

NVC 雷士照明

雷士照明控股有限公司
NVC LIGHTING HOLDING LIMITED

(Incorporated in the Cayman Islands with Limited Liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 2222



EXCELLENCE

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Interim Report 2018
二零一八年中報告

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Corporate Information

公司資料

Executive Directors	WANG Donglei WANG Dongming XIAO Yu WANG Keven Dun	執行董事	王冬雷 王冬明 肖宇 王頓
Non-executive Directors	LI Huating LI Wei	非執行董事	李華亭 李偉
Independent Non-executive Directors	LEE Kong Wai, Conway WANG Xuexian WEI Hongxiong SU Ling	獨立非執行董事	李港衛 王學先 魏宏雄 蘇嶺
Joint Company Secretaries	LO Yee Har, Susan ¹ LEUNG Ching Ching	聯席公司秘書	盧綺霞 ¹ 梁晶晶
Authorized Representatives	LO Yee Har, Susan ² WANG Dongming LEUNG Ching Ching ²	授權代表	盧綺霞 ² 王冬明 梁晶晶 ²
Registered Office	Cricket Square Hutchins Drive, P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands	註冊辦事處	Cricket Square Hutchins Drive, P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Principal Place of Business in Hong Kong	Level 54, Hopewell Centre 183 Queen's Road East Hong Kong	香港主要營業地點	香港 皇后大道東183號 合和中心54樓
Corporate Website	www.nvc-lighting.com.cn	公司網址	www.nvc-lighting.com.cn
Investor Relations	E-mail: ir@nvc-lighting.com	投資者關係	電郵：ir@nvc-lighting.com

1. Ms. LO Yee Har, Susan has resigned as a joint company secretary of the Company with effect from 24 August 2018.

2. Ms. LO Yee Har, Susan has ceased to act as an authorized representative of the Company with effect from 24 August 2018, and Miss LEUNG Ching Ching has been appointed to fill the vacancy left by Ms. LO Yee Har, Susan with effect from 24 August 2018.

1. 盧綺霞女士已辭任本公司聯席公司秘書，自2018年8月24日起生效。

2. 盧綺霞女士已自2018年8月24日起不再擔任本公司授權代表，梁晶晶小姐自2018年8月24日起獲委任以填補盧綺霞女士留下之空缺。

Corporate Information

公司資料

Principal Share Registrar and Transfer Office	SMP Partners (Cayman) Limited Royal Bank House-3rd Floor 24 Shedden Road P.O. Box 1586 Grand Cayman, KY1-1110 Cayman Islands	股份過戶 登記總處	SMP Partners (Cayman) Limited Royal Bank House-3rd Floor 24 Shedden Road P.O. Box 1586 Grand Cayman, KY1-1110 Cayman Islands
Hong Kong Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong	香港證券 登記處	香港中央證券登記有限公司 香港灣仔 皇后大道東183號 合和中心17樓 1712-1716號鋪
Principal Legal Advisor as to Hong Kong Laws	Freshfields Bruckhaus Deringer	香港法律主要 法律顧問	富而德律師事務所
Auditor	BDO Limited (<i>Certified Public Accountants</i>)	核數師	香港立信德豪會計師事務所有限公司 (<i>執業會計師</i>)
Principal Bankers	Industrial Bank, Huizhou Branch Hongkong and Shanghai Banking Corporation Limited China Guangfa Bank, Huizhou Branch	主要往來銀行	興業銀行惠州分行 香港上海滙豐銀行有限公司 廣發銀行惠州分行
Investor and Media Relations Consultant	Wonderful Sky Financial Group Holdings Limited	投資者及傳媒 關係顧問	皓天財經集團控股有限公司

Financial Highlights

財務摘要

		Six months ended 30 June 截至6月30日止6個月	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Revenue	收入	1,973,936	1,909,663
Gross profit	毛利	542,651	552,147
Profit before income tax	稅前利潤	226,167	224,270
Profit for the period (Note 1)	本期利潤 (附註1)	101,641	159,053
Profit for the period attributable to	以下各方應佔本期利潤		
Owners of the parent	母公司擁有人	91,851	148,157
Non-controlling interests	非控制性權益	9,790	10,896
Earnings per share attributable to	母公司普通股權益擁有人		
ordinary equity holders of the parent	應佔每股盈利		
Basic	基本	2.56 cents 分	4.53 cents分
Diluted	攤薄	2.56 cents 分	3.78 cents分

Note 1: Profit for the period represents profit before netting off profit for the period attributable to non-controlling interests.

附註1: 本期利潤為扣除非控制性權益應佔本期利潤前的利潤。

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Non-current assets	非流動資產	2,404,729	1,836,115
Current assets	流動資產	3,714,505	3,637,201
Current liabilities	流動負債	2,170,580	2,043,767
Net current assets	淨流動資產	1,543,925	1,593,434
Total assets less current liabilities	總資產減流動負債	3,948,654	3,429,549
Non-current liabilities	非流動負債	562,616	99,320
Total equity	總權益	3,386,038	3,330,229
Attributable to:	以下各方應佔:		
Owners of the parent	母公司擁有人	3,287,079	3,242,052
Non-controlling interests	非控制性權益	98,959	88,177

Management Discussion and Analysis

管理層討論與分析

Market and Performance Review

During the Period under Review, China's Gross Domestic Product grew by 6.8% as compared with the Corresponding Period, and remained in the range of 6.7% to 6.9% for 12 consecutive quarters(Source: National Bureau of Statistics). As China continued to push forward the "13th Five-year Plan", China's infrastructure investment has risen year by year, and the lighting industry has entered a new cycle. With energy conservation and environmental protection as the new theme, there was a booming increase in segment lighting markets such as smart lighting, smart cities, and landscape lighting. According to the estimate from Gaogong Industry Research Institute (GGII), the market size of smart lighting is expected to reach RMB38.7 billion in 2018, and that of landscape lighting is expected to reach RMB78 billion in 2018.

Under the vigorous promotion of national policies and energy-saving requirements, traditional lighting has been replaced by LED lighting, leading to a continuous increase in the market penetration of LED lighting and an expansion of the market size of LED lighting. In line with industry expansion and development trends, lighting enterprises have embarked on the layout of smart lighting, smart cities, landscape lighting and other fields through mergers and acquisitions, restructuring and cross-border integration to enhance their market competitiveness. Meanwhile, market competition in the LED lighting industry was increasingly fierce as the upstream and downstream enterprises of the LED industry chain began to lay out the lighting market.

市場及業績回顧

回顧期內，中國國內生產總值較同期比較增長6.8%，連續12個季度保持在6.7%至6.9%的區間(資料來源：國家統計局)。隨著中國「十三五」規劃的繼續推進，國家基礎建設投資的逐年攀升，照明行業進入新週期，節能環保成為新主題，智慧照明、智慧城市、景觀亮化等細分照明市場開始爆發增長，據高工產業研究院(GGII)預計，2018年中國智慧照明市場規模將達人民幣387億元，2018年中國景觀亮化市場規模將達到人民幣780億元。

在國家政策和節能需求的不斷推動下，LED替換傳統照明，LED滲透率不斷提升，LED照明市場規模不斷擴張，LED照明企業順應行業擴張態勢及發展趨勢，通過合併、重組、跨界整合等方式紛紛佈局智慧照明、智慧城市、景觀照明等領域，增強了市場競爭力；同時隨著LED產業鏈上下游企業開始佈局照明市場，照明市場競爭日益激烈。

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During the Period under Review, the Group continued to carry on the strategy of dual-channel development of commercial lighting and home lighting, and gradually strengthened its control and expansion of channels. Through intensifying and improving the implementation of setting up 400 commercial lighting engineering distributors and the establishment of the stylistic and differentiated home lighting product systems, the Group effectively seized each market segment. The Group focused on the lighting sector and specialized in the market segments. The Group further expedited the layout of smart lighting products. During the Period under Review, the Group's Smart Research Institute released the strategic cooperation of "NVC Lighting X Tmall Genie" with Alibaba Artificial Intelligence Lab to further promote the intelligent strategic layout. During the Period under Review, the Company entered into agreements to acquire 100% equity of Blue Light (HK) Trading Co., Limited, which expanded the online distribution channels and realized online and offline integration. As a result of that, the Company has made further progress to realizing the strategy of transforming from manufacturing enterprises to channel enterprises.

Sales and Distribution

At the end of the Period under Review, as for the NVC brand in the PRC market, the Group continued focusing on the construction of channels. The Group had 37 exclusive regional distributors with a total of 3,524 exclusive outlets (100.0% coverage rate in the provincial capital, 94.8% coverage rate in the prefecture-level cities, 65.7% coverage rate in the county-level cities and 1.4% coverage rate in the town-level cities). In the commercial lighting sector, the Group, on the one hand, continued to push forward the construction of commercial exclusive outlets and completed the construction of 128 commercial exclusive outlets. On the other hand, the Group continued to establish and improve the 400 engineering business system (which is to establish 400 major engineering distributors) so as to build the core capabilities of small and medium projects and upgrade project conversion rate. In relation to commercial lighting sector, leveraging on its competitive edge in the engineering field, the Group strengthened and deepened the construction of sales channels and the independent operation of the sales centers, enhancing the engineering response speed and effectively implementing the strategy of reducing costs and improving efficiency. During the Period under Review, the Group

回顧期內，本集團繼續實施商業照明與家居照明雙渠道發展戰略，並逐步加強對渠道的管控與拓展。通過進一步加強和完善400家商業照明工程經銷商體系建設及建立風格化、差異化的家居照明產品體系，本集團有效地佔領各細分市場。本集團專注於照明領域，在細分市場做到專業。本集團進一步加快智慧照明產品佈局，回顧期內，本集團智慧研究院與阿里巴巴人工智慧實驗室發佈「雷士照明X天貓精靈」戰略合作，進一步推進智能化戰略佈局。於回顧期內，本公司訂立協議，收購香港蔚藍芯光貿易有限公司100%股權。此項收購拓展了上分銷渠道，實現了線上線下渠道相互融合，為實現本集團從製造型企業向渠道型企業轉型的戰略邁進一步。

銷售及分銷

在中國雷士品牌市場方面，於回顧期末，本集團持續重點推進渠道建設，本集團擁有37個獨家區域經銷商，獨家區域經銷商旗下共有3,524家專賣店（省會城市覆蓋率為100.0%；地級城市覆蓋率為94.8%；縣級市或縣級城市覆蓋率為65.7%；鄉鎮城市覆蓋率為1.4%）。在商業照明領域，一方面持續推進商照專賣店的建設，完成128家商照專賣店的建設，另一方面持續建立和完善400工程（打造全國400家重點工程經銷商）業務體系，打造中小工程核心能力，提升項目轉化率。商業照明憑藉在工程領域的優勢，堅持廣而深的銷售渠道建設以及銷售中心的獨立化運作，提升工程反應速度，有效貫徹降本提效策略方針。於回顧期內，本集團成功奪取「蚌埠市夜景亮化」、「珠海亮化」、「青島奧帆中心亮化」等千萬級項目。同時，本集團積極把握行業趨勢，加快智慧化項目發展

Management Discussion and Analysis

管理層討論與分析

successfully won such projects with investment volume of more than RMB10 million as “Bangbu Night Scene Lighting”, “Zhuhai Lighting” and “Qingdao Olympic Sailing Center Lighting”. At the same time, the Group actively seized the industry trends to accelerate the development of smart projects and promote the construction of projects such as smart lighting and smart door locks. As for the home lighting sector, the Group has continued to implement the product differentiation strategy and establish the stylistic exclusive outlets to deeply dig out the potentials in the segmented market. The Group has further strengthened channel management, continued focusing on the implementation of the “500 Plan” (which is to create 500 exclusive outlets with an area of more than 500 square meters and retail sales of more than RMB5 million), and comprehensively improved the operation capabilities of core distributors. The Group continued to promote retail projects such as “Festive Lights Lecture” (花燈大講堂), “Super Coach” (超級教練), and “Factory Buying” (工廠購), with the aim to further updating the terminal sales capability. The Group strengthened the management of the distribution system through the optimization of supply chain system and the establishment of channel management system. The turnover of the NVC brand products in China increased by 11.9% from the Corresponding Period to RMB1,213,938,000 during the Period under Review.

In respect of the NVC brand products in the international market, the Group continued to strengthen the team building of branches and offices as well as the promotion of NVC brand. In the European region, while continuously consolidating the local market in the UK, the Group increased efforts to develop markets in Northern Europe, including Sweden, Norway, Denmark and Poland. A specialized engineering team was organized to develop engineering channels during the Period under Review, and the Group successfully won the bid for the major engineering project “Royal Docks in London”. In the Middle East region, the Group continued to improve professional service capabilities for engineering projects to provide one-stop lighting solutions for customers. The Group won the tenders for major projects with investment volume of more than RMB10 million including “Qatar VENDOME Mall”, “Saudi Sabic Group Villas” and “Kuwait Oil”, further enhancing the influence of NVC brand in the Middle East region. At the same time, the Middle East office, by virtue of its in-depth understanding of the Middle East market, was trying to develop more distributors and

速度，推進智慧照明與智慧門鎖等項目的建設。在家居照明領域，本集團繼續實施產品差異化戰略，通過設立風格化專賣店，深度挖掘各細分市場潛能，進一步強化渠道管理，繼續重點推動「500計劃」(打造500家面積500平方以上零售額人民幣500萬以上的專賣店)，全面提升核心經銷商的運營能力。本集團持續推動「花燈大講堂」、「超級教練」、「工廠購」等零售項目，提升終端的銷售能力。本集團通過優化供應鏈體系，建立渠道管理系統，加強對經銷商系統的管理。於回顧期內，雷士品牌產品的中國銷售額達較同期增長11.9%，達人民幣1,213,938千元。

在國際雷士品牌市場方面，本集團繼續加強分公司和辦事處的團隊建設及雷士品牌的推廣。在歐洲區域，在繼續鞏固英國當地市場的基礎上，本集團持續加大力度開發北歐包括瑞典、挪威、丹麥和波蘭等國家的市場。回顧期內，本集團組織專門團隊開發工程渠道，並成功中標重點工程項目「倫敦皇家碼頭」。在中東地區，本集團持續提升工程專業服務能力，為客戶提供照明一站式解決方案服務，並成功中標「卡塔爾VENDOME Mall」、「沙特Sabic集團別墅群」、「科威特石油」等千萬級別項目，從而不斷提升雷士品牌在中東地區的影響力。同時，中東辦事處深入瞭解中東國家市場，嘗試開發更多分銷商，完善經銷網路，開發新的經銷商。在東南亞等區域，本集團通過針對性產品開發、高激勵性促銷

Management Discussion and Analysis

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improve the distribution network. In the Southeast Asia and other regions, the Group focused on the construction of wholesale and retail channels in the Indonesian market through tailor-made products and high-incentive promotion programs. During the Period under Review, the Group has successfully developed 4028 distributors and 58 wholesalers in the Indonesian market, and our products entered 338 retail stores. At the same time, the Group, in cooperation with local distributors, successfully won the bid for such projects as “Ekocheras Mall”, “PAF Hospital Islamabad” and “Havelock City”. During the Period under Review, due to impact of the RMB exchange rate and geopolitical and economic factors, the sales revenue of NVC brand products in the international market dropped by 46.3% from the Corresponding Period to RMB93,595,000.

In respect of non-NVC brands in the PRC and international markets, the Group mainly supplied energy-saving lamps, energy-saving light tubes, and accessories for famous lighting enterprises in the form of ODM. During the Period under Review, the Group promoted the LED lighting products to enter the sales channels of major customers by utilizing the cost, technology and scale strengths. By virtue of the favorable opportunities arising from LED lighting products that gradually dominated the market, the Group continuously strengthened input of market resources to develop new clients, thus increasing the sales of non-NVC brand lighting products. The total sales revenue of non-NVC brand products grew by 2.5% from the Corresponding Period to RMB666,403,000 during the Period under Review.

方案制定，重點投入對印尼市場批發零售渠道的建設。回顧期內在印尼市場已經成功開發出分銷商4028家，批發商58家，產品進入零售店面338家。同時，本集團與當地經銷商合作，成功中標「Ekocheras Mall」、「PAF Hospital Islamabad」、「Havelock City」等項目。在回顧期內，國際雷士品牌銷售額受人民幣匯率及地緣政治經濟因素的影響與同期比較下降46.3%，達人民幣93,595千元。

在中國及國際非雷士品牌市場方面，本集團主要以ODM形式為知名照明企業提供節能燈、節能燈管及配件產品。回顧期內，本集團利用成本、技術和規模優勢推進LED照明產品進入主要客戶銷售渠道，借助LED照明產品逐步主導市場的有利機遇，不斷加強市場資源投入開發新客戶，提升非雷士品牌LED照明產品的銷售。回顧期內，非雷士品牌產品的銷售總額較同期增長2.5%，達人民幣666,403千元。

Management Discussion and Analysis

管理層討論與分析

Product Research, Development and Design

During the Period under Review, the launch of the research and development (“R&D”) work of the Group mainly focused on the development of new products and the functionality promotion of products. The Group comprehensively promoted product upgrades to serve for the improvement in the professionalism and competitiveness of products. The Group adhered to the market-centered and customer-oriented R&D principles. During the Period under Review, indoor products of the Group focused on Lingshi Series (領勢系列) for the 400 engineering channels, including ceiling light, multiple light, surface-type downlight, track light and line light. Meanwhile, the Group developed industrial lighting, high-altitude lighting, ceiling light series and track spotlight products covering all power ranges as well as special-color-point fresh light series products. In addition, the Group continued to push forward the automation of downlights and ceiling lights, thus improving production efficiency and product yield rate, as well as greatly improving product quality and reducing labor costs. The Group applied for 151 new patents, with 144 patents approved and granted during the Period under Review.

Brand Promotion and Honour

The Group continued to implement the core brand concept of “Expert in Luminous Environment”, and devoted to creating a leading and world-class smart lighting solution provider in China. In June 2018, NVC brand with the value of RMB25.766 billion was rated by the World Brand Lab as “15th China’s 500 Most Valuable Brands” again and remained the No.1 brand in the lighting industry for 7 consecutive years, reflecting the Group’s powerful brand strength and influence. During the Period under Review, the Group’s “Zhuhai Districts Lighting and CCTV Spring Festival Gala Zhuhai Sub-Venue Lighting Project” won the First Prize of “China Landscape Lighting Award – Design Award”. Huizhou NVC was rated by China Illuminating Engineering Society as “Quality Lighting Supplier for SCO Qingdao Summit”. The “Development and Industrialization of Chip-Scale Package High-power LED on New Patterned Substrate” project, under joint research and development of Huizhou NVC, Elec-Tech and South China University of Technology, was awarded the Second Prize of “Guangdong Science and Technology Progress Award”. These awards fully reflected the highly social recognition of NVC brand, and further enhanced our brand reputation.

產品研發及設計

於回顧期內，本集團研發工作主要圍繞新品開發、產品性能提升而展開，全面推進產品升級，為提高產品專業性和競爭力而服務。本集團的研發原則是以市場為中心，以客戶需求為導向。回顧期內，室內產品重點完成400工程渠道產品領勢系列，包含天花燈、格柵射燈、明裝筒燈、軌道射燈及線條燈系列產品，同時開發了工業照明、高空照明、天棚燈系列、軌道射燈全功率段產品以及特殊色點生鮮燈系列產品。此外，本集團持續推進筒燈和天花燈系列產品自動化生產，提高生產效率和產品良率，大幅提升產品品質和縮減人工成本。本集團於回顧期內新申請專利有151項，實際獲批授予專利有144項。

品牌推廣及榮譽

本集團繼續推行「光環境專家」的品牌核心理念，致力於打造成為中國領先、世界一流的智慧照明解決方案服務商。2018年6月，雷士品牌以人民幣257.66億元的價值獲評由世界品牌實驗室評選的第15屆「中國500最具價值品牌」稱號，連續七年蟬聯照明行業榜首，彰顯了強大的品牌實力和影響力。回顧期內，本集團的「珠海市部分城區亮化提升暨央視春晚珠海分會場景觀亮化提升項目」獲「中國景觀照明獎—設計獎」一等獎；惠州雷士被中國照明學會評為「上合組織青島峰會照明優質產品供應商」；惠州雷士與德豪潤達、華南理工大學聯合研發的「新型圖形化襯底上芯片級封裝的大功率發光二極管及其產業化」項目獲廣東省科技進步二等獎。獎項的取得充分體現了社會各界對雷士品牌的高度認可，品牌美譽度持續提升。

Management Discussion and Analysis

管理層討論與分析

Progress of Litigation

Since December 2014, a subsidiary of the Company (the “Subsidiary”) initiated a series of court proceedings in the PRC against Mr. WU Changjiang, a former director and the former chief executive officer of the Company, and other persons in relation to a number of alleged pledges and guarantees entered into by Mr. WU Changjiang purportedly on behalf of the Subsidiary, and certain counter-guarantees provided by a PRC company. The Subsidiary was also a co-defendant in three PRC court actions commenced by two PRC banks and a finance company, respectively, in relation to several alleged pledges and guarantees purportedly entered into by Mr. WU Changjiang. Please refer to the Company’s 2017 annual report for details.

