	<b>38,428</b>	58,049
Goodwill		<b>7,635</b>	7,661
Intangible assets		<b>19,549</b>	16,292
Interest in an associate		<b>1,444</b>	1,444
Available-for-sale investments		<b>2,308</b>	3,126
Financial asset at fair value through profit or loss		<b>105,500</b>	105,500
Deposits made on acquisition of property, plant and equipment		<b>1,210</b>	4,380
		<b>422,550</b>	455,895
<hr/>			
Current assets			
Inventories		<b>212,835</b>	170,024
Trade and other receivables	14	<b>244,971</b>	218,500
Tax recoverable		<b>11,242</b>	4,159
Pledged bank deposits		<b>1,521</b>	1,167
Cash and cash equivalents		<b>580,763</b>	674,806
		<b>1,051,332</b>	1,068,656



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION***(Continued)*

At 30 June 2015

	<i>Notes</i>	<b>30 June 2015 RMB'000 (unaudited)</b>	31 December 2014 RMB'000 (audited)
Current liabilities			
Trade and other payables	15	<b>219,941</b>	246,276
Taxation payable		<b>6,343</b>	8,730
Bank borrowings repayable within one year		<b>89,773</b>	112,783
		<b>316,057</b>	367,789
Net current assets		<b>735,275</b>	700,867
Total assets less current liabilities		<b>1,157,825</b>	1,156,762
Non-current liabilities			
Government grants		<b>15,267</b>	15,811
Deferred taxation		<b>3,469</b>	4,194
		<b>18,736</b>	20,005
Net assets		<b>1,139,089</b>	1,136,757
Capital and reserves			
Share capital	16	<b>171,897</b>	171,897
Reserves		<b>965,882</b>	962,021
Equity attributable to equity holders of the Company		<b>1,137,779</b>	1,133,918
Non-controlling interests		<b>1,310</b>	2,839
Total equity		<b>1,139,089</b>	1,136,757

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Share capital	Share premium	Capital redemption reserve	Special reserve	Other reserve	Share compensation reserve	Share options reserve	Translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 April 2014 (restated)	92,317	1,628,288	255	55,238	(7,699)	50,024	67,793	(272,192)	(995,088)	618,936	6,234	625,170
Loss for the nine months ended 30 September 2014 (restated)	-	-	-	-	-	-	-	-	(156,477)	(156,477)	(2,500)	(158,977)
Other comprehensive income (restated)	-	-	-	-	-	-	-	(2,561)	-	(2,561)	-	(2,561)
Total comprehensive income for the nine months ended 30 September 2014 (restated)	-	-	-	-	-	-	-	(2,561)	(156,477)	(159,038)	(2,500)	(161,538)
Issuance of new shares (restated) (note 16)	79,580	636,640	-	-	-	-	-	-	-	716,220	-	716,220
Acquisition of non-controlling interest in a subsidiary (restated)	-	-	-	-	(521)	-	-	19	-	(502)	311	(191)
Recognition of equity-settled share based payments (restated)	-	-	-	-	-	-	1,090	-	-	1,090	-	1,090
Share option lapsed (restated) (note 17)	-	-	-	-	-	-	(68,883)	-	68,883	-	-	-
	79,580	636,640	-	-	(521)	-	(67,793)	19	68,883	716,808	311	717,119
<b>At 30 September 2014 (restated)</b>	<b>171,897</b>	<b>2,264,928</b>	<b>255</b>	<b>55,238</b>	<b>(8,220)</b>	<b>50,024</b>	<b>-</b>	<b>(274,734)</b>	<b>(1,082,682)</b>	<b>1,176,706</b>	<b>4,045</b>	<b>1,180,751</b>
At 1 January 2015	171,897	2,264,928	255	55,238	(8,220)	50,024	-	(277,951)	(1,122,253)	1,133,918	2,839	1,136,757
Profit for the period	-	-	-	-	-	-	-	-	3,379	3,379	(1,113)	2,266
Exchange difference arising	-	-	-	-	-	-	-	(184)	-	(184)	386	202
Total comprehensive income for the six months ended 30 June 2015	-	-	-	-	-	-	-	(184)	3,379	3,195	(727)	2,468
Recognition of equity-settled share (note 17)	-	-	-	-	-	-	666	-	-	666	-	666
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(802)	(802)
	-	-	-	-	-	-	666	-	-	666	(802)	(136)
<b>At 30 June 2015</b>	<b>171,897</b>	<b>2,264,928</b>	<b>255</b>	<b>55,238</b>	<b>(8,220)</b>	<b>50,024</b>	<b>666</b>	<b>(278,135)</b>	<b>(1,118,874)</b>	<b>1,137,779</b>	<b>1,310</b>	<b>1,139,089</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*(Continued)*