In relation to one of the aforementioned court actions commenced by a PRC bank against the Subsidiary as a co-defendant, certain funds held by the Subsidiary had been frozen by such PRC bank. In April 2016, Chongqing Fifth Intermediate People’s Court issued a judgment, which, among other things, ordered that the Subsidiary was jointly liable with another PRC company for the payment of RMB60,000,000, plus interest and costs, to such PRC bank. The Company filed an appeal against such judgment with the Chongqing Higher People’s Court. In early 2017, the Company received the judgment of the Chongqing Higher People’s Court which rejected the Subsidiary’s appeal and upheld the first instance judgment. Please refer to the Company’s announcement dated 27 February 2017 for details. The Subsidiary subsequently filed an application of retrial of the relevant PRC court judgments, but its application was rejected by the Chongqing Higher People’s Court. The Subsidiary has subsequently filed an application of protest with the Chongqing People’s Procuratorate to overturn the relevant judgments and for a retrial of this matter. In May 2018, Chongqing People’s Procuratorate filed a protest with the Supreme People’s Procuratorate. The outcome of the protest application, according to the official legal documents received by the Subsidiary, is pending as of the date of approval of these financial statements.

訴訟進展

自2014年12月以來，本公司的一家附屬公司（「附屬公司」）向本公司前任董事及前任首席執行官吳長江先生及其他人士就若干由吳長江先生聲稱代表該附屬公司訂立的抵押和擔保以及由一家中國公司提供的若干反擔保於中國提起系列訴訟。該附屬公司亦分別為由兩家中國銀行和一家財務公司於中國法院提起的關於數宗聲稱由吳長江先生訂立的抵押和擔保的三宗訴訟的共同被告。詳情請參見本公司2017年年報。

有關上述其中一起由一家中國銀行提起的針對該附屬公司作為共同被告的訴訟，該附屬公司持有的部份資金已被該中國銀行凍結。於2016年4月，重慶市第五中級人民法院作出判決，判令（其中包括）該附屬公司須就向該中國銀行支付人民幣60,000千元另加利息及成本與另一家中國公司承擔共同責任。本公司已經就該判決向重慶市高級人民法院提出上訴。於2017年初，本公司接獲重慶市高級人民法院駁回該附屬公司上訴及維持原一審判決的判決書。詳情請參閱本公司日期為2017年2月27日的公告。該附屬公司隨後就相關中國法院判決申請重審，但其申請遭重慶市高級人民法院駁回。該附屬公司隨後已向重慶市人民檢察院提出抗訴申請，以推翻有關判決並就該事項進行重審。於2018年5月，重慶市人民檢察院向最高人民檢察院提請抗訴。根據該附屬公司收到的正式法律文件，於該等財務報表獲批准日期，該附屬公司仍在等待抗訴申請結果。

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管理層討論與分析

In relation to one of the aforementioned court actions commenced by another PRC bank to Chongqing First Intermediate People's Court which alleges, among others, that the eight individuals/institutions (the "Eight Guarantors") including the Subsidiary should be jointly and severally liable as Guarantors for the debt of RMB35,497,000, plus interest, as owed by Chongqing En Wei Xi Industrial Development Co., Ltd. ("En Wei Xi") to the Bank. The Company received a judgment from the Chongqing First Intermediate People's Court in September 2016, which held, among other things, that the Eight Guarantors, including the Subsidiary, were jointly and severally liable with En Wei Xi for the payment of RMB35,497,000, plus interest and costs, to such PRC bank. The Subsidiary filed an appeal against such judgment with the Chongqing Higher People's Court. In June 2017, the Company received the judgment of the Chongqing Higher People's Court which rejected the Subsidiary's appeal and upheld the first instance judgment. Please refer to the Company's announcement dated 30 June 2017 for more information. The Subsidiary subsequently filed an application of retrial of the relevant PRC court judgments. In May 2018, the Company received the ruling of the Supreme People's Court of the People's Republic of China which rejected the Subsidiary's retrial application. The Subsidiary is in the progress of applying for protests of the relevant PRC court judgements.

In relation to the another aforementioned court action commenced by the finance company in the Chongqing First Intermediate People's Court, it was claimed that Mr. WU Changjiang, the Subsidiary and two other entities should be jointly and severally liable as guarantors for the debt of RMB34,000,000, plus interest, as owed by Mrs. WU Lian to the finance company pursuant to several alleged agreements. The Company received a judgment from the Chongqing First Intermediate People's Court in October 2016, which, among other things, ordered that the guarantors, including the Subsidiary, were jointly and severally liable with Mrs. WU Lian for the payment of RMB34,000,000 plus interest and costs, to the finance company. The Subsidiary filed an appeal against the judgment with the Chongqing Higher People's Court. In September 2017, the Company received the judgment of the Chongqing Higher People's Court which rejected the Subsidiary's appeal and upheld the first instance judgment. Please refer to the Company's announcement dated 14 September 2017 for more information. The Subsidiary is in the progress of applying for protests of the relevant PRC court judgement.

有關上述其中一起由另一家中國銀行向重慶市第一中級人民法院提起的訴訟，要求（其中包括）包括該附屬公司在內的八名個人／機構（「八名擔保人」）就重慶恩緯西實業發展有限公司（「恩緯西」）所欠該中國銀行人民幣35,497千元欠款另加利息的債務作為擔保人承擔連帶責任。本公司已於2016年9月收到重慶市第一中級人民法院就此等訴狀作出的判決，判令（除其他事項外）八名擔保人，包括該附屬公司，需就向該等中國銀行支付人民幣35,497千元欠款另加利息及成本與恩緯西承擔連帶責任。該附屬公司已向重慶市高級人民法院就該判決提起上訴。於2017年6月，本公司接獲重慶市高級人民法院駁回該附屬公司上訴及維持一審判決的判決書。詳情請參閱本公司日期為2017年6月30日的公告。該附屬公司隨後就相關中國法院判決申請重審。於2018年5月，本公司接獲中華人民共和國最高人民法院駁回該附屬公司再審申請的裁定。該附屬公司正就相關中國法院判決申請抗訴。

有關上述其中一起由一家財務公司向重慶市第一中級人民法院提起的訴訟，要求吳長江先生、該附屬公司及其他兩家實體應就吳戀女士根據數份所謂的協議所欠該財務公司人民幣34,000千元欠款另加利息的債務作為擔保人承擔連帶責任。本公司已於2016年10月收到重慶市第一中級人民法院就此等訴狀作出的判決，判令擔保人，包括該附屬公司，需就向該財務公司支付人民幣34,000千元欠款另加利息及成本與吳戀女士承擔連帶責任。該附屬公司已向重慶市高級人民法院就該判決提起上訴。於2017年9月，本公司接獲重慶市高級人民法院駁回該附屬公司上訴及維持一審判決的判決書。詳情請參閱本公司日期為2017年9月14日的公告。該附屬公司正就相關中國法院判決申請抗訴。

Management Discussion and Analysis

管理層討論與分析

The management of the Company, with reference to (i) legal opinions obtained, (ii) the loans having securities including land use rights pledged by Chongqing Wu Ji Real Estate Development Co., Ltd. and En Wei Xi, and (iii) there being several other guarantors involved in the legal proceedings with the two PRC banks and the PRC finance company, is of the view that the likelihood of the Group sustaining losses from the PRC court actions commenced by the two PRC banks and the PRC finance company is remote.

Future Prospects

By means of the on-going innovation and the increase in value and efficiency, various sorts of standardized governance have become effective. In the future, the Group will continue to focus on the expansion of the external channels and the enhancement of the internal management, so as to create new opportunities for the sustainable development of the Group.

In terms of expanding the domestic market channels, the Group will expand in the fields of commercial lighting, home lighting and e-commerce. As for the commercial lighting sector, the Group will continue to solidly implement the 400 engineering system which is to establish 400 major engineering distributors in China, and vigorously push forward various large projects in the fields of rail transit, big space and landscape lighting in the second half of the year. In the home lighting sector, the Group will spare no effort to push forward the implementation of 500 Plan (which is to create 500 exclusive outlets each with an area of more than 500 square meters and retail sales of more than RMB5 million) and the establishment of outlets in town channels. At the same time, the Group will strengthen its product quality control, terminal management, sales and after-sales team management to create professional household retail teams. In the field of e-commerce, after the completion of the acquisition of Blue Light (HK) Trading Co., Limited, the Group will further integrate its resources and optimize and upgrade the efficiency of e-commerce management and operation, thus providing the basis for the vigorous development of e-commerce in future. The Group will comprehensively expand channels through the integration of online and offline channels, thus laying a foundation for transforming from a manufacturing enterprise to a channel enterprise.

經參考(i)取得的法律意見；(ii)貸款擁有包括重慶無極房地產開發有限公司及恩緯西質押的土地使用權作為擔保；及(iii)有若干其他擔保人涉及兩家中國銀行及中國財務公司的法律訴訟，本公司管理層認為本集團就兩家中國銀行及中國財務公司於中國法院提起的訴訟所承擔損失的可能性輕微。

未來展望

本集團通過持續的開放創新和增值提效，各項規範化治理已見成效。未來，本集團將繼續專注於外部渠道擴張和內部管理提升，為本集團的可持續發展創造新的機遇。

在國內市場的渠道擴張上，本集團將在商業照明領域、家居照明領域及電子商務領域進行拓展。在商業照明領域，本集團將繼續紮實地推進400工程體系（打造全國400家重點工程經銷商），下半年將大力推動軌道交通大空間及景觀亮化等照明領域的多個大項目。在家居照明領域，本集團全力推動500計劃（打造500家面積500平方以上零售額人民幣500萬以上的專賣店）的落地以及鄉鎮渠道網點的建設，同時加強產品品質管制、終端管理、銷售及售後團隊的管理，打造專業的家居零售團隊。在電子商務領域，完成對香港蔚藍芯光貿易有限公司的收購後，本集團將進一步整合公司資源，完善及提升電子商務管理運營效率，為後期在電子商務領域大力發展奠定基礎。本集團通過線上線下的融合，全面拓展渠道，為實現從製造型企業向渠道型企業轉型奠定基礎。

Management Discussion and Analysis

管理層討論與分析

As for the expansion of the overseas market channels, in the European region, the Group will continue to strengthen channel development in the Nordic countries, and continue to improve the construction of sales teams to lay a solid foundation for the expansion of engineering channels. In the Middle East region, the Group will continue to enhance its engineering service capabilities, and provide professional lighting solutions for more engineering projects grasping the opportunities arising from the Qatar FIFA World Cup and the UAE World Expo. At the same time, the Middle East office will continue to gain an in-depth knowledge of the market and explore the development of new channels with future focus on the construction of distribution and retail channels. In the Southeast Asia region, the Group will continue to invest in the channel construction in the Indonesian market and increase the exhibition rate of products, so as to enhance the market share and the brand popularity. Meanwhile, the Group will stimulate the growth of engineering channels to obtain more projects.

In terms of cost management, the Group will continue to promote internal cost control, so as to reduce product costs and enhance product competitiveness through reducing cost in the respects of R&D, purchase and manufacturing. From the product standardization and platform reform, the Group will make use of its advantages of the integration of upstream and downstream resources. The Group will carry out systematic product planning, balance production capacity, minimise order placements and centralise purchasing to lower procurement cost. The Group will also implement “Amoeba” operation mode concept with lean management, optimize the organizational structure to streamline staffing, and press ahead the automation and semi-automation of workshop so as to reduce production costs. In internal management, the Group will carry out organizational reform, including flat organizational restructuring, to remove the intermediate levels. The Group will implement training programs for employees of different levels to reserve sufficient management talents. The Group will establish the remuneration incentive reform system based on value creation to cultivate the mainstream culture and ideology based on value creation.

在海外市場的渠道擴張上，歐洲區域方面，本集團將繼續加強在北歐國家的渠道開發，本集團同時繼續完善銷售團隊的建設，為工程渠道的擴張打下堅實的基礎。中東區域方面，將持續提升工程服務的能力，借助卡達世界盃和阿聯酋世博會契機，為更多個工程項目提供專業的照明解決方案。同時，中東辦事處將繼續深入瞭解市場，探索新渠道的開發，未來將重點投入分銷渠道和零售渠道建設。東南亞區域方面，本集團將持續投入對印尼市場的渠道建設，不斷增加產品在該市場的見面率以提升市場佔有率和品牌知名度，同時拉動在工程渠道的增長，以獲取更多的項目。

在成本管理上，本集團繼續推進內部的成本管控，通過研發降本、採購降本及製造降本三大方面降低產品成本，提升產品競爭力。從產品的標準化、平台化出發，發揮上下游資源整合優勢；對產品進行系統規劃，平衡匹配產能，減少訂貨次數，集中採購以降低採購成本；繼續推行「阿米巴」經營模式及精細化管理，優化組織結構以精簡人員，推動車間的自動化及半自動化改革，降低製造成本。在內部管理上，持續進行組織改革，包括扁平化組織架構調整，去除中間層級。實施針對不同層級的培養計劃，為後備管理人才提供有力保障。建立基於價值創造的薪酬激勵變革體系，形成以價值創造為基礎的主流文化和思想。

Management Discussion and Analysis

管理層討論與分析

The Group's Main Products

The Group focuses on developing creative R&D capability, providing clients with professional and optimized LED lighting solutions, and aim to promote the national energy-saving, emission-reduction scheme and enhance green lighting industry forward to more sustainable, healthy and well-regulated growth. The revenue from LED lighting products account for more than 80% of the Group's total revenue during the Period under Review.

The Group's product can be divided into three segments: lamp products, luminaire products and lighting electronic products. The luminaire products can be further classified as commercial lighting luminaire products and home lighting luminaire products. Main products of commercial lighting include: downlights, ceiling lights, panel lights, batten lights, flood lights, wall lights, garden lights, bollard, in-ground lights, underwater lights, street lights, tunnel lights and emergency lights series, which can be widely used in the large conference halls, hotels, supermarkets, offices, landed properties, roads and airports etc. Main products of home lighting include: aluminum lights, candle lights, wrought iron lights, flat-panel low-voltage lights, brass lights, Acrylic lights, kitchen and bathroom series etc, which can be widely used in the living room, dining room, bed room, children's room, kitchen, bathroom, balcony and many other indoor applications.

1. Luminaire Product Segment:

Samples of Main Products of Commercial Lighting Luminaire:

商業照明燈具主要產品示例：



Downlights Series
筒燈系列



Ceiling Light Series
天花燈系列



Multiple Light Series
格柵射燈系列

本集團主要產品

本集團致力於打造創新性研發能力，為客戶提供專業的LED照明集成式優化解決方案，以推進國家節能減排，發展綠色照明環保產業為使命，推進LED照明產業持續、健康、有序的發展。於回顧期內，LED照明產品的收入佔比超過本集團總銷售收入的80%。

本集團的產品分為光源產品、燈具產品、照明電器產品三大分部，其中燈具產品可進一步分為商業照明燈具產品和家居照明燈具產品。其中商業照明主要產品線包括筒燈、天花燈、射燈、燈盤、支架、投光燈、壁燈、庭院燈、草坪燈、埋地燈、水下燈、路燈、隧道燈及消防應急燈系列產品，主要的應用場所包括內外大型會場、酒店、商超、寫字樓、地產、道路、機場等；家居照明主要產品線包括鋁材燈、蠟燭燈、鐵藝燈、平板低壓燈、全銅燈、亞克力燈及廚衛產品等系列產品，涵蓋客廳、餐廳、臥室、兒童房、廚衛、陽台燈多個室內應用場所。

一、燈具產品分部：

Management Discussion and Analysis

管理層討論與分析

Samples of Main Products of Commercial Lighting Luminaire:
商業照明燈具主要產品示例：



Track Light Series
軌道射燈系列



Flood Light Series
投光燈系列



Underwater Light Series
水下燈系列



Garden Light Series
庭院燈系列



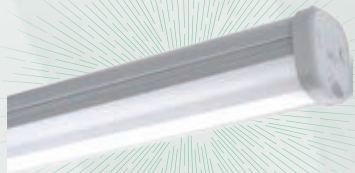
Bollard Series
草坪燈系列



Wall Light Series
壁燈系列

Management Discussion and Analysis

管理層討論與分析



Batten Light Series
支架系列



Panel Light Series
燈盤系列



Street Light Series
路燈系列



Tunnel Light Series
隧道燈系列



In-ground Light Series
埋地燈系列



Emergency Light Series 1
消防應急系列一



Emergency Light Series 2
消防應急系列二

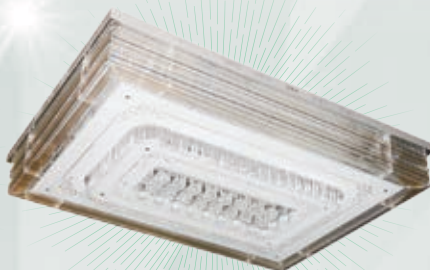
Management Discussion and Analysis

管理層討論與分析

Samples of Main Products of Home Lighting Luminaire:
家居照明燈具主要產品示例：



Aluminum Light Series
鋁材燈系列



Flat-panel Low-voltage
Light Series
平板低壓燈系列



Candle Light Series
蠟燭燈系列



Brass Light Series
全銅燈系列



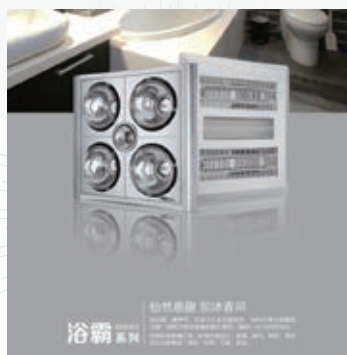
Wrought Iron Light Series
鐵藝燈系列



Acrylic Light Series
亞克力燈系列



Ventilator Series
換氣扇系列



Bath Heater Series
浴霸系列



Integrated Ceiling Light Series
集成吊頂系列

Management Discussion and Analysis

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2. Lamp Product Segment:

二、光源產品分部：



Bulb Lamp Series
球泡燈系列



Candle Lamp Series
蠟燭燈系列



Spiral Energy-saving
Lamp Series
螺旋節能燈系列



U-shaped Energy-saving
Lamp Tube Series
U型節能燈管系列



S-shaped Energy-saving
Lamp Tube Series
S型節能燈管系列

3. Lighting Electronic Products Segment:

三、照明電器產品分部：



American Standard
LED Drive Series
美標LED驅動電源系列



European Standard
LED Drive Series
歐標LED驅動電源系列



Electronic Ballast Series
電子鎮流器系列

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Financial Review

Revenue

Revenue represents the net amount of the invoiced value of goods sold, after allowances for returns and trade discounts. During the Period under Review, the sales revenue of the Group amounted to RMB1,973,936,000, representing an increase of 3.4% as compared with the Corresponding Period.

Revenue by Product Segments

The table below sets forth the revenue by product segments (luminaire, lamp and lighting electronic products) and the growth rate of each segment.

財務回顧

銷售收入

銷售收入指已售貨物的發票價值，經扣除退貨和折扣的淨額。回顧期內，本集團取得銷售收入為人民幣1,973,936千元，較同期增長3.4%。

按產品分部劃分的收入

下表載列按產品分部（燈具、光源和照明電器產品）劃分的收入及各分部的增長率。

		Six months ended 30 June 截至6月30日止6個月		
		2018 2018年 RMB'000 千人民幣	2017 2017年 RMB'000 千人民幣	Growth rate 增長率
Luminaire products	燈具產品	1,356,790	1,262,710	7.5%
Lamp products	光源產品	473,689	501,662	(5.6%)
Lighting electronic products	照明電器產品	143,457	145,291	(1.3%)
Total	合計	1,973,936	1,909,663	3.4%

Revenue by geographical locations, NVC brand sales and non-NVC brand sales

The table below sets forth the revenue by geographical locations, NVC brand products and non-NVC brand products and the growth rate of each item. Our non-NVC brand products primarily consist of ODM products.

按地理位置及雷士品牌與非雷士品牌銷售劃分的收入

下表載列按地理位置及雷士品牌產品和非雷士品牌產品劃分的銷售收入及各項目的增長率。我們的非雷士品牌產品主要由ODM產品組成。

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		Six months ended 30 June 截至6月30日止6個月		
		2018 2018年 RMB'000 千人民幣	2017 2017年 RMB'000 千人民幣	Growth rate 增長率
Sales revenue from PRC	來自中國的銷售收入			
NVC brand	雷士品牌	1,213,938	1,085,117	11.9%
Non-NVC brands	非雷士品牌	133,967	132,798	0.9%
<i>Subtotal</i>	<i>小計</i>	1,347,905	1,217,915	10.7%
Sales revenue from international market	來自國際市場的銷售收入			
NVC brand	雷士品牌	93,595	174,417	(46.3%)
Non-NVC brands	非雷士品牌	532,436	517,331	2.9%
<i>Subtotal</i>	<i>小計</i>	626,031	691,748	(9.5%)
Total	合計	1,973,936	1,909,663	3.4%

Revenue by LED lighting products and non-LED lighting products

按LED照明產品和非LED照明產品劃分的收入

The table below sets forth our revenue from LED lighting products and non-LED lighting products and the growth rate of each item.

下表載列按LED照明產品和非LED照明產品劃分的收入及各項目的增長率。

		Six months ended 30 June 截至6月30日止6個月		
		2018 2018年 RMB'000 千人民幣	2017 2017年 RMB'000 千人民幣	Growth rate 增長率
LED lighting products	LED照明產品	1,642,614	1,463,148	12.3%
Non-LED lighting products	非LED照明產品	331,322	446,515	(25.8%)
Total	合計	1,973,936	1,909,663	3.4%

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During the Period under Review, the sales of luminaire products increased by 7.5%, mainly benefited from the continuous promotion of the dual-channel business model of commercial and home lighting of the Group and the stable growth in the sales of commercial lighting luminaire products. Sales of lamp products recorded a decrease of 5.6%, which was mainly attributed to the gradual shrinkage of market size and the decline in both sales volumes and prices of the traditional lamp products. The sales of lighting electronic products decreased by 1.3%, mainly due to the decline in the sales volumes of traditional electronic appliances business and the impact of the fluctuation of composite exchange rate.

During the Period under Review, the sales of LED lighting products increased by 12.3%, while the sales of non-LED lighting products decreased by 25.8%, mainly attributable to the fact that the Group grasped the favorable opportunity generated from the development of the LED industry to generally increase the proportion of LED lighting products through continuous enhancement in the development of new LED lighting products and the increase of the investment in market resources; while affected by the fierce competition in LED lighting products, the sales of traditional lighting products showed a decline. The development trends of the above two products were antagonistic.

回顧期內，燈具產品銷售增長7.5%，主要得益於本集團商業照明和家居照明雙渠道業務模式的持續推進，商業照明燈具產品銷售穩步提升；光源產品銷售下降5.6%，主要是由於傳統光源產品市場容量逐步縮小，銷量及價格持續走低所致；照明電器產品銷售下降1.3%，主要是由於傳統電器業務銷量下降以及綜合匯率波動影響。

回顧期內，LED照明產品銷售增長12.3%，非LED照明產品銷售下降25.8%，主要是本集團抓住了LED行業發展的有利機遇，通過持續加強LED照明新品開發、渠道拓展及市場資源投入，逐步提升LED照明產品佔比；而受LED照明產品的激烈競爭影響，傳統照明產品銷量萎縮，兩者呈現此消彼長的態勢。

Management Discussion and Analysis

管理層討論與分析

Cost of Sales

Cost of sales mainly consists of the cost of raw materials, outsourced manufacturing costs, direct and indirect labor costs and indirect costs. Major raw materials of the Group include iron, aluminum and alloys, fluorescent powder, glass tubes, electronics components and LED packaged chips, etc. Outsourced manufacturing costs primarily include the cost of purchased semi-finished products and finished products produced by other manufacturers and used in the production of our products. Indirect costs primarily include water, electricity, depreciation and amortisation and others. The table below sets forth the composition of our cost of sales:

銷售成本

銷售成本主要包括原材料成本、外包生產成本、直接和間接勞工成本及間接費用。本集團的主要原材料包括鐵、鋁及合金、螢光粉、玻璃管、電子元器件以及LED封裝芯片等。外包生產成本主要包括採購其他製造商生產的、用於我們的產品生產的半成品以及成品的成本。間接費用成本主要包括水、電、折舊和攤銷以及其他。下表列示銷售成本的組成：

Six months ended 30 June 截至6月30日止6個月					
		2018		2017	
		2018年		2017年	
		Percentage in		Percentage in	
		RMB'000	revenue (%)	RMB'000	revenue (%)
		千人民幣	佔收入比例(%)	千人民幣	佔收入比例(%)
Raw materials	原材料	927,082	47.0%	1,024,311	53.6%
Outsourced manufacturing costs	外包生產成本	321,710	16.3%	143,872	7.5%
Labor costs	勞工成本	129,438	6.6%	131,656	6.9%
Indirect costs	間接費用	53,055	2.7%	57,677	3.0%
Total cost of sales	銷售成本合計	1,431,285	72.5%	1,357,516	71.1%

During the Period under Review, the cost of sales as a percentage to revenue increased from 71.1% to 72.5%, and the gross profit margin decreased from 28.9% to 27.5%, mainly due to, on the one hand, the change in sales structure during the Period under Review and the increase of engineering projects with low gross profit, and on the other hand, the increase in raw material prices and the fluctuation of composite exchange rate leading to the decline in the gross profit margin compared with the Corresponding Period.

回顧期內，銷售成本佔收入的百分比從71.1%上升至72.5%，毛利率從28.9%下降至27.5%，主要是一方面回顧期內銷售結構變化，毛利偏低的工程項目增多；另一方面原材料價格上漲以及綜合匯率波動導致毛利率較同期下降。

Management Discussion and Analysis

管理層討論與分析

Gross Profit and Gross Profit Margin

Gross profit is calculated as the net value of sales revenue less cost of sales.

During the Period under Review, gross profit of the Group was RMB542,651,000, representing a decrease of 1.7% as compared with the Corresponding Period, and gross profit margin of sales decreased from 28.9% to 27.5%. The table below shows the gross profit and gross profit margin by product segments:

(i) The table below shows the gross profit and gross profit margin by product segments (luminaire, lamp and lighting electronic):

毛利及毛利率

毛利指銷售收入減去銷售成本後的淨額。

回顧期內，本集團實現銷售毛利為人民幣542,651千元，較同期下降1.7%，銷售毛利率從28.9%下降至27.5%。各分部的毛利及毛利率列示如下：

(i) 下表載列各產品分部（燈具、光源和照明電器）的毛利和毛利率：

		Six months ended 30 June 截至6月30日止6個月			
		2018 2018年		2017 2017年	
		RMB'000 千人民幣	(%) (%)	RMB'000 千人民幣	(%) (%)
Luminaire products	燈具產品	466,223	34.4%	444,898	35.2%
Lamp products	光源產品	46,165	9.7%	67,153	13.4%
Lighting electronic products	照明電器產品	30,263	21.1%	40,096	27.6%
Total	合計	542,651	27.5%	552,147	28.9%

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(ii) The table below shows the gross profit and gross profit margin by geographical locations and NVC brand products and non-NVC brand products:

(ii) 下表列示所示期間的按地理位置及雷士品牌產品及非雷士品牌產品的毛利及毛利率：

		Six months ended 30 June 截至6月30日止6個月			
		2018		2017	
		2018年		2017年	
		RMB'000	(%)	RMB'000	(%)
		千人民幣	(%)	千人民幣	(%)
Gross profit from PRC sales: 中國銷售產生的毛利：					
NVC brand	雷士品牌	431,720	35.6%	412,106	38.0%
Non-NVC brands	非雷士品牌	22,535	16.8%	25,724	19.4%
<i>Subtotal</i>	<i>小計</i>	454,255	33.7%	437,830	35.9%
Gross profit from international sales: 國際銷售產生的毛利：					
NVC brand	雷士品牌	29,607	31.6%	34,161	19.6%
Non-NVC brands	非雷士品牌	58,789	11.0%	80,156	15.5%
<i>Subtotal</i>	<i>小計</i>	88,396	14.1%	114,317	16.5%
Total	合計	542,651	27.5%	552,147	28.9%

(iii) The table below sets forth the gross profit and gross profit margins of LED lighting products and non-LED lighting products:

(iii) 下表載列LED照明產品以及非LED照明產品的毛利及毛利率：

		Six months ended 30 June 截至6月30日止6個月			
		2018		2017	
		2018年		2017年	
		RMB'000	(%)	RMB'000	(%)
		千人民幣	(%)	千人民幣	(%)
LED lighting products	LED照明產品	479,763	29.2%	455,482	31.1%
Non-LED lighting products	非LED照明產品	62,888	19.0%	96,665	21.6%
Total gross profit	總毛利	542,651	27.5%	552,147	28.9%

Management Discussion and Analysis

管理層討論與分析

During the Period under Review, gross profit margin of luminaire products decreased from 35.2% to 34.4%, mainly attributable to the increase of engineering projects with low gross profit during the Period under Review, which lowered the overall gross profit margin. Gross profit margin of lamp products decreased from 13.4% to 9.7%. On the one hand, LED lamp products are under highly competitive markets, and we offered customers more favorable price in order to win the main customer orders; on the other hand, affected by the competition with LED lamp products, the prices of traditional lamp products continued to drop, giving rise to a decrease of gross profit margin of the whole lamp products as compared with the Corresponding Period. Gross profit margin of lighting electronic products decreased from 27.6% to 21.1%, mainly attributable to the increase in raw material prices and the fluctuation of composite exchange rate.

During the Period under Review, gross profit margin from PRC sales decreased from 35.9% to 33.7%, mainly due to the impact of product sales structure and the increase of projects with low gross profit. Gross profit margin from international sales decreased from 16.5% to 14.1%, mainly due to the combined effect of the more favorable price offered by the Group in order to win the main customer orders of lamp products in the international market, the increase in raw material prices and the fluctuation of composite exchange rate.

回顧期內，燈具產品毛利率從35.2%下降至34.4%，主要是回顧期內毛利偏低的工程項目增多，拉低了整體毛利率；光源產品毛利率從13.4%下降至9.7%，一方面LED光源產品市場競爭激烈，為贏取主要訂單而給予客戶更高的價格優惠；另一方面傳統光源產品受LED光源產品競爭影響售價不斷下調，致使整體光源產品毛利率較同期下降；而照明電器產品毛利率從27.6%下降至21.1%，主要是原材料價格上升以及綜合匯率波動的影響。

回顧期內，中國銷售產生的毛利率從35.9%下降到33.7%，主要是由於產品銷售結構的影響，毛利偏低的工程項目增多；而國際銷售產生的毛利率從16.5%下降到14.1%，主要是回顧期內本集團為有效搶佔國際市場主要客戶的光源產品訂單而給予更高的價格優惠，原材料價格上升以及綜合匯率波動的綜合影響。

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Other Income and Gains

Our other income and gains mainly consist of rental income, gain on sales of scrap materials, fair value gain of derivative component of convertible bonds, gain arising from waiver of other payable, government grants and interest income (the breakdown of other income and gains is provided in note 5 to the interim condensed consolidated financial statements on page 109 of this report). We received various types of government grants in the form of tax subsidies and incentives for research and development activities and expansion of production capacity of energy-saving lamp. Government subsidies are provided by relevant authorities at their discretion, and may not be recurring in nature. During the Period under Review, other income and gains increased to RMB131,742,000 as compared with the Corresponding Period, which was mainly due to the fair value gain of the derivative component of convertible bonds of RMB75,138,000 and the increase in government subsidies received during the Period under Review as compared to the Corresponding Period.

Selling and Distribution Costs

Our selling and distribution costs mainly consist of freight costs, advertising and promotion expenses, staff costs and other costs including office expenses, custom clearance expenses, travelling expenses, depreciation and amortisation, insurance fees and other miscellaneous costs.

During the Period under Review, our selling and distribution costs were RMB179,253,000, representing a decrease of 7.1% as compared with the Corresponding Period. The decrease was mainly due to the decrease in the marketing and promotion fees. Our selling and distribution costs as a percentage of total revenue decreased from 10.1% to 9.1%.

其他收入及收益

我們的其他收入及收益主要包括租金收入、銷售廢料、可換股債券衍生工具部份公允價值收益、豁免其他應付賬款產生的收益、政府補助及利息收入等（其他收入及收益的組成請參照本報告第109頁之中期簡明合併財務報表附註5）。同時我們收到各種作為稅收補貼以及鼓勵進行科技研發和擴大節能燈產能的政府補助。這些政府補助由相關機構酌情發放，未必屬於經常性。回顧期內，其他收入及收益較同期增長至人民幣131,742千元，主要是回顧期內可換股債券衍生工具部份公允價值變動收益為人民幣75,138千元及收到的政府補助較同期增加。

銷售及分銷費用

我們的銷售及分銷費用主要包括運費、宣傳和推廣費、員工成本和其他費用，包括辦公費、報關費、交通費、折舊和攤銷、保險費和其他雜項。

回顧期內，我們的銷售及分銷費用較同期下降7.1%，達人民幣179,253千元，主要是由於宣傳及市場推廣費下降所致。我們的銷售及分銷費用佔收入的比例由10.1%下降至9.1%。

Management Discussion and Analysis

管理層討論與分析

Administrative Expenses

Our administrative expenses mainly consist of staff costs, amortisation and depreciation, research and development expenses, office expenses and other expenses including tax expenses, audit fees, other professional fees and other miscellaneous expenses. These taxes mainly include land use tax and stamp duty in connection with our administrative functions.

During the Period under Review, our administrative expenses were RMB164,753,000, representing a decrease of 3.6% as compared with the Corresponding Period. The decrease was mainly due to the decrease of impairment loss as compared with the Corresponding Period. Our administrative expenses as a percentage in revenue decreased from 8.9% to 8.3%.

Other Expenses

Other expenses mainly consist of loss arising from modification of terms of convertible bonds, losses on disposal of property, plant and equipment, donations and other miscellaneous expenses. During the Period under Review, other expenses increased to RMB81,579,000 as compared with the Corresponding Period, which was mainly due to a loss of RMB78,387,000 arising from modification of terms and extension of maturity of convertible bonds during the Period under Review.

Finance Costs

Finance costs represent interests on bank loans, interest expenses on convertible bonds and other interest expenses.

Share of Results of Associates

This item represents the Group's share of net profits or losses in the associates during the Period under Review.

管理費用

管理費用主要包括員工成本、攤銷和折舊、研發費、辦公費用及其他費用，主要包括稅項、審計費、其他專業費用和其他雜項。這些稅項主要包括與我們的行政部門有關的土地使用稅和印花稅。

回顧期內，我們的管理費用較同期下降3.6%，達人民幣164,753千元，主要是減值損失較同期下降。我們的管理費用佔收入的比例由8.9%下降至8.3%。

其他費用

其他費用主要包括可換股債券條款變更產生的損失、處置物業、廠房及設備的損失、捐贈支出和其他雜項開支。回顧期內，其他費用較同期增長至人民幣81,579千元，主要是回顧期內可換股債券條款變更及延期產生的損失為人民幣78,387千元。

財務費用

財務費用為銀行貸款利息、可換股債券利息開支及其他利息支出。

應佔聯營公司業績

本項反映回顧期內本集團在聯營公司中享有的淨利潤或承擔的淨虧損份額。

Management Discussion and Analysis

管理層討論與分析

Income Tax

During the Period under Review, the Group's income tax amounted to RMB124,526,000, representing an increase of 90.9% as compared with the Corresponding Period. It is mainly due to the increase in deferred income tax arising from potential distribution of the unremitted distributable earnings by the Company's subsidiaries in the PRC to the Company.

Profit for the Period (including Profit Attributable to Non-controlling Interests)

Due to the factors mentioned above, our net profit for the period (including profit attributable to non-controlling interests) was RMB101,641,000 during the Period under Review.

Exchange Differences on Translation of Foreign Operations

During the Period under Review, our exchange differences on translation of foreign operations were RMB3,881,000. These exchange differences primarily arose from the translation of the financial statements of the Company and its overseas subsidiaries which are denominated in foreign currencies.

Profit Attributable to Owners of the Parent for the Period

Due to the factors mentioned above, profit attributable to owners of the parent for the period was RMB91,851,000 during the Period under Review.

Profit Attributable to Non-controlling Interests for the Period

During the Period under Review, profit attributable to non-controlling interests for the period was RMB9,790,000.

所得稅

回顧期內，本集團所得稅達人民幣124,526千元，較同期增加90.9%，主要是遞延所得稅增加，該遞延所得稅是由本公司於中國的附屬公司擬向本公司分配未匯出可分配盈利引起的。

本期利潤（包括非控制性權益應佔部份）

由於上述因素，回顧期內我們本期淨利潤（包括非控制性權益應佔部份）為人民幣101,641千元。

換算海外業務產生的匯兌差額

回顧期內，換算海外業務產生的匯兌差額為人民幣3,881千元，此匯兌差額主要是以外幣計價的本公司及其海外附屬公司財務報表的換算造成。

母公司擁有人應佔的本期利潤

由於上述因素，回顧期內母公司擁有人應佔的本期利潤為人民幣91,851千元。

非控制性權益應佔的本期利潤

回顧期內，非控制性權益應佔的本期利潤為人民幣9,790千元。

Management Discussion and Analysis

管理層討論與分析

Cash Flow and Liquidity

Cash Flows

The table below sets out selected cash flow data from our consolidated statement of cash flows.

現金流量及流動性

現金流量

下表載列從我們的合併現金流量表中節選的現金流量數據。

		Six months ended 30 June	
		截至6月30日止6個月	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		千人民幣	千人民幣
Net cash flows generated from operating activities	經營活動所得現金流量淨額	154,130	91,326
Net cash flows used in investing activities	投資活動所用現金流量淨額	(785,463)	(373,911)
Net cash flows generated from financing activities	融資活動所得現金流量淨額	350,744	256,801
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(280,589)	(25,784)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	1,265,589	1,160,155
Effect of foreign exchange rate changes, net	匯率變動影響淨額	6,040	(10,229)
Cash and cash equivalents as stated in the statement of financial position and cash flows	於財務狀況表及現金流量表中呈列的現金及現金等價物	991,040	1,124,142

As at the end of the Period under Review, the cash and bank balances of the Group were mainly denominated in RMB, HK\$, GBP, BRL and US\$. The RMB is not freely convertible into other currencies, however, under Mainland China's Regulations on the Management of Foreign Exchanges and Administration of Settlement, Sale and Payment of Foreign Exchange Provisions, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於回顧期末，本集團的現金及銀行結餘主要以人民幣、港元、英鎊、巴幣及美元計值。人民幣不可自由轉換為其他貨幣。然而，根據中國內地的《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准通過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

Management Discussion and Analysis

管理層討論與分析

Liquidity

Net current assets and working capital sufficiency

The table below sets out our current assets, current liabilities and net current assets as at the end of the Period under Review.

流動性

淨流動資產及營運資金的充足性

下表列示我們於回顧期末的流動資產、流動負債及淨流動資產。

		30 June 2018 2018年 6月30日 RMB'000 千人民幣	31 December 2017 2017年 12月31日 RMB'000 千人民幣
CURRENT ASSETS	流動資產		
Inventories	存貨	519,546	425,384
Trade and bills receivables	貿易及票據應收賬款	1,091,592	1,092,554
Prepayments, deposits and other receivables	預付款、保證金及其他應收賬款	450,713	397,213
Income tax recoverable	預付所得稅	12,184	11,741
Other current assets	其他流動資產	42,625	41,512
Held-for-trading investment	交易性金融資產	88,786	88,786
Restricted bank balances and short-term deposits	受限制銀行結餘及短期存款	518,019	314,422
Cash and cash equivalents	現金及現金等價物	991,040	1,265,589
Sub-total current assets	流動資產小計	3,714,505	3,637,201
CURRENT LIABILITIES	流動負債		
Trade and bills payables	貿易及票據應付賬款	941,980	820,833
Other payables and accruals	其他應付款及應計費用	728,292	728,749
Interest-bearing loans	計息貸款	410,202	24,940
Government grants	政府補助	2,012	2,012
Income tax payable	應繳所得稅	52,039	34,071
Convertible bonds	可換股債券		
– derivative component	– 衍生工具部份	36,055	11,933
Convertible bonds	可換股債券		
– liability component	– 負債部份	–	421,229
Sub-total current liabilities	流動負債小計	2,170,580	2,043,767
NET CURRENT ASSETS	淨流動資產	1,543,925	1,593,434

Management Discussion and Analysis

管理層討論與分析

As at 30 June 2018 and 31 December 2017, the total net current assets of the Group amounted to RMB1,543,925,000 and RMB1,593,434,000 respectively, and the current ratio was 1.71 and 1.78 respectively. In light of our current liquidity position, the unutilised banking facilities available to the Group and our projected cash inflows generated from operations, the Directors believe that we have sufficient working capital for our present requirements and for the next 12 months.

Capital Management

The following table presents our gearing ratios as at the end of the Period under Review.

於2018年6月30日和2017年12月31日，本集團的淨流動資產總額分別為人民幣1,543,925千元和人民幣1,593,434千元，流動比率分別為1.71和1.78。鑒於我們目前的流動性狀況、本集團在銀行尚未使用的信貸餘額以及預期因經營而產生的現金，董事認為我們擁有充足的營運資金來應付目前及未來12個月的資金需求。

資本管理

下表呈列我們於回顧期末的資本負債比率。

		30 June 2018 2018年 6月30日 RMB'000 千人民幣	31 December 2017 2017年 12月31日 RMB'000 千人民幣
Interest-bearing loans and convertible bonds – liability component	計息貸款及可換股債券 – 負債部份	820,969	446,169
Total debt	債務合計	820,969	446,169
Less: cash and cash equivalents and short-term deposits (excluding restricted bank balances)	減：現金及現金等價物及 短期存款 (扣除受限制銀行存款)	(1,509,059)	(1,580,011)
Net debt	淨債務	N/A 不適用	N/A 不適用
Total equity attributable to owners of the parent	母公司擁有人應佔總權益	3,287,079	3,242,052
Gearing ratio	資本負債比率	N/A 不適用	N/A 不適用

Management Discussion and Analysis

管理層討論與分析

The primary goal of our capital management is to maintain the stability and growth of our financial position. We regularly review and manage our capital structure and make corresponding adjustments, after taking into consideration changes in economic conditions, our future capital requirements, prevailing and projected profitability and operating cash flows, projected capital expenditures and projected strategic investment opportunities. We manage our capital by monitoring our gearing ratio (which is calculated as net debt divided by the total equity attributable to owners of the parent). Net debt is the balance of interest-bearing loans and convertible bonds – liability component less cash and cash equivalents and short-term deposits (excluding restricted bank balances).

Inventories

The balance of inventories represented our balance of stock of raw materials, work in progress and finished goods as at the end of the Period under Review. We monitor our inventories on a regular basis. During the Period under Review, turnover of average inventories (in days) (average inventories equal to the inventories at the beginning of the period plus inventories at the end of the period (after provision), divided by two. Turnover of average inventories (in days) equals to the average inventories divided by the cost of sales and then multiplied by 180) was 59.4 days, while it was 57.0 days in the Corresponding Period.

More details about the inventories are provided in note 14 to the interim condensed consolidated financial statements on page 118 of this report.