For the six months ended 30 June 2015

Notes:

- (i) Capital redemption reserve represents the amount by which the issued share capital of the Company is diminished through the repurchase of shares.
- (ii) The special reserve represents the differences between the nominal amount of the shares issued by the Company and the Group's former holding company, THTF Lighting Group Limited ("THTF Lighting"), and the aggregate amount of share capital and share premium of the subsidiaries acquired pursuant to a corporate reorganisation in 1996 and a group reorganisation in preparation for the listing of the Company's shares in 2006.
- (iii) Other reserve represents the difference between the consideration paid for acquiring additional interests in non-wholly owned subsidiaries of the Company and the amount of non-controlling interests acquired.
- (iv) Share compensation reserve represents the difference of fair value of certain THTF Lighting's shares (the "Shares") transferred to the Group's certain senior management by the Company's shareholders and the consideration paid by the senior management in obtaining the Shares in 2004.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the six months ended 30 June 2015

	<b>Six months ended</b>	<b>30 September</b>
	<b>2015</b>	<b>2014</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
		<b>Restated*</b>
Net cash used in operating activities	<b>(62,273)</b>	(97,536)
Investing activities		
Interest received	<b>2,262</b>	1,583
(Placement)/Release of pledge bank deposits	<b>(354)</b>	1,123
Purchase of property, plant and equipment	<b>(6,144)</b>	(13,857)
Purchase of intangible assets	<b>(4,628)</b>	–
Proceeds from disposal of property, plant and equipment and prepaid lease payments	<b>911</b>	72,739
Acquisition of a subsidiary, net of cash and cash equivalents acquired	–	(16,339)
Disposal of a subsidiary, net of cash and cash equivalents acquired	<b>(133)</b>	–
Loan receivable received	–	35,193
Government grants refunded	<b>(4,000)</b>	–
Net cash (used in)/generated from investing activities	<b>(12,086)</b>	80,442
Financing activities		
Interest paid	<b>(1,214)</b>	(4,494)
Proceeds from issuance of shares	–	715,860
Bank loans raised	<b>9,567</b>	74,624
Repayment of bank loans	<b>(31,425)</b>	(84,992)
Net cash (used in)/generated from financing activities	<b>(23,072)</b>	700,998
Net (decrease)/increase in cash and cash equivalents	<b>(97,431)</b>	683,904
Cash and cash equivalents at the beginning of the period	<b>674,806</b>	90,164
Effect of foreign exchange rate changes	<b>3,388</b>	614
Cash and cash equivalents at the end of the period	<b>580,763</b>	774,682

\* See Note 4

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

### 1. GENERAL

The Company was incorporated as an exempted company with limited liability under the Companies Law of the Cayman Islands and acts as an investment holding company. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and certain of its shares are listed as Depositary Receipts in Taiwan Stock Exchange.

The addresses of the registered office and principal place of business of the Company are set out in the "Corporate Information" section of the interim report.

On 19 March 2014, a subscription agreement was entered into between the Company and Tsinghua Tongfang via THTF ES (an indirectly wholly-owned subsidiary of Tsinghua Tongfang), in relation to the subscription (the "Subscription") of 1,000,000,000 shares (representing approximately 106.46% of the then issued share capital of the Company) at the subscription price of Hong Kong Dollar ("HK\$") 0.90 per share by THTF ES. The completion of the Subscription pursuant to the subscription agreement took place on 1 August 2014 and the consideration for the Subscription in the sum of HK\$900,000,000 has been fully paid by THTF ES to the Company on 1 August 2014. Upon completion, THTF ES has subscribed for an aggregate of approximately 51.56% of the issued share capital of the Company.

By a special resolution passed at the Extraordinary General Meeting held on 5 January 2015, the Chinese name of the Company is changed from "真明麗控股有限公司" to "同方友友控股有限公司". The English name "Neo-Neon Holdings Limited" remains unchanged. The change of company name will not affect any of the right of the shareholders.

### 2. CHANGE IN FINANCIAL YEAR END DATE

Pursuant to the announcement dated 19 November 2014, the Company changed its financial year end date from 31 March to 31 December.

The change of the Company's financial year end date is to unify the financial year end date of the Company and its ultimate holding company, Tsinghua Tongfang, which is established in the People's Republic of China ("PRC"). Accordingly, the current financial period covers a period of six months from 1 January 2015 to 30 June 2015. The comparative figures (which cover a period of six months from 1 April 2014 to 30 September 2014) for the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated cash flow statement and related notes are therefore not entirely comparable with those of the current period.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*(Continued)*

For the six months ended 30 June 2015

### 3. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2015 have been prepared in accordance with the applicable disclosure requirements set out in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). They were authorised for issue on 25 August 2015.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2014 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2015 annual financial statements. Details of any changes in accounting policies are set out in note 5.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2014 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The financial information relating to the financial year ended 31 December 2014 that is included in the interim financial report as comparative information does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the nine months ended 31 December 2014 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in the final results report dated 18 March 2015.

### 4. CHANGES IN PRESENTATION CURRENCY

Following the Subscription, the Company determined to change its presentation currency from HK\$ to RMB, which is the presentation currency of the Company's ultimate holding company (Tsinghua Tongfang) in the PRC. The comparative figures for the six months ended 30 September 2014 have been re-translated into RMB from HK\$. All financial information presented in RMB has been rounded to the nearest thousand.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*(Continued)*

For the six months ended 30 June 2015

### 5. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued the following amendments to HKFRSs and one new interpretation that are first effective for the current accounting period of the Group and the Company.

- Annual Improvements to HKFRSs 2010-2012 Cycle
- Annual Improvements to HKFRSs 2011-2013 Cycle

None of these developments have had a material effect on how the group's results and financial position for the current or prior periods have been prepared or presented. The group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 6. TURNOVER AND SEGMENT INFORMATION

Information reported to the Board of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services rendered. Specifically, the Group's reportable segments under HKFRS 8 are as follows:

LED decorative lighting	–	manufacture and distribution of LED decorative lighting products and incandescent decorative lighting products
General illumination lighting	–	manufacture and distribution of LED general illumination lighting products and entertainment lighting products
All others	–	distribution of lighting product accessories

Turnover represents the fair value of the consideration received and receivable for goods sold by the Group to external customers during the period.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**6. TURNOVER AND SEGMENT INFORMATION** *(Continued)***Segment Information****Business segment**

	<b>Six months ended</b>	
	<b>30 June</b>	30 September
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
		Restated
<hr/>		
<b>Turnover</b>		
LED Decorative Lighting	<b>141,868</b>	275,644
General Illumination Lighting	<b>99,722</b>	126,391
All others	<b>716</b>	2,693
	<hr/> <b>242,306</b> <hr/>	<hr/> 404,728 <hr/>
<b>Gross profit/(loss)</b>		
LED Decorative Lighting	<b>38,599</b>	(4,187)
General Illumination Lighting	<b>24,727</b>	(5,621)
All others	<b>141</b>	(537)
	<hr/> <b>63,467</b> <hr/>	<hr/> (10,345) <hr/>



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**6. TURNOVER AND SEGMENT INFORMATION** *(Continued)***Segment Information** *(Continued)***Business segment** *(Continued)*

	<b>Six months ended</b>	
	<b>30 June</b>	30 September
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
		Restated
<b>Results</b>		
Loss from operations		
LED Decorative Lighting	<b>(15,174)</b>	(70,685)
General Illumination Lighting	<b>(13,070)</b>	(36,112)
All others	<b>(131)</b>	(1,186)
	<b>(28,375)</b>	(107,983)
Unallocated other income	<b>3,850</b>	6,677
Unallocated other gains and losses	<b>44,901</b>	(31,046)
Unallocated expenses	<b>(13,337)</b>	(15,624)
Finance costs	<b>(1,214)</b>	(4,488)
Share of loss of a jointly controlled entity and an associate	–	(6,426)
Profit/(Loss) before taxation	<b>5,825</b>	(158,890)
Taxation	<b>(3,559)</b>	(87)
Profit/(Loss) for the period	<b>2,266</b>	(158,977)

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**6. TURNOVER AND SEGMENT INFORMATION** *(Continued)***Segment Information** *(Continued)***Geographical segment**