我們資本管理的主要目標是保持公司財務狀況的穩定性及增長。我們定期審查並管理我們的資本結構，並在考慮經濟狀況的轉變、未來資本需要、當前及預期的盈利能力及營運現金流量、預期資本支出及預期策略性投資機會後作出相應的調整。我們透過監控公司的資本負債比率（按淨債務除以母公司擁有人應佔總權益來計算）來管理資本。淨債務為計息貸款以及可換股債券－負債部份扣除現金及現金等價物及短期存款（扣除受限制銀行存款）之餘額。

存貨

存貨結餘指本集團在回顧期末的原材料、在製品及產成品庫存餘額。本集團對存貨進行定期監控。於回顧期內，平均存貨週轉天數（平均存貨等於期初存貨加上期末存貨（減去存貨跌價準備後）除以二。平均存貨週轉天數等於平均存貨除以銷售成本，然後乘以180）為59.4天，而同期為57.0天。

有關存貨的詳細情況請參照本報告第118頁的中期簡明合併財務報表附註14。

Management Discussion and Analysis

管理層討論與分析

Trade and Bills Receivables, Prepayment, Deposits and Other Receivables

Trade receivables of the Group represented proceeds receivable from sale of goods. The Group's trading terms with its customers are mainly on credit, except for new customers where payment in advance is normally required. The credit periods generally range from 30 to 180 days for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balance. Overdue interests of several trade receivables are calculated at an annual interest rate of 12%.

During the Period under Review, turnover of average trade and bills receivables (in days) (average gross trade and bills receivables equal to the trade and bills receivables at the beginning of the period plus trade and bills receivables at the end of the period (before provision), divided by two. Turnover of average trade and bills receivables (in days) equals to the average trade and bills receivables divided by revenue and then multiplied by 180) was 116.5 days, while it was 127.7 days in the Corresponding Period.

As at 30 June 2018, prepayments, deposits and other receivables included the followings:

- (a) Amounts due from a company of RMB550,924,000 (31 December 2017: RMB550,924,000), net of impairment provision of RMB285,360,000 (31 December 2017: RMB285,360,000).
- (b) An amount of RMB55,396,000 (31 December 2017: RMB55,396,000) which represented an amount withdrawn by the court during the year ended 31 December 2017.

貿易及票據應收賬款、預付款、保證金及其他應收賬款

本集團的貿易應收賬款指來自貨物銷售的應收所得款項。本集團與客戶之間主要通過信用交易，但新客戶一般需要提前支付。主要客戶的信用期限一般介於30天至180天不等。每位主要客戶均設置最高信用限額。本集團尋求對其未結清應收賬款維持嚴格監控，並已建立一個信用監控部門以將信用風險降至最低。高級管理人員定期覆核逾期結餘。鑒於上述情況及本集團貿易應收賬款與大量分散客戶有關，信用風險的集中度並不高。本集團並無就其貿易應收賬款持有任何抵押品或採取其他信用增級。若干貿易應收賬款的逾期利息按年利率12%計算。

於回顧期內，平均貿易及票據應收賬款週轉天數（平均貿易及票據應收賬款總額等於期初貿易及票據應收賬款加上期末貿易及票據應收賬款（扣除撥備前）除以二。平均貿易及票據應收賬款週轉天數等於平均貿易及票據應收賬款除以收入，然後乘以180）為116.5天，而同期為127.7天。

於2018年6月30日，預付款、保證金及其他應收賬款包括下列各項：

- (a) 人民幣550,924千元的應收一家公司款項（2017年12月31日：人民幣550,924千元），扣除減值撥備人民幣285,360千元（2017年12月31日：人民幣285,360千元）。
- (b) 人民幣55,396千元的款項（2017年12月31日：人民幣55,396千元）指截至2017年12月31日止年度被法院提取的金額。

Management Discussion and Analysis

管理層討論與分析

More details about the trade and bills receivables, prepayment, deposits and other receivables are provided in note 15 to the interim condensed consolidated financial statements on page 119 to page 122 of this report.

Trade and Bills Payables

During the Period under Review, turnover of average trade and bills payables (in days) (average trade and bills payables equal to trade and bills payables at the beginning of the period plus trade and bills payables at the end of the period, divided by two. Turnover of average trade and bills payables (in days) equals to average trade and bills payables divided by cost of sales and then multiplied by 180) was 110.8 days, while it was 99.9 days in the Corresponding Period. More details about the trade and bills payables are provided in note 16 to the interim condensed consolidated financial statements on page 123 of this report.

Interest-bearing Loans

More details about the interest-bearing loans are provided in note 17 to the interim condensed consolidated financial statements on page 124 of this report.

Convertible Bonds

More details about the Convertible Bonds are provided in note 18 to the interim condensed consolidated financial statements on page 125 to page 128 of this report.

Capital Expenditure

We funded our capital expenditure with cash generated from operations and bank loans and cash generated from issue of shares or Convertible Bonds. Our capital expenditure is primarily related to expenditure on property, plant and equipment, prepaid land lease payments and other intangible assets. During the Period under Review, the Group's capital expenditure amounted to RMB45,179,000, mainly attributable to the increase in cost of leasehold improvements, machinery equipment, moulds and non-productive equipment.

有關貿易及票據應收賬款、預付款、保證金及其他應收賬款的詳細情況請參照本報告第119頁至第122頁的中期簡明合併財務報表附註15。

貿易及票據應付賬款

於回顧期內，平均貿易及票據應付賬款週轉天數（平均貿易及票據應付賬款等於期初貿易及票據應付賬款加上期末貿易及票據應付賬款除以二。平均貿易及票據應付賬款週轉天數等於平均貿易及票據應付賬款除以銷售成本，然後乘以180）為110.8天，而同期為99.9天。有關貿易及票據應付賬款的詳細情況請參照本報告第123頁的中期簡明合併財務報表附註16。

計息貸款

有關計息貸款的詳細情況請參照本報告第124頁的中期簡明合併財務報表附註17。

可換股債券

有關可換股債券的詳細情況請參照本報告第125頁至第128頁的中期簡明合併財務報表附註18。

資本支出

我們的資本支出來源為經營業務所產生的現金、銀行貸款所取得的現金以及發行股份或可換股債券所取得的現金。資本支出主要為有關物業、廠房及設備，預付土地租金及其他無形資產。回顧期內，本集團資本支出為人民幣45,179千元，主要是裝修費、機器設備、模具以及非生產設備支出的增加。

Management Discussion and Analysis

管理層討論與分析

Off-balance Sheet Arrangement

Except for the derivative component of Convertible Bonds mentioned in note 18, note 22 and note 23 to the interim condensed consolidated financial statements, we did not have any outstanding derivative financial instruments or off-balance sheet guarantees for outstanding loans. We did not engage in trading activities involving non-exchange traded contracts.

Capital Commitments

The details to capital commitments are provided in note 24 to the interim condensed consolidated financial statements on page 153 of this report.

Continuing Connected Transactions

During the Period under Review, the continuing connected transactions of the Group do not exceed the annual caps previously disclosed in the relevant announcements of the Company.

Mergers, Acquisitions and Investments

Saved as disclosed of events after the Period under Review on page 38 of this report, pursuant to the heads of agreement dated 25 April 2018 (the "Heads of Agreement"), the Company proposed to acquire and Jadestone China High-technology Industry Investment Fund LP ("Jadestone") proposed to sell 100% equity interest in Elec-Tech Solid State Lighting (HK) Limited ("Elec-Tech") (the "Elec-Tech Acquisition"). Further details of the Elec-Tech Acquisition are set out in the Company's announcement dated 25 April 2018. Elec-Tech Acquisition will be subject to the entering into of a formal share purchase agreement by the Company and Jadestone (the "Formal Share Purchase Agreement"). As at 30 June 2018, an advance payment of RMB200,000,000 has been made to Jadestone, pursuant to the terms of the Heads of Agreement, which payment was secured by a fixed charge over the entire right, title and interest in 3,333,333 shares of Elec-Tech held by Jadestone.

表外安排

除了中期簡明合併財務報表附註18、附註22及附註23提到的可換股債券的衍生工具部份外，我們概無任何已發行的衍生金融工具及未還貸款的表外擔保。我們概未從事涉及非交易所買賣合約的交易活動。

資本承諾

資本承諾詳細情況請參照本報告第153頁的中期簡明合併財務報表附註24。

持續關連交易

本集團於回顧期內的持續關連交易沒有超過本公司早前於相關公告中所披露的年度上限。

兼併、收購及投資

除本報告第38頁期後事項披露外，根據日期為2018年4月25日的協議綱領（「協議綱領」），本公司擬收購，而Jadestone China High-technology Industry Investment Fund LP（「Jadestone」）擬出售怡達（香港）光電科技有限公司（「怡達」）100%的股權（「怡達收購」），怡達收購之進一步詳情載於本公司日期為2018年4月25日的公告。怡達收購將受限於本公司與Jadestone簽訂正式購股協定（「正式購股協定」）。於2018年6月30日，預付款人民幣200,000千元已支付予Jadestone。根據協議綱領之條款，該等付款受Jadestone就其持有的怡達3,333,333股股份中的全部權利、所有權及權益上設定的固定押記所擔保。

Management Discussion and Analysis

管理層討論與分析

On 12 January, 2018, Huizhou NVC, a wholly-owned subsidiary of the Company, proposed to invest RMB10,000,000 to establish a wholly-owned subsidiary Shenzhen Leiyun Optoelectronic Technology Co., Ltd*(深圳雷雲光電科技有限公司) (“Leiyun Optoelectronic”). Leiyun Optoelectronic is principally engaged in the development of smart lighting systems. As at the date of this report, the registered capital of Leiyun Optoelectronic has not been fully paid.

On 1 February, 2018, Huizhou NVC, a wholly-owned subsidiary of the Company, proposed to invest RMB10,000,000 to establish a wholly-owned subsidiary Zhuhai NVC Liangjia Technology Co., Ltd*(珠海雷士靚家科技有限公司) (“NVC Liangjia”). NVC Liangjia is principally engaged in providing after-sales services. As at the date of this report, the registered capital of NVC Liangjia has not been fully paid.

Saved as disclosed in the above, the Group made no material acquisition, merger or sale of subsidiaries, associates and joint ventures during the Period under Review.

Use of Proceeds from the Global Offering

We did not use the proceeds from the Global Offering in a manner different from those set out in the prospectus of the Company dated 7 May 2010.

於2018年1月12日，本公司全資附屬公司惠州雷士擬投資人民幣10,000千元成立全資附屬公司深圳雷雲光電科技有限公司(「雷雲光電」)。雷雲光電的主營業務為提供智慧照明系統的技術開發等，截止本報告日，雷雲光電之註冊資金尚未繳足。

於2018年2月1日，本公司全資附屬公司惠州雷士擬投資人民幣10,000千元成立全資附屬公司珠海雷士靚家科技有限公司(「雷士靚家」)。雷士靚家的主營業務為提供售後服務等，截止本報告日，雷士靚家之註冊資金尚未繳足。

除上述披露之外，於回顧期內，本集團沒有進行重大附屬公司、聯營公司及合營公司的收購、兼併或出售。

全球發售取得資金的使用

我們沒有改變本公司於2010年5月7日刊發之招股說明書中規定的有關全球發售取得資金的用途。

Management Discussion and Analysis

管理層討論與分析

Other Significant Investment and Performance

Huizhou NVC, the Company's wholly-owned subsidiary, signed a partnership agreement with the general partner to establish a limited partnership. Through the establishment of the limited partnership, the Company will be able to benefit from a wealth of attractive investment opportunities in the lighting industry and achieving economies of scale and synergies. For more details, please refer to the announcement of the Company dated 4 May 2016. During the Period under Review, the limited partnership has not yet commenced its external investment.

As mentioned in the announcement of the Company dated 23 May 2016, the Board has approved the Company to establish an investment fund in form of a limited partnership to engage in investment in the distributors of the Company. The expected source of fund for the investment will be the fund generated from the daily operations and financing of the Company. During the Period under Review, the investment has not yet been carried out.

Loans and Guarantee

During the Period under Review, the Group did not grant any loans to any entities, nor did it offer any financial assistance to its associates or make any guarantee for the facilities granted to its associates.

During the Period under Review, the Group did not breach the terms of any loan agreement for loans which are significant to its operations.

其他重大投資及表現

本公司的全資附屬公司惠州雷士與普通合夥人訂立合夥協議成立有限合夥企業。通過成立有限合夥企業，本公司將獲益於照明行業中具有吸引力之投資機會並實現規模經濟和協同效益。詳情請參照本公司2016年5月4日的公告。於回顧期內，該有限合夥企業尚未開始對外投資。

如本公司日期為2016年5月23日的公告所述，董事會已批准本公司以有限合夥形式成立投資基金，以投資於本公司的經銷商。該投資的預計資金來源為本公司日常經營及融資所產生的資金。於回顧期內，該投資尚未進行。

貸款及擔保

於回顧期內，本集團沒有向任何實體提供貸款，也沒有向其聯屬公司提供財務資助或為聯屬公司融資作出擔保。

於回顧期內，本集團未違反任何對自身業務運作影響重大的貸款之貸款協議。

Management Discussion and Analysis

管理層討論與分析

Event after the Period under Review

Pursuant to the share purchase agreement dated 16 March 2018 (“Sale and Purchase Agreement 1”) and the share purchase agreement dated 23 May 2018 (“Sale and Purchase Agreement 2”) entered into between the Company and Roman International (HK) Co., Limited (“Roman International”), the Company conditionally agreed to purchase and Roman International conditionally agreed to sell 40% equity interest and 60% equity interest in Blue Light (HK) Trading Co., Limited (“Blue Light”) at a cash consideration of RMB315,000,000 and RMB500,000,000 respectively, subject to adjustments provided in the Sale and Purchase Agreement 1 and Sale and Purchase Agreement 2. Furthermore, pursuant to the share purchase agreement dated 23 May 2018 (“Sale and Purchase Agreement 3”) entered into between Zhuhai NVC Technology Limited* (珠海雷士科技有限公司) (“Zhuhai NVC”), a wholly-owned subsidiary of the Company and Mr. ZHANG Peng, the president of the Company and a connected person, Zhuhai NVC conditionally agreed to purchase and Mr. ZHANG Peng conditionally agreed to sell his 5% equity interest in Wuhu NVC at a consideration of RMB45,000,000 (collectively the “Blue Light Acquisitions”). Further details in relation to the Blue Light Acquisitions are set out in the Company’s announcements dated 16 March 2018 and 23 May 2018. The Blue Light Acquisitions were approved by the shareholders of the Company at the extraordinary general meeting on 18 July 2018. As of 30 June 2018, an advance payment of RMB315,000,000 has been made to Roman International.

期後事項

根據本公司與香港羅曼國際有限公司（「羅曼國際」）訂立日期為2018年3月16日的購股協議（「買賣協議1」）及日期為2018年5月23日的購股協議（「買賣協議2」），本公司有條件同意購買而羅曼國際有條件同意出售香港蔚藍芯光貿易有限公司（「蔚藍芯光」）分別40%股權及60%股權，現金代價分別為人民幣315,000千元及人民幣500,000千元，可根據買賣協議1及買賣協議2做出調整。此外，根據珠海雷士科技有限公司（「珠海雷士」，本公司之全資附屬公司）與張鵬先生（本公司的總裁及關連人士）訂立日期為2018年5月23日的購股協議（「買賣協議3」），珠海雷士有條件地同意購買而張鵬先生有條件地同意出售其於蕪湖雷士5%股權，代價為人民幣45,000千元（統稱「蔚藍芯光收購」）。有關蔚藍芯光收購之進一步詳情載於本公司日期分別為2018年3月16日及2018年5月23日的公告。蔚藍芯光收購已獲本公司股東於2018年7月18日舉行的股東特別大會上批准。截至2018年6月30日，已向羅曼國際支付預付款人民幣315,000千元。

Management Discussion and Analysis

管理層討論與分析

On 9 August 2018, the Company received a conversion notice from bondholder of the Convertible Bonds in relation to the exercise in full of the conversion rights attached to the Convertible Bonds at the conversion price of HK\$0.77 per conversion share, accordingly, 649,350,649 conversion shares were allotted to bondholder on 13 August 2018 pursuant to the terms and conditions of the Convertible Bonds. Further details are set out in the Company's announcement dated 13 August 2018.

於2018年8月9日，本公司接獲可換股債券持有人有關按換股價每股換股股份0.77港元悉數行使可換股債券附帶之換股權的轉換通知。據此，649,350,649股換股股份已於2018年8月13日根據可換股債券之條款及條件配發予債券持有人。進一步詳情載於本公司日期為2018年8月13日的公告。

Contingent Liabilities

(a) As at 30 June 2018, contingent liabilities not provided for in the interim condensed consolidated financial statements were as follows:

或有負債

(a) 於2018年6月30日，未於本中期簡明合併財務報表計提撥備的或有負債如下：

	30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Guarantees given to banks and a finance company in connection with facilities granted to: Two PRC companies and Mrs. WU Lian, an individual	就授予下列公司／ 人士信貸而給予銀行及 一家財務公司的擔保： 兩間中國公司及吳戀女士 (個別人士)	131,497 131,497

Management Discussion and Analysis

管理層討論與分析

(b) The Group acted as defendant in lawsuits brought by two PRC banks and a PRC finance company alleging that the Group should assume guarantee liabilities and interests according to guarantee agreements. The directors consider that the likelihood of the Group sustaining losses from the guarantees is remote, and accordingly no provision for claims arising from the litigations is considered necessary as at 31 December 2017 and 30 June 2018, save for the related legal and other costs. Based on the respective court judgements, interests are imposed on the principal amounts as disclosed in (a) above, which are calculated on (i) principal amount of approximately RMB62,000,000 at 9.9% per annum plus compound interest at 9.9% per annum on unpaid interest since 21 October 2014; (ii) principal amount of approximately RMB34,000,000 at four times of six-month borrowing rate of the People's Bank of China since 8 October 2014; and (iii) principal amount of approximately RMB35,497,000 at 0.05% per day since 4 January 2015.

(b) 本集團為由兩家中國銀行及一間中國財務公司根據擔保協議起訴本集團須承擔擔保責任及利息的訴訟的被告。董事認為本集團須承受該等擔保損失的可能性不大，因此，除有關法律及其他成本費用外，於2017年12月31日及2018年6月30日毋須就源自該等訴訟的任何索償計提撥備。根據相關法院判決，誠如上述(a)所披露，本金款項所徵收的利息會以(i)本金款項約人民幣62,000千元以每年9.9%另加自2014年10月21日起未支付利息以每年9.9%的複合利率；(ii)本金款項約人民幣34,000千元自2014年10月8日起以中國人民銀行六個月借款利率的四倍；及(iii)本金款項約人民幣35,497千元自2015年1月4日起以每日0.05%計算。

Pledge of Assets

As at 30 June 2018, save for those disclosed elsewhere in these interim condensed consolidated financial statements, the following assets of the Group were pledged, as applicable:

- (1) As at 30 June 2018, land use rights with aggregate carrying amounts of RMB46,335,000 (31 December 2017: RMB46,995,000) and certain buildings with carrying amounts of RMB221,496,000 (31 December 2017: RMB238,747,000); and buildings with carrying amounts of RMB42,844,000 (31 December 2017: RMB43,797,000) were pledged for the Group's applications of assets preservation in certain PRC legal proceedings and bank loan facilities respectively.
- (2) As at 30 June 2018, certain trade receivables with carrying amounts of RMB13,116,000 (31 December 2017: RMB24,004,000) were pledged to secure the bank borrowings.

抵押資產

於2018年6月30日，除本中期簡明合併財務報表另行披露者外，本集團下列資產已被抵押（視情況而定）：

- (1) 於2018年6月30日，賬面值合計人民幣46,335千元（2017年12月31日：人民幣46,995千元）的土地使用權及若干賬面值人民幣221,496千元（2017年12月31日：人民幣238,747千元）的樓宇及賬面值人民幣42,844千元（2017年12月31日：人民幣43,797千元）的樓宇分別由於本集團的若干中國法律程序而申請資產保全及作為銀行借款融資的抵押。
- (2) 於2018年6月30日，賬面值人民幣13,116千元（2017年12月31日：人民幣24,004千元）的若干貿易應收賬款已質押作為銀行借款的抵押。

Management Discussion and Analysis

管理層討論與分析

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|--|---|
| <p>(3) In accordance with several letters of guarantee, deposits with carrying amounts of RMB89,009,000 (31 December 2017: RMB101,525,000) were pledged for issuing letters of guarantee.</p> | <p>(3) 根據數封擔保函，賬面值為人民幣89,009千元（2017年12月31日：人民幣101,525千元）的存款已質押以發出擔保函。</p> |
| <p>(4) The deposits with carrying amounts of RMB4,010,000 (31 December 2017: RMB27,561,000) were pledged for the Group's applications of assets preservation in certain PRC legal proceedings.</p> | <p>(4) 為在本集團的若干中國法律程序中申請資產保全，賬面值為人民幣4,010千元（2017年12月31日：人民幣27,561千元）的存款已進行質押。</p> |
| <p>(5) As at 30 June 2018, a time deposit with carrying amounts of RMB400,000,000 (31 December 2017: RMBNil) were pledged to secure the bank borrowings.</p> | <p>(5) 於2018年6月30日，賬面值為人民幣400,000千元（2017年12月31日：人民幣零元）的定期存款已質押作為銀行借款的抵押。</p> |

Employees

As at 30 June 2018, the Group had approximately 6,012 employees in total (31 December 2017: 6,441). The Group regularly reviews remuneration and benefits of its employees according to the relevant market practice and individual performance of the employees. In addition to basic salary, employees are entitled to other benefits including social insurance contributions, employee provident fund schemes, discretionary incentive and share option schemes.

Market Risks

We are exposed to various market risks in the ordinary course of business. Our risk management strategy aims to minimise the adverse effects of these risks to our financial results.