	<b>Six months ended</b>	
	<b>30 June 2015 RMB'000 (unaudited)</b>	30 September 2014 RMB'000 (unaudited) Restated
<b>Turnover</b>		
America	<b>155,055</b>	206,620
Europe	<b>30,422</b>	76,204
The PRC	<b>29,209</b>	43,816
Asia Pacific and Middle East (excluding the PRC)	<b>27,620</b>	78,088
	<b>242,306</b>	404,728

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**7a. OTHER GAINS AND LOSSES**

	<b>Six months ended</b>	
	<b>30 June</b>	30 September
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
		Restated
Gain on disposal of property, plant and equipment and prepaid lease payments	<b>27,424</b>	52,703
Net reversal of allowance for/(allowance for) bad and doubtful debts	<b>13,295</b>	(42,455)
Gain on disposal of subsidiaries	<b>1,797</b>	–
Gain on disposal of available-for-sale investment	<b>183</b>	–
Net exchange gain	<b>3,572</b>	3,495
	<b>46,271</b>	13,743

**7b. OTHER EXPENSES**

	<b>Six months ended</b>	
	<b>30 June</b>	30 September
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
		Restated
Research and development costs	<b>(1,370)</b>	(6,647)
Compensation relating to litigation	<b>–</b>	(5,422)
	<b>(1,370)</b>	(12,069)

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**8. PROFIT/(LOSS) BEFORE TAXATION**

	<b>Six months ended</b>	
	<b>30 June</b>	30 September
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
		Restated
Profit/(Loss) before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	<b>13,706</b>	17,529
Less: Depreciation included in research and development costs	–	(125)
	<b>13,706</b>	17,404
Amortisation of intangible assets	<b>1,266</b>	–
Operating lease rentals in respect of		
– prepaid lease payments	<b>699</b>	677
– rented premises	<b>3,144</b>	3,856
and after crediting:		
Interest income	<b>2,262</b>	1,581
Property rental income before deduction of negligible outgoings	<b>511</b>	1,783

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**9. TAXATION**

	<b>Six months ended</b>	
	<b>30 June 2015 RMB'000 (unaudited)</b>	30 September 2014 RMB'000 (unaudited) Restated
The tax charge comprises:		
Taxation in overseas jurisdictions	<b>4,278</b>	87
Taxation in Hong Kong Profits Tax	<b>6</b>	–
	<b>4,284</b>	87
Deferred taxation	<b>(725)</b>	–
	<b>3,559</b>	87

**10. DIVIDEND**

No interim dividend will be paid for the six months ended 30 June 2015 (30 September 2014: Nil).

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**11. PROFIT/(LOSS) PER SHARE**

The calculation of basic and diluted profit/(loss) per share attributable to the equity holders of the Company is based on the following data:

	<b>Six months ended</b>	
	<b>30 June</b>	30 September
	<b>2015</b>	2014
	<b>RMB'000</b>	<i>RMB'000</i>
	<b>(unaudited)</b>	(unaudited)
		Restated
Profits/(Loss) attributable to equity holders of the Company	<b>3,379</b>	(156,477)
Weighted average number of ordinary shares in issue for basic earnings per share	<b>1,939,319,694</b>	1,272,653,027
Basic profit/(loss) per share	<b>RMB cents 0.2</b>	RMB cents (12.3)
Weighted average number of ordinary shares for diluted earnings per share	<b>1,939,319,694</b>	1,272,653,027
Diluted profit/(loss) per share	<b>RMB cents 0.2</b>	RMB cents (12.3)

The increase in the number of shares of the Company was due to THTF ES' subscription of an aggregate of 1,000,000,000 shares at the subscription price of HK\$0.90 per share on 1 August 2014. The Company has a weighted average number of ordinary shares in issue of 1,939,319,694 and 1,272,653,027 during the six months ended 30 June 2015 and 30 September 2014, respectively.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*(Continued)*

For the six months ended 30 June 2015

### 12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group incurred RMB8,500,000 (30 September 2014: RMB18,900,000) on additions to property, plant and equipment to expand and upgrade its manufacturing capabilities. Among which, amount for leasehold improvement was RMB2,900,000 (30 September 2014: RMB400,000); furniture, fixture and equipment was RMB1,300,000 (30 September 2014: RMB600,000); motor vehicles was RMB1,000,000 (30 September 2014: Nil); plant and machinery was RMB2,500,000 (30 September 2014: RMB16,100,000); mould was RMB700,000 (30 September 2014: RMB1,800,000); construction in progress was RMB100,000 (30 September 2014: Nil).