僱員

於2018年6月30日，本集團的總員工人數約6,012名（2017年12月31日：6,441名）。本集團會定期就有關市場慣例及個別僱員的表現檢討僱員薪酬及福利。除支付基本薪金外，僱員也享受其他福利包括社會保險、員工公積金計劃、酌情性獎勵及購股權計劃。

市場風險

在日常業務過程中，我們面臨下述各種市場風險。我們的風險管理策略旨在將這些風險對我們財務業績的影響降至最低。

Management Discussion and Analysis

管理層討論與分析

Foreign Currency Risk

We are exposed to transactional currency risk. Such risk arises from sales or procurement by operating units in currencies other than its functional currency. As a result, we are exposed to fluctuations in the exchange rate between the functional currencies and foreign currencies. During the Period under Review, the Group had entered into several forward currency contracts in place to hedge the foreign exchange exposure and did not experience any material difficulties or negative impacts on our operations or liquidity as a result of fluctuations on currency exchange rates.

Commodity Price Risk

We are exposed to fluctuations in the prices of raw materials which are influenced by global as well as regional supply and demand conditions. Fluctuations in the prices of raw materials could adversely affect our financial performance. We did not enter into any commodity derivative instruments to hedge the potential commodity price changes.

Liquidity Risk

We monitor our risk of having a shortage of funds by considering the maturity of our financial instruments, financial assets and liabilities and projected cash flows from operations. Our goal is to maintain a balance between continuity and flexibility of funding through the use of bank loans and other interest-bearing loans. Our Directors have reviewed our working capital and capital expenditure requirements and determined that we have no significant liquidity risk.

外幣風險

我們承受貨幣交易風險。交易風險因運營單位以其功能貨幣以外的貨幣進行銷售或採購而產生。因此，我們面臨功能貨幣與外幣之間的匯率波動的風險。回顧期內，本集團簽訂若干匯率遠期合同以對沖匯率風險，因此並無因貨幣匯率的波動而令我們營運或流動資金出現任何重大困難或負面影響。

商品價格風險

我們承受原材料價格波動的風險。原材料價格受全球及地區性供求狀況的影響。原材料價格的波動可能對我們的財務業績產生不利影響。本公司未簽訂任何商品衍生工具以對沖潛在的商品價格變化。

流動資金風險

我們通過考慮我們的金融票據、金融資產及負債的到期日和預計從營運產生的現金流量來監控資金短缺的風險。我們的目標是通過使用銀行貸款和其他計息貸款使資金的連續性和靈活性保持平衡。我們的董事已審核我們的營運資金及資本開支要求，並確定我們沒有重大流動資金風險。

Management Discussion and Analysis

管理層討論與分析

Credit Risk

Our major credit risk arises from exposure to a substantial number of trade and bills receivables, deposits and other receivables from debtors. We have policies in place to ensure that the sales of products are made to customers with an appropriate credit limit, and we have strict control over credit limits of trade receivables. Our cash and short-term deposits are mainly deposited with registered banks in Mainland China and Hong Kong. We also have policies that limit our credit risk exposure to any financial institutions. The carrying amounts of trade and bills receivables, deposits and other receivables, cash and cash equivalents and short-term deposits included in the condensed consolidated statement of financial position represent our maximum exposure to credit risk in relation to our financial assets. We have no other financial assets which carry significant exposure to credit risk. In 2017, we entered into a number of one-year insurance contracts with China Export & Credit Insurance Corporation, which covered 90% uncollectible receivables from international sales between the period from 1 December 2017 to 30 November 2018 with a maximum compensation amount of US\$35,000,000 (equivalent to approximately RMB228,697,000). We purchased such insurance in order to minimise our exposure to credit risk as we expand our business. We plan to renew such insurance contracts when they become due. For exposure to credit risk arising from domestic sales, we take the approach of requiring the customers to provide relevant physical collateral to cover the credit risk arising from domestic sales if necessary.

信用風險

我們的主要信用風險來自於債務人的大量貿易及票據應收賬款、保證金及其他應收賬款。我們已訂立政策確保產品出售予有適當信用額度的客戶，且我們嚴格控制貿易應收賬款的信用額度。我們的現金和短期存款主要存於中國大陸及香港的註冊銀行。我們亦有限制暴露於任何金融機構的信用風險政策。簡明合併財務狀況表中的貿易及票據應收賬款、保證金及其他應收賬款的賬面值、現金和現金等價物和短期存款反映了本集團就有關金融資產的最大信用風險。我們沒有其他帶有重大信用風險的金融資產。2017年，我們與中國出口信用保險公司訂立若干一年期保險合同，在其承保範圍內，覆蓋於2017年12月1日至2018年11月30日期間的海外銷售應收賬款不可回收金額的90%，最高賠償金額為35,000千美元（折合約人民幣228,697千元）。我們購買上述保險是為了最大程度降低我們擴張業務所帶來的信用風險。我們計劃於到期時將該等保險合同續期。而針對國內銷售形成的信用風險敞口部份，如需要，我們採取要求客戶提供相應實物擔保的方式，以覆蓋國內銷售所產生的信用風險。

Disclosure of Interests

權益披露

Interests and Short Positions of Substantial Shareholders in the Shares and Underlying Shares

主要股東於股份及相關股份之權益及淡倉

As at 30 June 2018, so far as the Directors and chief executives of the Company are aware, the following shareholders (other than Directors or chief executives of the Company) had 5% or more interests or short positions in the issued shares and underlying shares of the Company which were recorded in the register required to be maintained by the Company pursuant to Section 336 of the SFO:

於2018年6月30日，就本公司董事及最高行政人員所知，根據《證券及期貨條例》第336條所存置的主要股東登記名冊顯示，下列股東（非本公司董事或最高行政人員）於本公司已發行股份及相關股份中擁有5%或以上的權益或淡倉：

Name of shareholder	Nature of interests	Class of shares	Number of shares or underlying shares	Percentage of the total issued shares
股東名稱	權益性質	股份類別	股份或相關股份數目	佔已發行股份總數的百分比
Elec-Tech International (H.K.) Company Limited 德豪潤達國際（香港）有限公司	Beneficial owner 實益擁有人	Ordinary shares 普通股	870,346,000 (L) (Note 1) (附註1)	24.30%
ETIC 德豪潤達	Interest of corporation controlled by the substantial shareholders 主要股東所控制的法團的權益	Ordinary shares 普通股	870,346,000 (L) (Note 2) (附註2)	24.30%
Haitong International Credit Company Limited	Security interest in Shares 股份中的保證權益	Ordinary shares 普通股	870,346,000 (L) (Note 3) (附註3)	24.30%
Haitong International Securities Group Limited	Interest of corporation controlled by the substantial shareholders 主要股東所控制的法團的權益	Ordinary shares 普通股	870,346,000 (L) (Note 3) (附註3)	24.30%
Haitong International Holdings Limited	Interest of corporation controlled by the substantial shareholders 主要股東所控制的法團的權益	Ordinary shares 普通股	870,346,000 (L) (Note 3) (附註3)	24.30%

Disclosure of Interests

權益披露

Name of shareholder	Nature of interests	Class of shares	Number of shares or underlying shares	Percentage of the total issued shares
股東名稱	權益性質	股份類別	股份或相關股份數目	佔已發行股份總數的百分比
Haitong Securities Co., Ltd.	Interest of corporation controlled by the substantial shareholders 主要股東所控制的法團的權益	Ordinary shares 普通股	870,346,000 (L) (Note 3) (附註3)	24.30%
Guoyuan Investment Fund Series SPC (Acting on behalf of Guoyuan Global Income Fund Segregated Portfolio)	Beneficial owner 實益擁有人	Ordinary shares 普通股	649,350,649(L) (Note 4) (附註4)	18.13%
Guoyuan Investment Fund Series SPC (代表Guoyuan Global Income Fund Segregated Portfolio行事)				
Schneider Electric Asia Pacific Limited	Beneficial owner 實益擁有人	Ordinary shares 普通股	288,371,000 (L)	8.05%
Schneider Electric Industries SAS	Interest of corporation controlled by the substantial shareholders 主要股東所控制的法團的權益	Ordinary shares 普通股	288,371,000 (L) (Note 5) (附註5)	8.05%
Schneider Electric SE	Interest of corporation controlled by the substantial shareholders 主要股東所控制的法團的權益	Ordinary shares 普通股	288,371,000 (L) (Note 5) (附註5)	8.05%
YE Yong 葉勇	Beneficial owner 實益擁有人	Ordinary shares 普通股	270,227,000 (L)	7.54%
	Spouse's interest 配偶的權益	Ordinary shares 普通股	7,433,000 (L) (Note 6) (附註6)	0.21%
OP Financial Investments Limited	Security interest in Shares 股份中的保證權益	Ordinary shares 普通股	213,887,000 (L)	5.97%

Disclosure of Interests

權益披露

Notes:

1. (L) represents long position.
2. These shares are held by Elec-Tech International (H.K.) Company Limited. As Elec-Tech International (H.K.) Company Limited is a wholly-owned subsidiary of ETIC, ETIC is deemed to be interested in all these shares.
3. Haitong International Credit Company Limited has a security interest in these shares. As Haitong International Credit Company Limited is a wholly-owned subsidiary of Haitong International Finance Company Limited, which in turn is a wholly-owned subsidiary of Haitong International (BVI) Limited, which is a wholly-owned subsidiary of Haitong International Securities Group Limited, 62.43% interest of Haitong International Securities Group Limited is held by Haitong International Holdings Limited, and which is a wholly-owned subsidiary of Haitong Securities Co., Ltd., Haitong Securities Co., Ltd., Haitong International Holdings Limited and Haitong International Securities Group Limited are deemed to be interested in these shares.

附註：

1. (L)代表好倉。
2. 該等股份由德豪潤達國際(香港)有限公司持有。德豪潤達國際(香港)有限公司是德豪潤達的全資附屬公司，因此德豪潤達被視為於該等股份中擁有權益。
3. Haitong International Credit Company Limited對該等股份擁有保證權益。Haitong International Credit Company Limited是Haitong International Finance Company Limited的全資附屬公司，Haitong International Finance Company Limited是Haitong International (BVI) Limited的全資附屬公司，Haitong International (BVI) Limited是Haitong International Securities Group Limited的全資附屬公司，Haitong International Holdings Limited持有Haitong International Securities Group Limited 62.43%的權益，而Haitong International Holdings Limited又是Haitong Securities Co., Ltd.的全資附屬公司，因此Haitong Securities Co., Ltd.、Haitong International Holdings Limited及Haitong International Securities Group Limited被視為於該等股份中擁有權益。

Disclosure of Interests

權益披露

4. These shares represent the maximum number of shares to be issued and allotted upon exercise in full of the conversion rights attaching to the convertible bonds issued by the Company pursuant to the subscription agreement dated 20 May 2016 and amendment deed dated 4 May 2018 entered into between the Company and Guoyuan Investment Fund Series SPC (acting on behalf of Guoyuan Global Income Fund Segregated Portfolio). Guoyuan Investment Fund Series SPC (acting on behalf of Guoyuan Global Income Fund Segregated Portfolio) has exercised the conversion rights and has been allotted 649,350,649 ordinary shares on 13 August 2018.
 5. These shares are held by Schneider Electric Asia Pacific Limited. As Schneider Electric Asia Pacific Limited is a wholly-owned subsidiary of Schneider Electric Industries SAS, which in turn is a wholly-owned subsidiary of Schneider Electric SE, Schneider Electric Industries SAS and Schneider Electric SE are deemed to be interested in these shares.
 6. As these shares are held by Ms. GAO Xia, the spouse of Mr. YE Yong, Mr. YE Yong is deemed to be interested in these shares.
4. 該等股份為根據本公司於2016年5月20日與Guoyuan Investment Fund Series SPC (代表Guoyuan Global Income Fund Segregated Portfolio行事) 訂立的認購協議及2018年5月4日訂立的修訂契據，於本公司發行的可換股債券所附換股權獲悉數行使後，將予發行及配發最多的股份。Guoyuan Investment Fund Series SPC (代表Guoyuan Global Income Fund Segregated Portfolio行事) 已行使換股權，並於2018年8月13日獲配發649,350,649股普通股。
 5. 該等股份由Schneider Electric Asia Pacific Limited持有。Schneider Electric Asia Pacific Limited是Schneider Electric Industries SAS的全資附屬公司，而Schneider Electric Industries SAS又是Schneider Electric SE的全資附屬公司，因此Schneider Electric Industries SAS及Schneider Electric SE被視為於該等股份中擁有權益。
 6. 該等股份由葉勇先生的配偶高霞女士持有，因此葉勇先生被視為於該等股份中擁有權益。

Save as disclosed above, as at 30 June 2018, so far as the Directors are aware, no other person (except the Directors and chief executives of the Company) or corporation had 5% or more interests or short positions in the shares and underlying shares of the Company which were recorded in the register required to be maintained by the Company pursuant to Section 336 of the SFO.

除上文所披露者外，就董事所知，於2018年6月30日，概無任何人士（本公司董事或最高行政人員除外）或法團擁有須登記於根據《證券及期貨條例》第336條規定本公司須備存的登記冊內的本公司股份及相關股份5%或以上的權益或淡倉。

Disclosure of Interests

權益披露

Interests and Short Positions of Directors and Chief Executives in the Shares, Underlying Shares and Debentures

As at 30 June 2018, none of the Directors or chief executives of the Company have or are deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or recorded in the register required to be maintained pursuant to Section 352 of Part XV of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the provisions of the Model Code.

Controlling Shareholders

During the Period under Review, the Company did not have any controlling shareholder.

董事及最高行政人員於股份、相關股份及債權證中擁有的權益及淡倉

於2018年6月30日，本公司董事及最高行政人員並無於本公司及其相聯法團（定義見《證券及期貨條例》第XV部份）的股份、相關股份及債權證中擁有根據《證券及期貨條例》第XV部份第7及8部份須知會本公司及聯交所（包括根據《證券及期貨條例》規定，彼等當作或視為擁有之權益或淡倉）或根據《證券及期貨條例》第XV部份第352條規定須予存置之登記冊或根據標準守則須另行知會本公司及聯交所之權益及淡倉。

控股股東

回顧期內，本公司沒有控股股東。

Disclosure of Interests

權益披露

Share Option Scheme

A share option scheme (the “Share Option Scheme”) was conditionally approved and adopted at an extraordinary general meeting held on 27 April 2010. The purpose of the Share Option Scheme is to provide the Company with a means of incentivising and retaining employees, encouraging employees to work towards enhancing the value of the Company and promoting the long-term growth of the Company. This scheme will link the value of the Company with the interests of the participants, enabling participants and the Company to develop together and promoting the Company’s corporate culture. The Directors may, at their discretion, invite any Directors (including executive Directors, non-executive Directors and independent non-executive Directors), employees and advisors, consultants, distributors, contractors, contract manufacturers, agents, customers, business partners and service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group to participate in the Share Option Scheme. The period within which the options must be exercised shall be determined by the Directors at the time of grant and such period must expire no later than 10 years from the date when the Board resolves to make the offer of options to the grantees. All outstanding options shall lapse when the grantee is dead or retired, the employment of the grantee ceases or where the grantee is no longer an employee of the Group.

購股權計劃

本公司為提供激勵和挽留僱員，並鼓勵僱員努力提升本公司的價值，促進本公司的長期發展，在2010年4月27日經股東特別大會條件批准和採納購股權計劃（「購股權計劃」）。該計劃將本公司的價值與參與者的利益緊密相連，促進參與者與本公司共同發展，並提升本公司的企業文化。董事可酌情邀請任何董事（包括執行董事、非執行董事和獨立非執行董事）、僱員以及董事會全權酌情認為已對或將對本集團作出貢獻的本集團任何成員公司的顧問、專業顧問、經銷商、承包商、訂約生產商、代理人、客戶、業務夥伴和服務供應商參與購股權計劃。董事授出購股權時決定購股權的行使期限，而有關行使期必須不遲於董事會決議向承授人授出購股權當日起計滿10年時屆滿。承授人身故、退休、離職或不再為本集團成員時，所有未行使購股權會失效。

Disclosure of Interests

權益披露

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme or any other share option schemes adopted by the Company shall not exceed 10% (the Company may refresh the 10% limit in certain conditions) of the aggregate of the shares in issue on the listing date or 30% of the shares in issue from time to time. The total number of shares issued and to be issued upon exercise of the options granted to each participant under the Share Option Scheme or any other share option scheme adopted by the Company in any 12-month period must not exceed 1% of the shares in issue. Any further grant of options which would result in the number of shares issued as aforesaid exceeding the said 1% limit requires shareholders' prior approval with the relevant participant and his associates abstaining from voting. At the time of grant of the options, our Company may specify any minimum period(s) for which an option must be held before it can be exercised. The Share Option Scheme does not contain any such minimum period.

The subscription price for the shares granted under the options shall be no less than the highest of (a) the closing price of the shares as stated in the daily quotation sheet issued by the Stock Exchange on the date of grant; (b) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Stock Exchange business days immediately preceding the date of grant; and (c) the nominal value of a share upon its issue. The amount payable by a grantee on acceptance of a grant of options is US\$1. The Share Option Scheme will expire on the date of the tenth anniversary of the adoption of the Share Option Scheme. Further details of the Share Option Scheme are set out in the prospectus of the Company dated 7 May 2010.

During the Period under Review, no option has been granted under the Share Option Scheme.

根據購股權計劃或本公司採納的任何其他購股權計劃所授出的所有購股權獲行使時可發行的股份數目上限不得超過本公司上市日期已發行股份的10%（本公司可在某些情況下更新此10%上限）或本公司不時已發行股份的30%。每名參與者於任何12個月期間行使根據購股權計劃或本公司採納的任何其他購股權計劃授予每名參與者的購股權獲行使時已發行及將發行的股份總數不得超過已發行股份的1%。如果再授出購股權會導致按上述方式發行的股份數目超過1%，則須經股東事先批准，而相關參與者及其聯繫人必須放棄投票。於授出購股權時，本公司可指明行使購股權前須持有有關購股權的任何最短時限。購股權計劃並無包括任何該等最短時限。

根據購股權可認購的股份的認購價不得低於以下三者的最高者：(a)聯交所於授出日期發出的每日報價表所列的股份收市價；(b)聯交所於緊接授出日期前五個聯交所營業日發出的每日報價表所列的股份平均收市價；及(c)一股股份於發行時的賬面值。承授人接納購股權的應付金額為1美元。購股權計劃於其獲採納後滿十年到期。購股權計劃的進一步詳情載於本公司於2010年5月7日刊發的招股書。

回顧期內，並無根據購股權計劃授出任何購股權。

Disclosure of Interests

權益披露

Pre-IPO Share Option Scheme

The Company adopted the pre-IPO share option scheme (the “Pre-IPO Share Option Scheme”) approved by the Board on 15 October 2006 and amended on 23 December 2009 and 24 March 2010. The purpose of the Pre-IPO Share Option Scheme is to assist the Company in attracting, retaining and motivating key employees, Directors, consultants and strategic suppliers. The aggregate number of shares subject to the Pre-IPO Share Option Scheme is 240,429,000 shares, representing 8.11% of the issued share capital of the Company following the initial public offering.

Options have been granted under the Pre-IPO Share Option Scheme and shall expire no later than 10 years from the date the Board resolves to make the offer of options to the grantees. Options granted to grantees under the Pre-IPO Share Option Scheme shall vest immediately to the grantees, or vest to the grantees at a rate not more than 25% of each such grant for each year commencing from the date when the grantees can exercise such options granted to them. The exercise price of these share options was determined by the Board with reference to the market value of the Company’s ordinary shares and the Company’s equity value.

首次公開發行前購股權計劃

本公司已採納首次公開發行前購股權計劃（「首次公開發行前購股權計劃」）。本計劃於2006年10月15日經董事會批准，並於2009年12月23日及2010年3月24日修訂。授出首次公開發行前購股權旨在吸引、留住及激勵重要僱員、董事、顧問及戰略供應商。首次公開發行前購股權計劃所涉及的股份總數為240,429,000股股份，佔首次公開發行後本公司已發行股本的8.11%。

首次公開發行前購股權計劃所涉購股權已授出，有效期至董事會決議向承授人授出購股權之日起不超過10年屆滿。根據本首次公開發行前購股權計劃授予承授人的購股權須立即歸屬於該承授人，或自承授人可行使授予其購股權的日期起每年按各有關購股權不超過25%的比率歸屬於該承授人。購股權行使價乃由董事會參考本公司普通股的市值及本公司的權益價值釐定。

Disclosure of Interests

權益披露

In the event that the Board allows a grantee to exercise an option granted under this Pre-IPO Share Option Scheme by delivering shares previously owned by such grantee and unless otherwise expressly provided by the Board, any shares delivered which were initially acquired by the grantee from the Company (upon exercise of a share option or otherwise) must have been owned by the grantee at least six months as at the date of delivery. The Company will not be obligated to deliver any shares unless and until it receives full payment of the exercise or purchase price and any related withholding obligations and any other conditions to exercise or purchase have been satisfied. Unless otherwise expressly provided, the Board may at any time eliminate or limit a grantee's ability to pay the purchase or exercise price of any option granted under this Pre-IPO Share Option Scheme by any method other than cash payment to the Company. The Board may take all actions necessary to alter the method of option exercise and the exchange and transmittal of proceeds with respect to grantees who reside in the PRC with no permanent residency in a country other than the PRC in order to comply with applicable PRC foreign exchange and tax regulations. Further details of the Pre-IPO Share Option Scheme are set out in the prospectus of the Company dated 7 May 2010.

As at 30 June 2018, there was no outstanding share options granted under the pre-IPO Share Option Scheme.