During the Period, the decrease in property, plant and equipment of the Group was mainly due to its disposal of property, plant and equipment of Yinyu Semiconductor Photonics (Guangdong) Limited with a net value of RMB5,000,000.

During the six month ended 30 September 2014, the decrease in property, plant and equipment of the Group was mainly due to its disposal of property, plant and equipment of Heshan Tongfang Lighting Technology Company Limited with a net value of RMB15,500,000.

### 13. PREPAID LEASE PAYMENTS

During the Period, the decrease in prepaid lease payments of the Group was mainly due to its disposal of prepaid lease payments of Yinyu Semiconductor Photonics (Guangdong) Limited with a net value of RMB18,800,000.

During the six month ended 30 September 2014, the decrease in prepaid lease payments of the Group was mainly due to its disposal of prepaid lease payments of Heshan Tongfang Lighting Technology Company Limited with a net value of RMB2,600,000.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**14. TRADE AND OTHER RECEIVABLES**

	<b>30 June 2015 RMB'000 (unaudited)</b>	31 December 2014 RMB'000 (audited)
Trade receivables	<b>135,343</b>	155,005
Bills receivables	<b>35,675</b>	20,514
Less: Allowance for bad and doubtful debts	<b>(62,589)</b>	(87,588)
	<b>108,429</b>	87,931
Deposits paid to suppliers	<b>32,481</b>	14,957
Value added tax recoverable	<b>4,146</b>	3,526
Value added tax refundable on export sales	<b>86,863</b>	90,401
Other receivables	<b>13,052</b>	21,685
	<b>244,971</b>	218,500

At the end of the reporting period, the aging analysis of trade and bills receivables based on the invoice date and net of allowance for bad and doubtful debts, is as follows:

Aging		
0 to 60 days	<b>87,527</b>	41,523
61 to 90 days	<b>10,250</b>	10,447
91 to 180 days	<b>7,143</b>	19,941
181 to 360 days	<b>2,594</b>	16,020
Over 1 year	<b>915</b>	–
	<b>108,429</b>	87,931



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 June 2015

### 15. TRADE AND OTHER PAYABLES

	<b>30 June 2015</b>	31 December 2014
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(audited)
Trade payables	<b>107,202</b>	94,097
Bills payables	<b>5,913</b>	3,256
	<b>113,115</b>	97,353
Customers' deposits	<b>22,025</b>	15,611
Payroll and welfare payables	<b>17,427</b>	15,736
Other tax payables	<b>14,011</b>	15,437
Other payables	<b>53,363</b>	102,139
	<b>219,941</b>	246,276

In prior years, the Group received certain government grants as incentives for setting up LED chips production plants in two economic development zones in the PRC. The amounts received have been deducted from the carrying amount of the relevant assets and are recognised to reduce depreciation charge over the useful lives of the relevant assets.

During the nine months ended 31 December 2014, the directors of the Company has decided to abort the investment in one of the economic development zones as a result of a change in business plan. Consequently, the Group no longer fulfills the condition attached to related government grants and will refund such government grants amounted to RMB37,200,000, which is recorded in other payables as at 31 December 2014.

During the Period, such government grants have been refunded.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**15. TRADE AND OTHER PAYABLES** *(Continued)*

The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period:

	<b>30 June 2015 RMB'000 (unaudited)</b>	31 December 2014 RMB'000 (audited)
Aging		
0 to 30 days	<b>13,897</b>	25,319
31 to 60 days	<b>41,366</b>	6,774
61 to 90 days	<b>18,626</b>	5,155
91 to 180 days	<b>17,339</b>	24,473
181 to 360 days	<b>2,443</b>	16,932
Over 1 year	<b>19,444</b>	18,700
	<b>113,115</b>	97,353

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**16. SHARE CAPITAL**

	Authorized		Issued and fully paid	
	Number of shares	Amount <i>RMB'000</i>	Number of shares	Amount <i>RMB'000</i>
Ordinary Shares of nominal value HK\$0.10 each				
– At 1 April 2014 (restated)	5,000,000,000	520,000	939,319,694	92,317
Issuance of new shares	–	–	1,000,000,000	79,580
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
– At 31 December 2014 and 30 June 2015	<u>5,000,000,000</u>	<u>520,000</u>	<u>1,939,319,694</u>	<u>171,897</u>

Neither the Company nor its subsidiaries have purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2015 and 30 September 2014.