During the Period under Review, out of the share options granted under the Pre-IPO Share Option Scheme, none of the share options were exercised, cancelled or lapsed.

倘董事會藉交付承授人過往擁有的股份來允許承授人行使根據首次公開發行前購股權計劃授出的購股權，除非董事會另有明文規定，否則該承授人（通過行使購股權或以其他方式）向本公司首次購買並已交付的任何股份須於交付日期之時已由該承授人擁有至少六個月。除非及直至本公司收到行使或購買價的悉數付款，以及相關扣繳責任及行使或購買的任何其他條件已予以履行，否則本公司將無義務交付任何股份。除非另有明文規定，否則董事會可隨時終止或限制承授人以現金支付外的任何其他方式就首次公開發行前購股權計劃授出的任何購股權向本公司支付購買或行使價的能力。董事會可採取任何必要措施更改購股權的行使方式以及就居住在中國並在中國以外的國家無永久居住權的承授人對所得款項的兌換及傳送，以遵守適用的中國外匯及稅務法規。首次公開發行前購股權計劃的進一步詳情載於本公司於2010年5月7日刊發的招股書。

於2018年6月30日，並無尚未行使的首次公開發行前購股權計劃所授予的購股權。

回顧期內，首次公開發行前購股權計劃所授予的購股權中未有購股權被行使、註銷或失效。

Corporate Governance and Other Information

企業管治及其他資料

Corporate Governance

The Directors are of the opinion that, during the Period under Review, the Company had complied with the principles and codes provisions set out in the Code, except for the following code provisions. Code Provision A.2.1 requires that the role of chairman and chief executive officer should be separate and should not be performed by the same person. Given that Mr. WANG Donglei assumed the roles of both chairman and chief executive officer, the Company deviated from this code provision. Mr. WANG Donglei is the chairman and general manager of ETIC, which is the controlling corporation of the largest shareholder of the Company, Elec-Tech International (H.K.) Company Limited. Mr. WANG Donglei has many years of experience in product research and development, manufacturing and business management. The dual role arrangement provides strong and consistent market leadership and is critical for efficient business planning and decision making of the Company. As all major decisions are made in consultation with members of the Board and its other relevant committees, and there are four Independent Non-executive Directors on the Board offering independent perspectives, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will also continue to review and monitor the practices of the Company for the purposes of complying with the Code and maintaining a high standard of corporate governance practices of the Company. Save as disclosed above, the Company had fully complied with the principles and code provisions as set out in the Code.

Besides, Ms. YANG Jianwen has resigned as a Non-executive Director, with effective from 22 March 2018. Therefore, she ceased to be a member of the audit committee and a member of the independent investigations committee of the Company. Following her resignation, the audit committee of the Company consisted of two members only, which resulted in the Company's non-compliance with Rule 3.21 of the Listing Rules. Moreover, the Company failed to appoint appropriate member to the audit committee of the Company within three months after the resignation of Ms. YANG Jianwen, which also resulted in the Company's non-compliance with Rule 3.23 of the Listing Rules. On 16 July 2018, the Board appointed Independent Non-executive Director Mr. SU Ling as a member of the audit committee of the Company. Accordingly, the Company was in compliance with requirements of Rules 3.21 and 3.23 of the Listing Rules.

企業管治

董事認為，回顧期內，本公司一直遵守守則所載的原則和守則條文，惟以下守則條文除外。守則條文第A.2.1條規定主席與行政總裁的角色應分開及不應由同一個人擔任。由於王冬雷先生同時擔任董事長及首席執行官，故本公司偏離此條文。王冬雷先生為德豪潤達的董事及董事長，而德豪潤達為本公司第一大股東德豪潤達國際（香港）有限公司的控股公司，且王冬雷先生擁有多年的產品研發、生產製造及企業管理經驗。這雙重角色有助於貫徹有力而統一的市場領導，對本公司有效率之業務規劃和決策至為重要。由於所有主要決策均會諮詢董事會及其有關委員會，並且董事會有四名獨立非執行董事提出獨立見解，故董事會認為有足夠保障措施確保董事會權力平衡。董事會亦會繼續檢討及監察本公司的常規，以符合守則規定及保持本公司高水準的企業管治常規。除上文披露外，本公司已全面遵守了守則所載的原則和守則條文。

此外，楊建文女士辭任非執行董事一職，自2018年3月22日起生效，故她不再是本公司審核委員會成員及獨立調查委員會成員。其辭任後，本公司審核委員會由兩名成員組成，導致本公司不符合上市規則第3.21條。而由於董事會未能於楊建文女士辭任後的三個月內委任適當人選作為本公司審核委員會成員，故本公司亦不符合上市規則第3.23條。於2018年7月16日，董事會已委任獨立非執行董事蘇嶺先生為本公司審核委員會成員，自此本公司已符合上市規則第3.21及3.23條的規定。

Corporate Governance and Other Information

企業管治及其他資料

Model Code for Securities Transactions

The Company has adopted the Model Code as its code of conduct regarding directors' securities transactions. Specific enquiry has been made to all Directors, and all the Directors have confirmed that they had complied with all relevant requirements as set out in the Model Code during the Period under Review.

Risk Management and Internal Controls

The Board continuously oversees the Group's risk management and internal control systems on an ongoing basis. During the Period under Review, the Board, through the audit committee of the Company, conducted a review of the effectiveness of the internal control system of the Group, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function.

The Company has established internal audit systems including the internal audit department and the risk control department to review and improve the Group's internal control measures and oversee the measures to be implemented effectively. They all report directly to the chief executive officer. It is complementary to the duties of the external auditor and plays an important role in the Company's internal governance.

After receiving the confirmation from the management to the Board regarding the effectiveness of these systems, the Board is of the view that the Group's risk management and internal control systems are well-established, effective and adequate.

證券交易標準守則

本公司已採納標準守則作為有關董事進行證券交易的行為守則。本公司已向所有董事作出個別查詢，而所有董事已確認在回顧期內已遵從標準守則所載的所有相關規定。

風險管理和內部監控

董事會持續監督本集團的風險管理及內部監控體系運行情況。於回顧期內，董事會已通過本公司審核委員會對本集團內部監控系統的有效性作出審核，包括資源充足性、僱員資格及經驗、培訓項目及本集團會計及財務申報職能的預算。

本集團已設立內部審計部及風險控制部等內部審核系統，負責審核、完善本集團的內部控制措施並監督其有效執行，它們均直接向首席執行官匯報。內部審核系統與外部核數師在功能上相輔相成，在監察公司內部治理的工作上擔當重要角色。

經取得管理層向董事會提供有關係統有效性的確認，董事會認為本集團風險管理及內部監控系統妥善、有效而且足夠。

Corporate Governance and Other Information

企業管治及其他資料

Audit Committee

The Company established an audit committee (the “Audit Committee”) in compliance with the Listing Rules with written terms of reference. The primary duties of the Audit Committee include maintaining relationship with the auditor of the Group, reviewing financial information of the Group, supervising the financial reporting system, risk management and internal control system of the Group, and the duties of corporate governance designated by the Board. During the Period under Review, Ms. YANG Jianwen has resigned as Non-executive Director with effect from 22 March 2018. Therefore, she ceased to be a member of the Audit Committee. On 16 July 2018, Mr. SU Ling has been appointed as a member of the Audit Committee by the Board. Currently, the Audit Committee consists of three members, namely, Independent Non-executive Director Mr. LEE Kong Wai, Conway, Independent Non-executive Director Mr. WANG Xuexian and Independent Non-executive Director Mr. SU Ling, respectively. Mr. LEE Kong Wai, Conway has been appointed as the chairman of the Audit Committee. The Audit Committee has reviewed and discussed the interim results for the Period under Review.

Remuneration Committee

The Company established a remuneration committee (the “Remuneration Committee”) in compliance with the Listing Rules with written terms of reference. The primary duties of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual Executive Directors and senior management, the remuneration policy and structure for all Directors and senior management, and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration. Currently, the Remuneration Committee consists of three members, namely, Non-executive Director Mr. LI Wei, Independent Non-executive Director Mr. LEE Kong Wai, Conway and Independent Non-executive Director Mr. WEI Hongxiong, respectively. Mr. WEI Hongxiong has been appointed as the chairman of the Remuneration Committee.

審核委員會

本公司已依照上市規則的規定設立審核委員會（「審核委員會」），並制定書面職權範圍。審核委員會的主要職責包括維持與本集團核數師的關係；審閱本集團的財務資料；監督本集團的財務報告制度、風險管理及內部監控系統；以及董事會轉授的企業管治職責。回顧期內，楊建文女士辭任非執行董事，自2018年3月22日起生效。故她不再是審核委員會成員。於2018年7月16日，董事會已委任蘇嶺先生為審核委員會成員。審核委員會現由三名成員組成，分別為獨立非執行董事李港衛先生、獨立非執行董事王學先先生和獨立非執行董事蘇嶺先生。李港衛先生已被委任為審核委員會的主席。審核委員會已經審閱並討論了回顧期內的中期業績。

薪酬委員會

本公司已依照上市規則的規定設立薪酬委員會（「薪酬委員會」），並制定書面職權範圍。薪酬委員會的主要職責包括審閱個別執行董事及高級管理層的薪酬待遇、全體董事及高級管理層的薪酬政策及架構並就此向董事會提供意見，及設立透明程序以制定有關薪酬政策及架構，從而確保概無董事或任何彼等的聯繫人士參與釐定彼等自身的薪酬。薪酬委員會現由三名成員組成，分別為非執行董事李偉先生、獨立非執行董事李港衛先生和獨立非執行董事魏宏雄先生。魏宏雄先生已被委任為薪酬委員會的主席。

Corporate Governance and Other Information

企業管治及其他資料

Nomination Committee

The Company established a nomination committee (the “Nomination Committee”) in compliance with the Code with written terms of reference. The primary duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of Independent Non-executive Directors. Currently, the Nomination Committee consists of three members, namely, Executive Director Mr. WANG Donglei, Independent Non-executive Director Mr. LEE Kong Wai, Conway and Independent Non-executive Director Mr. WEI Hongxiang, respectively. Mr. WANG Donglei has been appointed as the chairman of the Nomination Committee.

Strategy and Planning Committee

The Company established a strategy and planning committee (the “Strategy and Planning Committee”) under the Board with written terms of reference. The primary duty of the Strategy and Planning Committee is to propose and formulate the strategic development plan of the Company for the Board’s consideration. Currently, the Strategy and Planning Committee consists of four members, namely, Executive Director Mr. WANG Donglei, Executive Director Mr. XIAO Yu, Non-executive Director Mr. LI Wei and Independent Non-executive Director Mr. WANG Xuexian, respectively. Mr. WANG Donglei has been appointed as the chairman of the Strategy and Planning Committee.

提名委員會

本公司已依照守則規定設立提名委員會（「提名委員會」），並制定書面職權範圍。提名委員會的主要職責包括檢討董事會的架構，發展及制定提名及委任董事的相關程序，就董事委任及繼任計劃向董事會提供意見，以及評估獨立非執行董事的獨立性。提名委員會現由三名成員組成，分別為執行董事王冬雷先生、獨立非執行董事李港衛先生和獨立非執行董事魏宏雄先生。王冬雷先生已被委任為提名委員會的主席。

戰略與規劃委員會

本公司於董事會下設立戰略與規劃委員會（「戰略與規劃委員會」），並制定書面職權範圍。戰略與規劃委員會的主要職責為建議及制定本公司策略發展計劃以供董事會考慮。戰略與規劃委員會現由四名成員組成，分別為執行董事王冬雷先生、執行董事肖宇先生、非執行董事李偉先生和獨立非執行董事王學先先生。王冬雷先生已被委任為戰略與規劃委員會的主席。

Corporate Governance and Other Information

企業管治及其他資料

Independent Investigations Committee

To advance the internal investigations into matters involving Mr. WU Changjiang, the former Executive Director and Chief Executive Officer of the Company, the Company has established an independent investigations committee (the “Independent Investigations Committee”) under the Board. The Independent Investigations Committee has been authorised by the Board to exercise powers and perform duties on behalf of the Board in relation to the conduct of the investigations into, among other things, the alleged wrongdoing of Mr. WU Changjiang. The Independent Investigations Committee has also been authorised to consider and make recommendations to the Board with respect to any potential proceedings arising from the internal investigations. In connection with the Company’s investigations of the alleged wrongdoing of Mr. WU Changjiang, the Independent Investigations Committee has instructed a third-party service provider to conduct a forensic review of related irregularities and an internal controls assessment of the Company and its key subsidiaries. The forensic review and internal controls assessment has been completed. Please refer to the announcements of the Company dated 17 July 2015 and 17 September 2015 for details. During the Period under Review, Ms. YANG Jianwen has resigned as Non-executive Director with effect from 22 March 2018. Therefore, she ceased to be a member of the Independent Investigations Committee. Currently, the Independent Investigations Committee consists of three members, namely, Independent Non-executive Director Mr. LEE Kong Wai, Conway, Independent Non-executive Director Mr. WEI Hongxiong and Independent Non-executive Director Mr. WANG Xuexian, respectively.

獨立調查委員會

為推進本公司前任執行董事及首席執行官吳長江先生參與的有關事件的內部調查的進行，本公司在董事會下成立了獨立調查委員會（「獨立調查委員會」）。董事會已授權獨立調查委員會在本公司對吳長江先生可能的不法行為進行內部調查時，代表董事會行使相關權力並履行相關職責。獨立調查委員會亦獲授權對內部調查可能引致的任何訴訟程序予以考量並向董事會提出相關建議。就本公司對吳長江先生涉嫌的違規行為的調查，獨立調查委員會指示第三方服務機構對有關違規行為展開法務調查，並對本公司及其主要附屬公司進行內控評估，法務調查及內部監控評估現已完成。詳情請參閱本公司日期為2015年7月17日及2015年9月17日之公告。回顧期內，楊建文女士辭任非執行董事，自2018年3月22日起生效。故她不再是獨立調查委員會成員。獨立調查委員會現由三名成員組成，分別為獨立非執行董事李港衛先生、獨立非執行董事魏宏雄先生以及獨立非執行董事王學先先生。

Corporate Governance and Other Information

企業管治及其他資料

Appointment and Resignation of Directors and Change in Directors' Information

From 1 January 2018 to the date of this report, the appointment and resignation of Directors and changes in the Directors' information of the Company are as follows:

Ms. YANG Jianwen has resigned as Non-executive Director, a member of the Audit Committee and a member of the Independent Investigations Committee, with effect from 22 March 2018.

Mr. SU Ling has been appointed as a member of the Audit Committee, with effect from 16 July 2018.

Purchase, Sale or Redemption of the Company's Listed Securities

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

Interim Dividend

The Board proposed not to declare an interim dividend for the six months ended 30 June 2018.

董事任免及資料變更

自2018年1月1日至本報告之日，本公司董事委任、辭任及資料變更情況如下：

楊建文女士辭任非執行董事、審核委員會成員及獨立調查委員會成員，自2018年3月22日起生效。

蘇嶺先生獲委任為審核委員會成員，自2018年7月16日起生效。

收購、出售或贖回本公司上市證券

回顧期內，本公司或其任何附屬公司概無購回、出售或贖回本公司任何上市證券。

中期股息

董事會建議不派發截至2018年6月30日止6個月之中期股息。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告



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To the Board of Directors of NVC LIGHTING HOLDING LIMITED
(Incorporated in the Cayman Islands with limited liability)

致雷士照明控股有限公司董事會
(於開曼群島註冊成立的有限公司)

Introduction

緒言

We have reviewed the interim condensed consolidated financial statements set out on pages 68 to 156, which comprise the condensed consolidated statement of financial position of NVC Lighting Holding Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as of 30 June 2018 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes (the “interim condensed consolidated financial statements”). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review. This 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.

我們已審閱載於第68至第156頁之中期簡明合併財務報表，包括雷士照明控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於2018年6月30日的簡明合併財務狀況表，以及截至該日止6個月的簡明合併損益表、簡明合併全面收入表、簡明合併權益變動表及簡明合併現金流量表，以及主要會計政策概要和其他說明性資料（「中期簡明合併財務報表」）。香港聯合交易所有限公司證券上市規則要求有關中期財務資料的報告須根據其相關條文規定及國際會計準則委員會所頒佈之國際會計準則第34號「中期財務報告」（「國際會計準則第34號」）予以編製。貴公司董事會須負責根據國際會計準則第34號編製和呈列該等中期簡明合併財務報表。我們的責任為根據審閱的結果，對該等中期簡明合併財務報表作出結論，並根據已協定的委聘條款，僅向貴公司（作為一個整體）編製本報告，除此之外，別無其他目的。我們概不會就本報告的內容向任何其他人士負責或承擔責任。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告

Scope of Review

Except as explained in the “Basis for Qualified Conclusion” paragraphs below, 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 information 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.

Basis for Qualified Conclusion

(a) Impairment of other receivables and uncertainties relating to financial guarantee contracts

As set out in Note 19 to the interim condensed consolidated financial statements, a subsidiary of the Company (the “Subsidiary”) entered into several pledge and guarantee agreements in 2013 and 2014 (the “Pledge and Guarantee Agreements”) with certain banks in the People’s Republic of China (the “PRC”), providing guarantees to the banks for their loan facilities granted to certain borrowers. Counter guarantees were provided by one of the borrowers of the bank loans (the “Borrower”) to the Group. During 2014, aggregate pledged time deposits of RMB550,924,000 of the Subsidiary had been withdrawn by the banks due to default of the bank loans under the guarantees of the Subsidiary.

審閱範圍

除以下「保留結論基礎」段落所闡釋者外，我們已按照香港會計師公會所頒佈之香港審閱準則第2410號「由實體獨立核數師審閱中期財務資料」進行審閱工作。審閱中期財務資料包括主要向負責財務及會計事務的人員作出查詢，並應用分析性及其他審閱程序。審閱範圍遠遠小於根據香港核數準則進行審核的範圍，故未能令我們確保我們將知悉在審核中可能發現的所有重大事項。因此，我們不會發表審核意見。

保留結論基礎

(a) 其他應收賬款減值及關於財務擔保合約的不確定性

誠如載於中期簡明合併財務報表附註19，貴公司一家附屬公司（「該附屬公司」）分別於2013年及2014年與中華人民共和國（「中國」）境內若干銀行訂立數項質押及擔保協議（「質押及擔保協議」），就該等銀行向其若干借款人授予貸款融資而提供擔保。各筆銀行貸款其中一名借款人（「借款人」）向貴集團提供若干反擔保。數家銀行基於該附屬公司擔保的數項銀行貸款違約，已於2014年度提取該附屬公司質押定期存款總額為人民幣550,924千元。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告

Basis for Qualified Conclusion (continued)

(a) Impairment of other receivables and uncertainties relating to financial guarantee contracts (continued)

The Group initiated legal actions to claim the counter guarantees provided by the Borrower. The directors are of the opinion that an amount of RMB265,564,000 (the “Recoverable Amount”) is recoverable. Therefore, other receivables of RMB550,924,000 due from the Borrower were included in “Prepayments, deposits and other receivables” in the consolidated statement of financial position as at 31 December 2014 and a provision for the irrecoverable amount of RMB285,360,000 had been recognised in profit or loss for the year ended 31 December 2014. There was no subsequent reversal of the provision or further provision recognised. As at 31 December 2017 and 30 June 2018, the other receivables of RMB550,924,000 and provision thereon of RMB285,360,000 were included in “Prepayments, deposits and other receivables” as detailed in Note 15 to the interim condensed consolidated financial statements.

As set out in Note 19 to the interim condensed consolidated financial statements, the Subsidiary also entered into guarantee agreements with another PRC bank in 2013 (the “Guarantee Agreement 1”) and a PRC finance company in 2014 (the “Guarantee Agreement 2”) respectively, providing guarantees to the PRC bank and the PRC finance company for their loan facilities granted to their borrowers. The outstanding loans of RMB35,497,000 and RMB34,000,000 in relation to the Guarantee Agreements 1 and 2 were in default in 2015 and 2014 respectively. The PRC bank and the PRC finance company took legal actions against the respective borrowers and the guarantors (including the Borrower and the Subsidiary as guarantors) to recover the loan balances and interests.

保留結論基礎 (續)

(a) 其他應收賬款減值及關於財務擔保合約的不確定性 (續)

貴集團已採取法律行動，就借款人提供的反擔保提出索償。董事認為可收回人民幣265,564千元的金額（「可收回金額」）。因此，其他應收借款人款項人民幣550,924千元已於2014年12月31日計入合併財務狀況表內「預付款、保證金及其他應收賬款」一項，且對不可收回金額人民幣285,360千元計提的撥備於截至2014年12月31日止年度的損益內確認。並無後續撥回撥備或進一步確認的撥備。於2017年12月31日及2018年6月30日，其他應收賬款人民幣550,924千元及相關撥備人民幣285,360千元已計入中期簡明合併財務報表附註15所載之「預付款、保證金及其他應收賬款」一項。

誠如中期簡明合併財務報表附註19所載，該附屬公司亦分別於2013年與另一家中國銀行訂立擔保協議（「擔保協議1」）以及於2014年與一家中國財務公司訂立擔保協議（「擔保協議2」），為該家中國銀行及該家中國財務公司向其借款人授予貸款融資提供擔保。擔保協議1及擔保協議2的未償還貸款人民幣35,497千元及人民幣34,000千元分別於2015年及2014年違約。該家中國銀行及該家中國財務公司已採取法律行動向各借款人及一眾擔保人（包括借款人及該附屬公司，作為擔保人）追討貸款結餘及利息。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告

Basis for Qualified Conclusion (continued)

(a) Impairment of other receivables and uncertainties relating to financial guarantee contracts (continued)

For the Guarantee Agreement 1, according to the first court judgement in 2016 and the final court judgement in 2017, the Subsidiary is adjudicated to be jointly liable for the payment to the PRC bank of the outstanding loan, plus interest and costs. The Subsidiary has filed application of retrial of the PRC court judgements and the commencement thereof was accepted by the PRC court in January 2018, but the application was subsequently rejected according to the court judgement received by the Subsidiary in May 2018.

For the Guarantee Agreement 2, according to the first court judgement in 2016 and the final court judgement in 2017, the Subsidiary is adjudicated to be jointly liable for the payment to the PRC finance company of the outstanding loan, plus interest and costs.

The Subsidiary is in the process of applying for protests of the PRC court judgements in relation to Guarantee Agreements 1 and 2. Accordingly, the Group is of the view that the legal proceedings in relation to Guarantee Agreements 1 and 2 are still in progress notwithstanding the respective final court judgements and the rejection of the application of retrial in relation to Guarantee Agreement 1.

The directors, with reference to legal opinions obtained and other factors, consider that the likelihood of the Group sustaining losses from the Guarantee Agreements 1 and 2 is remote as it is considered that the loans had sufficient underlying securities including the Borrower's guarantees and the Subsidiary is only one of the guarantors for the loans. As a result, the directors considered that no provision thereon is considered necessary as at 31 December 2017 and 30 June 2018.

保留結論基礎 (續)

(a) 其他應收賬款減值及關於財務擔保合約的不確定性 (續)

就擔保協議1而言，根據於2016年的首次法院判決及2017年的最終法院判決，該附屬公司被裁定須就向該家中國銀行支付的未償還貸款另加利息及成本承擔共同責任。該附屬公司已就中國法院判決申請重審，該申請起初於2018年1月獲中國法院接納，惟其後於2018年5月根據該附屬公司收到的法院判決被駁回。

就擔保協議2而言，根據於2016年的首次法院判決及2017年的最終法院判決，該附屬公司被裁定須就向該家中國財務公司支付的未償還貸款另加利息及成本承擔共同責任。

該附屬公司正就擔保協議1及擔保協議2的中國法院判決申請抗辯。因此，貴集團認為，儘管已作出相關最終法院判決且有關擔保協議1的重審申請遭駁回，但與擔保協議1及擔保協議2有關的法律訴訟仍在進行中。

經參考取得的法律意見及其他因素，董事認為貴集團須承擔該項擔保協議1及擔保協議2損失的可能性輕微，因據悉該貸款具有足夠的相關擔保（包括借款人的擔保），而該附屬公司亦僅為該貸款的其中一名擔保人。因此，董事認為不需要於2017年12月31日及2018年6月30日作出相關撥備。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告

Basis for Qualified Conclusion *(continued)*

(a) Impairment of other receivables and uncertainties relating to financial guarantee contracts *(continued)*

However, the legal proceedings in relation to the Pledge and Guarantee Agreements according to the official legal documents received by the Subsidiary are still in progress and we are not able to obtain sufficient evidence to assess the likelihood of successfully applying for the protests of the PRC court judgements by the Subsidiary in relation to Guarantee Agreements 1 and 2 and the likely outcome of such protests of the PRC court judgements, and we are not able to obtain sufficient evidence to ascertain the above management assessment. Accordingly, we are not able to assess the likely outcome of the legal proceeding in respect of the amount that the Group would recover from the Borrower's assets as determined by the court and the amount ultimately to be recovered from the Borrower in connection with the Pledge and Guarantee Agreements, and to determine if any provision arising from the Guarantee Agreements 1 and 2 is necessary. As a result, we are not able to ascertain the recoverability of the Recoverable Amount due from the Borrower and any provision for the Guarantee Agreements 1 and 2 as at 30 June 2018 should be recognised. Together with other limitation on the scope of our work, our audit opinion on the Company's annual consolidated financial statements for the year ended 31 December 2017 was qualified in this respect.

Any adjustments to the Recoverable Amount due from the Borrower and any provision to be recognised as at 31 December 2017 and 30 June 2018 in respect of the Guarantee Agreements 1 and 2 would have a consequential impact on the Group's net assets as at 31 December 2017 and 30 June 2018, and the Group's financial performance for the six months ended 30 June 2018. Together with other limitation on the scope of our work, our review conclusion on the Company's interim condensed consolidated financial statements for the six months ended 30 June 2017 was also qualified in this respect.

保留結論基礎 (續)

(a) 其他應收賬款減值及關於財務擔保合約的不確定性 (續)

然而，根據該附屬公司收到的正式法律文件，有關質押及擔保協議的法律訴訟仍在進行中，且我們未能獲取足夠證據以評估該附屬公司成功就擔保協議1及擔保協議2的中國法院判決申請抗辯的可能性以及就中國法院判決進行相關抗辯的可能結果，且我們無法獲取足夠證據以確定管理層的上述評估，故我們無法評估就 貴集團可依法庭判決收回借款人資產金額的法律訴訟的可能結果及就質押及擔保協議最終向借款人收回的款額，亦無法確定是否需要就擔保協議1及擔保協議2作出任何撥備。因此，我們無法確定能否收回應收借款人的可收回金額及應否於2018年6月30日就擔保協議1及擔保協議2確認任何撥備。鑒於我們的工作範圍受到其他限制，我們對 貴公司截至2017年12月31日止年度的年度合併財務報表的審核意見就此作出保留。

就應收借款人的可收回金額的任何調整及於2017年12月31日及2018年6月30日就擔保協議1及擔保協議2確認的任何撥備，將會對 貴集團於2017年12月31日及2018年6月30日的淨資產及 貴集團截至2018年6月30日止6個月的財務表現構成重大影響。鑒於我們的工作範圍受到其他限制，我們對 貴公司截至2017年6月30日止6個月中期簡明合併財務報表的審核結論亦就此作出保留。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告

Basis for Qualified Conclusion (continued)

(a) Impairment of other receivables and uncertainties relating to financial guarantee contracts (continued)

Had we been able to complete our review procedures, matters might have come to our attention indicating that adjustments might be necessary to the interim condensed consolidated financial statements.

(b) Provision for loss on financial guarantee contract

As set out in Note 19 to the interim condensed consolidated financial statements, in addition to the agreements as mentioned in the above paragraphs, the Subsidiary entered into a guarantee agreement (the “Guarantee Agreement 3”) with a PRC bank in 2014, providing guarantee to the bank for a loan facility granted to its borrower. The bank loan was in default in 2014 and the bank took legal actions against the borrower and the guarantors (including the Subsidiary) to recover the bank loan balance and interest. A court order was issued to freeze assets of the guarantors (including the Subsidiary) in the amount of RMB62,000,000. As a result of the court order, bank balance of the Subsidiary in the amount of RMB55,396,000 had been frozen by the bank in 2014. According to the first court judgement in 2016 and the final court judgement in 2017, the Subsidiary is adjudicated to be jointly liable for the payment to the PRC bank of RMB60,000,000, plus interest and costs. In February 2017, the frozen bank balance of the Subsidiary was withdrawn by the court for the purpose of settlement of the claim by the PRC bank. During 2017, the Subsidiary filed an application of retrial of the PRC court judgements in relation to Guarantee Agreement 3 which was rejected by the PRC court. During 2017, the Subsidiary filed an application of protest of the PRC court judgements and the commencement of related legal proceedings has been accepted by the PRC court in March 2018. The related outcome of the protest according to the official legal documents received by the Subsidiary is pending as of the date of approval of the interim condensed consolidated financial statements.

保留結論基礎 (續)

(a) 其他應收賬款減值及關於財務擔保合約的不確定性 (續)

倘我們能完成審閱程序，我們可能注意到一些事項，顯示可能需要對中期簡明合併財務報表作出調整。

(b) 財務擔保合約虧損撥備

誠如中期簡明合併財務報表附註19所載，除以上段落所述的協議，該附屬公司於2014年與中國的一家銀行訂立一項擔保協議（「擔保協議3」），為銀行向其借款人授予貸款融資提供擔保。該銀行之貸款未能於2014年償還，而該銀行已採取法律行動向借款人及一眾擔保人（包括該附屬公司）追討銀行貸款結餘及利息。經已發出法院指令凍結擔保人（包括該附屬公司）資產，即金額人民幣62,000千元。鑒於該法院指令，該附屬公司金額為人民幣55,396千元的銀行結餘已於2014年被銀行凍結。根據於2016年的首次法院判決及2017年的最終法院判決，該附屬公司被裁定須就向該家中國銀行支付人民幣60,000千元款項另加利息及成本承擔共同責任。於2017年2月，該附屬公司被凍結銀行結餘被法院提取以支付該家中國銀行的索償。該附屬公司於2017年已就擔保協議3的中國法院判決申請重審，惟被中國法院駁回。該附屬公司於2017年已就中國法院判決申請抗辯，且中國法院已於2018年3月同意受理相關法律訴訟。根據該附屬公司收到的正式法律文件，抗辯的相關結果在中期簡明合併財務報表獲批准當日尚未公佈。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告

Basis for Qualified Conclusion *(continued)*

(b) Provision for loss on financial guarantee contract *(continued)*

Accordingly, the Group is of the view that the legal proceeding is still in progress notwithstanding the final court judgement and the rejection of the application of retrial. As at 31 December 2017 and 30 June 2018, the withdrawn amount of RMB55,396,000 was included in "Prepayments, deposits and other receivables" as detailed in Note 15 to the interim condensed consolidated financial statements.

The directors, with reference to legal opinion obtained and other factors, consider that the likelihood of the Group sustaining losses from the guarantee is remote as it is considered that the bank loan had sufficient underlying securities and the Subsidiary is only one of the guarantors for the bank loan. The directors believe that the withdrawn bank balance will be fully recovered upon the conclusion of the protest of the PRC court judgements and no provision on the withdrawn amount is considered necessary as at 31 December 2017 and 30 June 2018. In addition, the directors are of the opinion that no provision on any shortfall between the amount to be ultimately settled by the Group under the Guarantee Agreement 3 and the Subsidiary's withdrawn bank balance is considered necessary as at 31 December 2017 and 30 June 2018.

保留結論基礎 (續)

(b) 財務擔保合約虧損撥備 (續)

因此，貴集團認為儘管在最終法院判決及駁回重審申請的情況下，法律訴訟現仍在進行中。於2017年12月31日及2018年6月30日，誠如中期簡明合併財務報表附註15所述，人民幣55,396千元的被提取金額已計入「預付款、保證金及其他應收賬款」一項。

經參考取得的法律意見及其他因素，董事認為貴集團須承擔該項擔保損失的可能性輕微，因據悉該銀行貸款具有足夠的相關擔保，而該附屬公司亦僅為該銀行貸款的其中一名擔保人。董事相信當中國法院判決抗辯完結時，被提取的銀行結餘將可悉數收回，且無需於2017年12月31日及2018年6月30日對被提取的金額計提撥備。此外，董事認為，貴集團根據擔保協議3最終作出的付款金額與該附屬公司的被提取的銀行結餘之間的差額亦不需要於2017年12月31日及2018年6月30日計提撥備。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告

Basis for Qualified Conclusion (continued)

(b) Provision for loss on financial guarantee contract (continued)

However, as the legal proceeding is still in progress, we are not able to obtain sufficient evidence to assess the likely outcome of the legal proceeding in respect of whether the Subsidiary is jointly liable for the payment to the PRC bank of RMB60,000,000 and accordingly whether and to what extent the Group would recover the withdrawn amount from the court, and we are not able to obtain sufficient evidence to ascertain the above management assessment. Accordingly, we are not able to ascertain whether any provision on the withdrawn amount as at 30 June 2018, and any shortfall between the amount to be ultimately settled by the Group under the Guarantee Agreement 3 and the Subsidiary's withdrawn amount is required to be made as at 30 June 2018. Together with other limitation on the scope of our work, our audit opinion on the Company's annual consolidated financial statements for the year ended 31 December 2017 was qualified in this respect.

Any provisions that should have been made as at 31 December 2017 and 30 June 2018 would have a consequential impact on the Group's net assets as at 31 December 2017 and 30 June 2018, and the Group's financial performance for the six months ended 30 June 2018. Together with other limitation on the scope of our work, our review conclusion on the Company's interim condensed consolidated financial statements for the six months ended 30 June 2017 was also qualified in this respect.

Had we been able to complete our review procedures, matters might have come to our attention indicating that adjustments might be necessary to the interim condensed consolidated financial statements.

保留結論基礎 (續)

(b) 財務擔保合約虧損撥備 (續)

然而，由於法律訴訟仍在進行中，我們未能獲得足夠證據以評估就該附屬公司是否須共同承擔向該家中國銀行支付人民幣60,000千元款項以及與貴集團能否向法院追回被提取金額及能夠追回多少金額有關的法律訴訟的可能結果，且我們無法獲取足夠證據以確定管理層的上述評估。因此，我們未能確定於2018年6月30日被提取的金額是否應計提撥備，及貴集團根據擔保協議3最終作出的付款金額與該附屬公司的被提取金額之間的差額是否需要於2018年6月30日計提撥備。鑒於我們的工作範圍受到其他限制，我們對貴公司截至2017年12月31日止年度的年度合併財務報表的審核意見就此作出保留。

任何應於2017年12月31日及2018年6月30日作出的撥備將對貴集團於2017年12月31日及2018年6月30日的淨資產及貴集團截至2018年6月30日止6個月的財務表現構成重大影響。鑒於我們的工作範圍受到其他限制，我們對貴公司截至2017年6月30日止6個月的中期簡明合併財務報表的審核結論亦就此作出保留。

倘我們能完成審閱程序，我們可能注意到一些事項，顯示可能需要對中期簡明合併財務報表作出調整。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表審閱報告

Qualified Conclusion

Except for the adjustments to the interim condensed consolidated financial statements that we might have become aware of had it not been for the situation described in the “Basis for Qualified Conclusion” paragraphs above, 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 IAS 34.

BDO Limited

Certified Public Accountants

Lam Siu Fung

Practising Certificate Number P05308

Hong Kong, 24 August 2018

保留結論

除倘非因上文「保留結論基礎」各段所述情況我們應會知悉對中期簡明合併財務報表需作的調整外，根據我們的審閱工作，我們並沒有注意到任何事項，足以令我們相信中期簡明合併財務報表並非在所有重大方面均按照國際會計準則第34號編製。

香港立信德豪會計師事務所有限公司

執業會計師

林兆豐

執業證書編號P05308

香港，2018年8月24日

Condensed Consolidated Statement of Profit or Loss

簡明合併損益表

		Six months ended 30 June 截至6月30日止6個月		
		2018	2017	
		2018年	2017年	
		RMB'000	RMB'000	
		千人民幣	千人民幣	
		(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	
		<i>Notes</i>		
		<i>附註</i>		
REVENUE	收入	3	1,973,936	1,909,663
Cost of sales	銷售成本		(1,431,285)	(1,357,516)
GROSS PROFIT	毛利		542,651	552,147
Other income and gains	其他收入及收益	5	131,742	69,879
Selling and distribution costs	銷售及分銷費用		(179,253)	(192,876)
Administrative expenses	管理費用		(164,753)	(170,894)
Other expenses	其他費用		(81,579)	(19,135)
Finance costs	財務費用	6	(25,751)	(21,279)
Share of results of associates	應佔聯營公司業績		3,110	6,428
PROFIT BEFORE INCOME TAX	稅前利潤	4	226,167	224,270
Income tax	所得稅	7	(124,526)	(65,217)
PROFIT FOR THE PERIOD	本期利潤		101,641	159,053
Attributable to:	以下各方應佔：			
Owners of the parent	母公司擁有人		91,851	148,157
Non-controlling interests	非控制性權益		9,790	10,896
			101,641	159,053
EARNINGS PER SHARE	母公司普通股權益擁有人			
ATTRIBUTABLE TO ORDINARY	應佔每股盈利			
EQUITY HOLDERS OF				
THE PARENT				
Basic	基本	9	2.56 cents	4.53 cents
			2.56分	4.53分
Diluted	攤薄	9	2.56 cents	3.78 cents
			2.56分	3.78分

Details of the dividend are disclosed in Note 10 to the interim condensed consolidated financial statements.

股息的詳情已在中期簡明合併財務報表附註10披露。

Condensed Consolidated Statement of Comprehensive Income

簡明合併全面收入表

Six months ended 30 June
截至6月30日止6個月

		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
PROFIT FOR THE PERIOD	本期利潤	101,641	159,053
OTHER COMPREHENSIVE INCOME	其他全面收入		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後或會重新分類至損益表的項目：</i>		
Exchange differences on translation of foreign operations	換算海外業務產生的匯兌差額	(3,881)	9,724
Fair value gain on financial assets at fair value through other comprehensive income/ available-for-sale financial assets, net of tax	按公允價值計入其他全面收入的金融資產／可供出售金融資產的公允價值收益（扣除稅項）	-	100
		(3,881)	9,824
<i>Item that may not be reclassified subsequently to profit or loss:</i>	<i>其後不會重新分類至損益表的項目：</i>		
Fair value gain on financial assets at fair value through other comprehensive income, net of tax	按公允價值計入其他全面收入的金融資產的公允價值收益（扣除稅項）	7,400	-
		3,519	9,824
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	本期全面收入合計	105,160	168,877
Attributable to:	以下各方應佔：		
Owners of the parent	母公司擁有人	94,378	157,696
Non-controlling interests	非控制性權益	10,782	11,181
		105,160	168,877

Condensed Consolidated Statement of Financial Position

簡明合併財務狀況表

			30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	11	物業、廠房及設備	615,170	619,497
Prepaid land lease payments	12	預付土地租金	45,459	46,119
Goodwill		商譽	21,161	21,161
Other intangible assets		其他無形資產	292,968	294,575
Investments in associates		於聯營公司投資	55,499	54,518
Investment in a joint venture		於合營公司投資	100,000	100,000
Long term investments	13	長期投資	229,798	218,026
Deferred tax assets		遞延稅項資產	58,794	52,258
Prepayments for potential acquisitions	25	潛在收購事項預付款項	540,205	-
Prepayments for purchase of property, plant and equipment		購買物業、廠房及設備預付款項	445,675	429,961
Total non-current assets		非流動資產合計	2,404,729	1,836,115
CURRENT ASSETS		流動資產		
Inventories	14	存貨	519,546	425,384
Trade and bills receivables	15	貿易及票據應收賬款	1,091,592	1,092,554
Prepayments, deposits and other receivables	15	預付款、保證金及其他應收賬款	450,713	397,213
Income tax recoverable		預付所得稅	12,184	11,741
Other current assets		其他流動資產	42,625	41,512
Held-for-trading investments		持作買賣投資	88,786	88,786
Restricted bank balances and short-term deposits		受限制銀行結餘及短期存款	518,019	314,422
Cash and cash equivalents		現金及現金等價物	991,040	1,265,589
Total current assets		流動資產合計	3,714,505	3,637,201
CURRENT LIABILITIES		流動負債		
Trade and bills payables	16	貿易及票據應付賬款	941,980	820,833
Other payables and accruals		其他應付賬款及應計費用	728,292	728,749
Interest-bearing loans	17	計息貸款	410,202	24,940
Government grants		政府補助	2,012	2,012
Income tax payable		應繳所得稅	52,039	34,071
Convertible bonds – derivative component	18	可換股債券 – 衍生工具部份	36,055	11,933
Convertible bonds – liability component	18	可換股債券 – 負債部份	-	421,229
Total current liabilities		流動負債合計	2,170,580	2,043,767
NET CURRENT ASSETS		淨流動資產	1,543,925	1,593,434
TOTAL ASSETS LESS CURRENT LIABILITIES		總資產減流動負債	3,948,654	3,429,549

Continued/...
續/...