For the six months ended 30 September 2014, THTF ES subscribed for an aggregate of 1,000,000,000 shares at the subscription price of HK\$0.90 per share on 1 August 2014, which resulted in an increase of HK\$100,000,000 and HK\$800,000,000 in the share capital and share premium respectively.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 June 2015

### 17. SHARE OPTIONS

- (a) The Company has a share option scheme for eligible employees of the Group. Details of the share options outstanding during the current period are as follows:

	Number of share options	
	30 June 2015 (unaudited)	31 December 2014 (audited)
Outstanding at 1 January 2015/1 April 2014	–	47,437,000
Granted during the period/year	<b>33,000,000</b>	–
Lapsed during the period/year	–	(47,437,000)
Outstanding at 30 June 2015/31 December 2014	<b>33,000,000</b>	–

During the period ended 30 June 2015, 33,000,000 share options were granted on 15 May 2015. The closing price immediately before the date on which the options were granted was HK\$1.31 per share.

Details of the share options under the Share Option Scheme during the Period are set forth as below:

Category of participants	Date of grant	Exercise price per share (HK\$)	Outstanding at 1 January 2015	Granted during the Period	Exercise during the Period	Forfeited/	Outstanding as at 30 June 2015
						Lapsed during the Period	
Directors	15 May 2015	1.31	–	11,800,000	–	–	11,800,000
Employees	15 May 2015	1.31	–	21,200,000	–	–	21,200,000

The share options granted on 15 May 2015 have an exercise price of HK\$1.31 with various vesting periods starting from 1 July 2016 and 1 July 2017, respectively, until five years from the date of the grant, subject to certain performance target of the Group.

In May 2015, the options granted shall have an exercisable period of 5 years from the date of grant and 50% of the total number of options granted will be vested on 1 July 2016 of the date of grant conditional upon the Company meeting its performance target for the year 2015 and the remaining 50% will be vested on 1 July 2017 of the date of grant conditional upon the Company meeting its performance target for the year 2016.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 June 2015

### 17. SHARE OPTIONS (Continued)

(a) (Continued)

#### *Fair value of share options and assumptions*

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a Black-Scholes model. Expectations of early exercise are incorporated into the Black-Scholes model.

Fair value at measurement date	
– Options vesting on 1 July 2016	HK\$0.27
– Options vesting on 1 July 2017	HK\$0.33
Share price	HK\$1.31
Exercise price	HK\$1.31
Expected volatility	40.66%
Option life	1.1-2.1years
Expected dividends	0%
Risk-free interest rate	0.54%

The expected volatility is based on the historic volatility of the share prices of the Company. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Subsequent to the Subscription (note 1), the Company made a mandatory offer to all the holders of the outstanding options at HK\$0.0001 in cash for every option outstanding on 25 August 2014. The holders of the options are entitled to exercise or sell their options in full or in part within 21 days (i.e. 22 September 2014) after the mandatory offers are made. Otherwise, the right to exercise an option will be terminated immediately and the option will lapse accordingly. Upon the expiry date (i.e. 22 September 2014), no holders of the options exercised or sold their options and therefore all outstanding options were terminated and lapsed.

The option-based equity reserve derecognised will be transferred directly to retained earnings by the Group.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 June 2015

### 17. SHARE OPTIONS (Continued)

- (b) American Lighting, Inc. ("ALI"), an indirect wholly-owned subsidiary of the Company, has adopted a share option scheme for eligible employees of ALI, the Company and Tivoli, LLC, the wholly-owned subsidiary of ALI ("Tivoli").

On 30 June 2015, ALI granted 2,869 options to subscribe for 2,869 shares of ALI common stock, US\$0.01 par value per share, to certain employees and directors of the Company, ALI, and Tivoli. The stock options entitle the grantees to collectively purchase an aggregate of 2,869 shares of ALI common stock at an exercise price of US\$330 per share, which represents the fair value of one share of ALI common stock as of the date of grant, as determined by the board of directors of ALI.

Details of the share options under the Subsidiary Share Incentive Plan during the Period are set forth as below:

Category of participants	Date of grant	Exercise price per share (US\$)	Outstanding at 1 January 2015	Granted during the Period	Exercise during the Period	Forfeited/ Lapsed during the Period	Outstanding as at 30 June 2015
Directors	30 June 2015	330	-	726	-	-	726
Employees	30 June 2015	330	-	2,143	-	-	2,143

The share options granted have an exercisable term of 10 years and vest as follows: (i) thirty percent (30%) of the total number of shares subject to the stock options vest and become exercisable on the first (1st) anniversary of 30 June 2015 (the "Vesting Commencement Date"); (ii) an additional thirty percent (30%) of the total number of shares subject to the stock options vest and become exercisable on the second (2nd) anniversary of the Vesting Commencement Date; and (iii) the remaining unvested forty percent (40%) of the total number of shares subject to the stock options vest (and, as a result, the stock options become fully vested) on the third (3rd) anniversary of the Vesting Commencement Date, provided in each case that the grantee continues to provide services to ALI, the Company or Tivoli.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**17. SHARE OPTIONS** *(Continued)**(b) (Continued)**Fair value of share options and assumptions*

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a Black-Scholes model. The contractual life of the share option is used as an input into this model.

*Fair value of share options and assumptions*

Fair value at measurement date	US\$121.08
Share price	US\$330
Exercise price	US\$330
Expected volatility	23.31%
Option life	10 years
Expected dividends	0%
Risk-free interest rate	2.15%

The expected volatility is based upon reference to 10 years analysis of the industrial stock price index. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

**18. CAPITAL COMMITMENTS**

	<b>30 June</b>	31 December
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of acquisition of property, plant and equipment	<b>4,696</b>	13,022

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***(Continued)*

For the six months ended 30 June 2015

**19. MATERIAL RELATED PARTY TRANSACTIONS***(a) Transactions with the controlling shareholder and its subsidiaries*

	<b>Six months ended</b>	
	<b>30 June 2015 RMB'000 (unaudited)</b>	30 September 2014 RMB'000 (unaudited) Restated
Sales of products	<b>3,978</b>	–

*(b) Transactions with other state-controlled entities in the PRC*

The controlling shareholder of the Company, Tsinghua Tongfang is a state-controlled enterprise controlled by the PRC government. Apart from transactions with Tsinghua Tongfang and its subsidiaries which were disclosed in note 19(a) above, the Group also has transactions with other state-controlled entities, included but not limited to the following:

- sales of products and provision of services;
- purchase of materials; and
- bank deposits and borrowings.



## DEFINITIONS

In this interim report, the following expressions shall have the following meanings unless the context requires otherwise:

“Articles of Association” or “Articles”	the articles of association of the Company adopted by the written resolution of the Shareholders on 20 November 2006 and as amended, supplemented and otherwise modified from time to time
“American Lighting”	means American Lighting, Inc., a Delaware corporation and an indirectly wholly-owned subsidiary of the Company
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of directors of the Company
“Business Day” or “business day”	a day on which banks in Hong Kong and Cayman Islands are generally open for business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong or Cayman Islands
“BVI”	British Virgin Islands
“China” or “PRC”	the People’s Republic of China, excluding for the purpose of this interim report, Hong Kong, Macau and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Companies (WUMP) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented, or otherwise modified from time to time
“Company”	means Neo-Neon Holdings Limited (stock code: 1868), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, and part of shares of which are listed on the Taiwan Stock Exchange as depositary receipts

**DEFINITIONS** *(Continued)*

“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholders”	has the meaning ascribed thereto in the Listing Rules
“Corporate Governance Code”	code on corporate governance practices contained in Appendix 14 to the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
“HK\$” and “HK cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	individual(s) or company(ies) who is/are not connected with (within the meaning of the Listing Rules) any of the Company, Directors, chief executive or substantial shareholders of the Company, our subsidiaries or any of their respective associates
“Model Code”	the model code for securities transactions by directors of listed issuers as set out in Appendix 10 of the Listing Rules
“Period”	the six months ended 30 June 2015
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	means share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company

**DEFINITIONS** *(Continued)*

“Share Option Scheme”	the share option scheme of the Company adopted by resolutions of the Shareholders on 20 November 2006
“Subsidiary Share Incentive Plan”	means American Lighting’s share incentive plan adopted by the Shareholders on 2 April 2015
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in sections 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“THTF ES”	THTF Energy Saving Holdings Limited, a substantial shareholder of the Company
“Tsinghua Tongfang”	同方股份有限公司 (Tsinghua Tongfang Co., Ltd*), a joint stock limited company incorporated in the PRC, whose shares are listed and traded on the Shanghai Stock Exchange (stock code: 600100)
“Tsinghua Tongfang Group”	Tsinghua Tongfang and its subsidiaries (for the purpose of this report, excluding the Group)
“% ”	per cent.