Condensed Consolidated Statement of Financial Position

簡明合併財務狀況表

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
	Note 附註		
NON-CURRENT LIABILITIES	非流動負債		
Government grants	政府補助	11,120	12,112
Deferred tax liabilities	遞延稅項負債	140,729	87,208
Convertible bonds – liability component	可換股債券 – 負債部份	18 410,767	–
Total non-current liabilities	非流動負債合計	562,616	99,320
Net assets	淨資產	3,386,038	3,330,229
EQUITY	權益		
Equity attributable to owners of the parent	母公司擁有人應佔權益		
Issued capital	已發行股本	3	3
Reserves	儲備	3,287,076	3,212,109
Proposed final dividend	建議宣派末期股息	–	29,940
		3,287,079	3,242,052
Non-controlling interests	非控制性權益	98,959	88,177
Total equity	總權益	3,386,038	3,330,229

WANG Donglei

王冬雷

Director

董事

XIAO Yu

肖宇

Director

董事

Condensed Consolidated Statement of Cash Flows

簡明合併現金流量表

		Six months ended 30 June 截至6月30日止6個月	
		2018 2018年 RMB'000 千人民幣 (Unaudited) (未經審核)	2017 2017年 RMB'000 千人民幣 (Unaudited) (未經審核)
Cash flows from operating activities	經營活動所得現金流量		
Cash generated from operations	經營所得現金	209,476	143,188
Tax paid	已繳稅款	(55,346)	(51,862)
Net cash flows generated from operating activities	經營活動所得現金流量淨額	154,130	91,326
Cash flows from investing activities	投資活動所得現金流量		
Interest received	已收利息	11,824	13,467
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備項目的所得款	2,133	5,689
Prepayments for and purchases of items of property, plant and equipment	預付及購買物業、廠房及設備項目	(58,170)	(362,810)
Prepayments for potential acquisitions	潛在收購事項預付款項	(540,205)	-
Acquisition of interest in a subsidiary	收購一家附屬公司權益	-	(263)
Purchases of long term investments	購買長期投資	(100)	(255,293)
Investment in an associate	於一家聯營公司的投資	(5,000)	-
Dividend received from an associate	收取一家聯營公司股息	9,000	3,000
Additions to other intangible assets	添置其他無形資產	(1,348)	(2,696)
(Increase)/decrease in the restricted bank balances and short term deposits	受限制銀行結餘及短期存款(增加)/減少	(203,597)	224,995
Net cash flows used in investing activities	投資活動所用現金流量淨額	(785,463)	(373,911)
Cash flows from financing activities	融資活動所得現金流量		
Dividends paid	已派股息	-	(28,745)
New bank loans	新增銀行借款	395,786	15,908
Repayment of bank loans	償還銀行借款	(23,955)	(222)
Interest paid	已付利息	(21,087)	(17,906)
Proceeds from issuance of ordinary shares	發行普通股所得款項	-	287,766
Net cash flows generated from financing activities	融資活動所得現金流量淨額	350,744	256,801
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(280,589)	(25,784)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	1,265,589	1,160,155
Effect of foreign exchange rate changes, net	匯率變動影響淨額	6,040	(10,229)
Cash and cash equivalents as stated in the statement of financial position and cash flows	於財務狀況表及現金流量表中呈列的現金及現金等價物	991,040	1,124,142

Condensed Consolidated Statement of Changes in Equity

簡明合併權益變動表

Six months ended 30 June 2018

截至2018年6月30日止6個月

		Attributable to owners of the parent 母公司擁有人應佔											
		Share capital 股本	Share premium 股份溢價	Equity reserve 權益儲備	Other reserve 其他儲備	Shareholders' contribution 股東出資	Statutory reserve 法定公積金	Employee equity benefit reserve 僱員權益福利準備	Foreign currency translation reserve 外幣折算儲備	Retained profits 留存利潤	Proposed final dividend 建議派末期股息	Non-controlling interests 非控制性權益	Total equity 總權益
	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	
At 1 January 2018 as originally presented (audited) Initial application of IFRS 9 (Note 1.2.1)	於2018年1月1日，按原先呈列 (經審核) 初始應用國際財務報告準則 第9號(附註1.2.1)	3	1,336,737	(4,158)	(2,000)	6,416	182,655	-	(130,051)	1,822,510	29,940	88,177	3,330,229
At 1 January 2018 as restated	於2018年1月1日(經重列)	3	1,336,737	(4,158)	(2,000)	6,416	182,655	-	(130,051)	1,803,099	29,940	88,177	3,310,818
Profit for the period	本期利潤	-	-	-	-	-	-	-	-	91,851	-	9,790	101,641
Other comprehensive income: Exchange differences on translation of foreign operations	其他全面收入： 換算海外業務產生的匯兌差額	-	-	-	-	-	-	-	(4,873)	-	-	992	(3,881)
Fair value gain on financial assets at fair value through other comprehensive income	按公允價值計入其他全面收入的 金融資產的公允價值收益	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	本期全面收入合計	-	-	-	7,400	-	-	-	-	-	-	-	7,400
Transfer to statutory reserve	轉入法定公積金	-	-	-	-	1,040	-	-	(4,873)	91,851	-	10,782	105,160
Dividend paid	已付股息	-	-	-	-	-	-	-	-	-	(29,940)	-	(29,940)
At 30 June 2018 (Unaudited)	於2018年6月30日(未經審核)	3	1,336,737	(4,158)	5,400	6,416	183,695	-	(134,924)	1,893,910	-	98,959	3,386,038

Continued/...
續/...

Condensed Consolidated Statement of Changes in Equity

簡明合併權益變動表

Six months ended 30 June 2018

截至2018年6月30日止6個月

		Attributable to owners of the parent 母公司擁有人應佔											
		Employee equity benefit reserve 僱員權益福利準備		Foreign currency translation reserve 外幣折算儲備		Retained profits 留存利潤		Proposed final dividend 建議派發末期股息		Non-controlling interests 非控制性權益			
		Share capital 股本	Share premium 股份溢價	Equity reserve 權益儲備	Other reserve 其他儲備	Shareholders' contribution 股東出資	Statutory reserve 法定公積金	Employee equity benefit reserve 僱員權益福利準備	Foreign currency translation reserve 外幣折算儲備	Retained profits 留存利潤	Proposed final dividend 建議派發末期股息	Total 合計	Total equity 總權益
		RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣
At 1 January 2017	於2017年1月1日	2	1,107,656	(4,158)	1,000	6,416	156,457	312	(127,389)	1,534,440	28,745	2,703,481	2,773,675
Profit for the period	本期利潤	-	-	-	-	-	-	-	-	148,157	-	148,157	148,157
Other comprehensive income:	其他全面收入：	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	-	-	-	9,439	-	-	9,439	9,439
Fair value gain on available-for-sale financial assets	可供出售金融資產的公允價值收益	-	-	-	100	-	-	-	-	-	-	100	100
Total comprehensive income for the period	本期全面收入合計	-	-	-	100	-	-	-	9,439	148,157	-	157,696	168,877
Transfer to statutory reserve	轉入法定公積金	-	-	-	-	-	1,205	-	-	(1,205)	-	-	-
Forfeiture of share options	購股權失效	-	-	-	-	-	-	(312)	-	312	-	-	-
Issue of ordinary shares	發行普通股	1	287,765	-	-	-	-	-	-	-	-	287,766	287,766
Acquisition of a subsidiary	收購一家附屬公司	-	-	-	-	-	-	-	-	-	-	-	125
Dividend paid	已付股息	-	-	-	-	-	-	-	-	-	(28,745)	(28,745)	(28,745)
At 30 June 2017 (Unaudited)	於2017年6月30日 (未經審核)	3	1,395,421	(4,158)	1,100	6,416	157,662	-	(117,950)	1,681,704	-	3,120,198	3,201,698
At 30 June 2018 (Unaudited)	於2018年6月30日 (未經審核)	3	1,395,421	(4,158)	1,100	6,416	157,662	-	(117,950)	1,681,704	-	3,120,198	3,201,698

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.1 Basis of Preparation

These interim condensed consolidated financial statements of the Group for the six months ended 30 June 2018 (the “Period under Review”) have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and International Accounting Standard 34 (“IAS 34”), “Interim Financial Reporting” issued by the International Accounting Standards Board. These interim condensed consolidated financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (‘000) except when otherwise indicated.

The accounting policies and basis of preparation used in the preparation of these interim condensed consolidated financial statements are the same as those used in the Group’s annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of the new and revised International Financial Reporting Standards (“IFRSs”) (which also include International Accounting Standards (“IASs”) and Interpretations) effective for the first time for periods beginning on or after 1 January 2018. Details of any changes in accounting policies are set out in Note 1.2 below.

In preparing these interim condensed consolidated financial statements in compliance with IAS 34, the significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to annual consolidated financial statements for the year ended 31 December 2017 except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 9 and IFRS 15 as set out in Note 1.2 below.

These interim condensed consolidated financial statements do not include all information and disclosures required in the Group’s annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2017.

1.1 編製基礎

本集團截至2018年6月30日止6個月（「回顧期」）的中期簡明合併財務報表乃遵照香港聯合交易所有限公司證券上市規則附錄十六的適用披露規定及國際會計準則理事會頒佈的國際會計準則第34號（「國際會計準則第34號」）「中期財務報告」編製。該等中期簡明合併財務報表均以人民幣（「人民幣」）呈列，除非另有指明，所有數值均四捨五入到最接近的千位（‘000）。

編製該等中期簡明合併財務報表所採用的會計政策及編製基準與編製本集團截至2017年12月31日止年度的年度合併財務報表所採用的一致，惟採納新訂及經修訂的自2018年1月1日或之後開始的期間首次生效的國際財務報告準則（「國際財務報告準則」）（其中亦包括國際會計準則（「國際會計準則」）及詮釋）除外。有關會計政策變更的詳情請參考下列的附註1.2。

編製符合國際會計準則第34號的中期簡明合併財務報表時，管理層於應用本集團會計政策時所作出的重大判斷以及估計不確定性的主要來源與截至2017年12月31日止年度的年度合併財務報表所應用者相同，惟下文附註1.2所載與應用國際財務報告準則第9號及國際財務報告準則第15號有關的新重大判斷及估計不確定性的主要來源除外。

該等中期簡明合併財務報表並不包括本集團年度合併財務報表所需的所有資料及披露，並應連同本集團截至2017年12月31日止年度的年度合併財務報表一併閱讀。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures

The new or amended IFRSs that are first effective for the current accounting period that are relevant to the Group are described below:

- IFRS 9, Financial Instruments
- IFRS 15, Revenue from Contracts with Customers
- IFRIC-Interpretation 22, Foreign Currency Transactions and Advance Considerations
- Amendments to IAS 28 included in Annual Improvements to IFRSs 2014-2016 Cycle, Investments in Associates and Joint Ventures
- Amendments to IFRS 1 included in Annual Improvements to IFRSs 2014-2016 Cycle, First-time Adoption of International Financial Reporting Standards

The impact of the adoption of IFRS 9 Financial Instruments (see Note 1.2.1 below) and IFRS 15 Revenue from Contracts with Customers (see Note 1.2.2 below) have been summarised below. The other new or amended IFRSs that are effective from 1 January 2018 did not have any material impact on the Group's accounting policies.

1.2 會計政策及披露的更改

於本會計期間首次生效並與本集團有關的新訂或經修訂國際財務報告準則描述如下：

- 國際財務報告準則第9號－金融工具
- 國際財務報告準則第15號－來自客戶合約之收益
- 國際財務報告詮釋委員會詮釋第22號－外幣交易及預付款
- 2014年至2016年週期國際財務報告準則之年度改進所載國際會計準則第28號之修訂－於聯營公司及合營公司的投資
- 2014年至2016年週期國際財務報告準則之年度改進所載國際財務報告準則第1號之修訂－首次採納國際財務報告準則

採納國際財務報告準則第9號金融工具（見下文附註1.2.1）及國際財務報告準則第15號來自客戶合約之收益（見下文附註1.2.2）的影響已於下文概述。其他自2018年1月1日起生效的新訂或經修訂國際財務報告準則對本集團的會計政策並無任何重大影響。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”)

(i) *Classification and measurement of financial instruments*

IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment; and (3) hedge accounting. The adoption of IFRS 9 from 1 January 2018 has resulted in changes in accounting policies of the Group and the amounts recognised in the interim condensed consolidated financial statements.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」)

(i) 分類及計量金融工具

國際財務報告準則第9號於2018年1月1日或之後開始的年度期間取代了國際會計準則第39號金融工具：確認及計量，合併金融工具會計處理的所有三個方面：(1)分類及計量；(2)減值；及(3)對沖會計。自2018年1月1日起採納國際財務報告準則第9號已導致本集團會計政策及中期簡明合併財務報表所確認的金額產生變動。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

The following table summarised the impact, net of tax, of the transition to IFRS 9 on the opening balance of retained profits as of 1 January 2018 as follows (increase/(decrease)):

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

下表概述過渡至國際財務報告準則第9號對截至2018年1月1日留存利潤期初結餘的影響(扣除稅項)(增加/減少)如下:

		RMB'000 千人民幣
Retained profits	留存利潤	
Retained profits as at 31 December 2017, as originally presented	期初披露的於2017年12月31日的留存利潤	1,822,510
Increase in expected credit losses (“ECLs”) in trade receivables, net of tax (Note 1.2.1(ii) below)	貿易應收賬款的預期信貸虧損(「預期信貸虧損」)增加，扣除稅項(下文附註1.2.1(ii))	(19,411)
Restated retained profits as at 1 January 2018	於2018年1月1日的經重列留存利潤	1,803,099

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

IFRS 9 basically retains the existing requirements in IAS 39 for the classification and measurements of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of IFRS 9 has no material impact on the Group’s accounting policies related to financial liabilities and derivative financial instruments. The impact of IFRS 9 on the Group’s classification and measurement of financial assets is set out below.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

國際財務報告準則第9號基本上保留國際會計準則第39號有關金融負債分類及計量的現有規定。然而，其取消先前就持有至到期金融資產、貸款及應收賬款及可供出售金融資產的金融資產的國際會計準則第39號類別。採納國際財務報告準則第9號對本集團有關金融負債及衍生金融工具的會計政策並無重大影響。國際財務報告準則第9號對本集團金融資產分類及計量的影響載列如下。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

Under IFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with IFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs. A financial asset is classified as: (i) financial assets at amortised cost (“amortised cost”); (ii) financial assets at fair value through other comprehensive income (“FVTOCI”); or (iii) FVTPL. The classification of financial assets under IFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “solely payments of principal and interest” criterion, also known as “SPPI criterion”).

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

根據國際財務報告準則第9號，除若干貿易應收賬款（貿易應收賬款不包括根據國際財務報告準則第15號的重大融資部分）外，實體於初步確認時須按公允價值加交易成本（倘為並非按公允價值計入損益（「按公允價值計入損益」）的金融資產）計量金融資產。金融資產分類為：(i)按攤銷成本（「攤銷成本」）計量的金融資產；(ii)按公允價值計入其他全面收入（「按公允價值計入其他全面收入」）的金融資產；或(iii)按公允價值計入損益。根據國際財務報告準則第9號，金融資產的分類一般基於兩個準則：(i)受管理金融資產的業務模式及(ii)其合約現金流量特徵（「僅支付本金及利息」準則，亦稱為「僅支付本金及利息標準」）。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

A financial asset is measured at amortised cost if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

當金融資產同時符合以下條件，且並無指定按公允價值計入損益，則該金融資產按攤銷成本計量：

- 該金融資產由一個旨在通過持有金融資產收取合約現金流量的業務模式所持有；及
- 該金融資產的合約條款於特定日期可提高現金流量，而該現金流量符合僅支付本金及利息標準。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

A debt investment is measured at FVTOCI if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

倘債務投資同時符合以下條件，且並非指定按公允價值計入損益，則該債務投資按公允價值計入其他全面收入計量：

- 該債務投資由一個旨在通過收取合約現金流量及銷售金融資產的業務模式所持有；及
- 該金融資產的合約條款於特定日期可提高現金流量，而該現金流量符合僅支付本金及利息標準。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVTOCI as described above are classified as at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVTOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

於初步確認並非持作買賣的股本投資時，本集團可不可撤回地選擇於其他全面收入中呈列投資公允價值的後續變動。該選擇乃按投資逐項作出。所有其他上述並非分類為按攤銷成本計量或按公允價值計入其他全面收入的金融資產，均分類為按公允價值計入損益。此包括所有衍生金融資產。於初步確認時，本集團可不可撤回地指定金融資產（於其他方面符合按攤銷成本計量或按公允價值計入其他全面收入的規定）為按公允價值計入損益，前提是有關指定可消除或大幅減少會計錯配發生。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

The following accounting policies would be applied to the Group’s financial assets as follows:

FVTPL FVTPL is subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.

Amortised cost Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

FVTOCI (debt investments) Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

FVTOCI (equity investments) Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

以下會計政策將適用於本集團的金融資產如下：

按公允價值計入損益 按公允價值計入損益其後按公允價值計量。公允價值、股息及利息收入的變動均於損益確認。

攤銷成本 按攤銷成本計量的金融資產其後採用實際利率法計量。利息收入、外匯收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

按公允價值計入其他全面收入 (債務投資) 按公允價值計入其他全面收入的債務投資其後按公允價值計量。採用實際利率法計算的利息收入、外匯收益及虧損以及減值於損益確認。其他收益及虧損淨額於其他全面收入確認。於其他全面收入累計的收益及虧損在終止確認時重新分類至損益。

按公允價值計入其他全面收入 (股本投資) 按公允價值計入其他全面收入的股本投資按公允價值計量。股息收入於損益內確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收入確認且不會重新分類至損益。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

- (a) As of 1 January 2018, certain listed and unlisted equity investments were reclassified from available-for-sale financial assets to financial assets at FVTOCI. The Group intends to hold these equity investments for long term strategic purposes. Under IFRS 9, the Group has designated these equity investments at the date of initial application as measured at FVTOCI. As a result, financial assets with a fair value of RMB22,000,000 were reclassified from available-for-sale financial assets at fair value to FVTOCI on 1 January 2018.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

- (a) 於2018年1月1日，若干上市及非上市股本投資自可供出售金融資產重新分類至按公允價值計入其他全面收入的金融資產。本集團擬就長期策略目的持有該等股本投資。根據國際財務報告準則第9號，本集團已將該等於首次應用日期之股本投資指定為按公允價值計入其他全面收入計量。因此，公允價值人民幣22,000千元之金融資產已於2018年1月1日自以公允價值列賬之可供出售金融資產重新分類至按公允價值計入其他全面收入。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

- (b) In addition to (a) above, listed debt investments were reclassified from available-for-sale to FVTOCI, as the Group’s business model is to collect contractual cash flow and sell these financial assets. These listed debt investments meet the SPPI criterion. As such, listed debt investments with a fair value of RMB196,026,000 were reclassified from available-for-sale investments to financial assets at FVTOCI on 1 January 2018.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

- (b) 除上述(a)項目外，上市的債務投資自可供出售重新分類至按公允價值計入其他全面收入，概因本集團的業務模式乃收取合約現金流量及銷售該等金融資產。該等上市的債務投資符合僅支付本金及利息標準。因此，公允價值人民幣196,026千元之上市的債務投資已於2018年1月1日自可供出售投資重新分類至按公允價值計入其他全面收入之金融資產。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(i) *Classification and measurement of financial instruments (continued)*

The following table summarises the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group’s financial assets as at 1 January 2018:

Financial assets	Original classification under IAS 39	New classification under IFRS 9	Carrying amount as at 1 January 2018 under IAS 39 根據國際會計準則第39號 於2018年1月1日 的賬面值 RMB'000 千人民幣	Carrying amount as at 1 January 2018 under IFRS 9 根據國際財務報告準則第9號 於2018年1月1日 的賬面值 RMB'000 千人民幣
金融資產	根據國際會計準則第39號 原有類別	根據國際財務報告準則第9號 的新類別		
Unlisted and listed equity investments 非上市及上市的股本投資	Available-for-sale (at fair value) (Note 1.2.1 (i)(a)) 可供出售 (按公允價值) (附註1.2.1(i)(a))	FVTOCI 按公允價值計入 其他全面收入	22,000	22,000
Listed debt investments 上市的債務投資	Available-for-sale (at fair value) (Note 1.2.1 (i)(b)) 可供出售 (按公允價值) (附註1.2.1(i)(b))	FVTOCI 按公允價值計入 其他全面收入	196,026	196,026
Trade and bills receivables 貿易及票據應收賬款	Loans and receivables 貸款及應收賬款	Amortised cost 攤銷成本	1,092,554	1,092,554
Deposits and other receivables 保證金及其他應收賬款	Loans and receivables 貸款及應收賬款	Amortised cost 攤銷成本	380,092	380,092
Listed equity investments 上市的股本投資	Held-for-trading 持作買賣	FVTPL 按公允價值計入損益	88,786	88,786
Restricted bank balances and short term deposits 受限制銀行結餘及短期存款	Loans and receivables 貸款及應收賬款	Amortised cost 攤銷成本	314,422	314,422
Cash and cash equivalents 現金及現金等價物	Loans and receivables 貸款及應收賬款	Amortised cost 攤銷成本	1,265,589	1,265,589

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(i) *分類及計量金融工具 (續)*

下表概述本集團於2018年1月1日各類金融資產根據國際會計準則第39號原有計量類別及根據國際財務報告準則第9號的新計量類別：

Carrying amount as at 1 January 2018 under IAS 39 根據國際會計準則第39號 於2018年1月1日 的賬面值 RMB'000 千人民幣	Carrying amount as at 1 January 2018 under IFRS 9 根據國際財務報告準則第9號 於2018年1月1日 的賬面值 RMB'000 千人民幣
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Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(ii) *Impairment of financial assets*

The adoption of IFRS 9 has changed the Group’s impairment model by replacing the IAS 39 “incurred loss model” to the ECL model. IFRS 9 requires the Group to recognised ECLs for trade receivables, financial assets at amortised costs, contract assets and debt investment at FVTOCI earlier than IAS 39. Restricted bank balances and short term deposits, cash and cash equivalents and bills receivables are subject to ECL model but the impairment is immaterial for the current period.

Under IFRS 9, the loss allowances are measured on either of the following bases: (1) 12-month ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(ii) *金融資產減值*

採納國際財務報告準則第9號更改了本集團的減值模式，將由國際會計準則第39號「已產生虧損模式」更改為預期信貸虧損模式。國際財務報告準則第9號規定本集團以較國際會計準則第39號為先就貿易應收賬款、以攤銷成本列賬的金融資產、合約資產及按公允價值計入其他全面收入的債務投資確認預期信貸虧損。受限制銀行結餘及短期存款、現金及現金等價物及票據應收賬款須受預期信貸虧損模式所限，惟本期間的減值並不重大。

根據國際財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內可能發生的違約事件導致的預期信貸虧損；及(2)年限內預期信貸虧損：此乃於金融工具預計年期內所有可能發生的違約事件產生的預期信貸虧損。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(ii) *Impairment of financial assets (continued)*

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade and other receivables using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(ii) *金融資產減值 (續)*

預期信貸虧損的計量

預期信貸虧損乃基於根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額。該差額其後按資產原有實際利率相近的比率貼現。

本集團已選擇採用國際財務報告準則第9號簡化法計量貿易及其他應收賬款虧損撥備，並根據年限內預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(ii) *Impairment of financial assets (continued)*

Measurement of ECLs (continued)

For other debt financial assets, the ECLs are based on the 12-month ECLs. The 12-month ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information. The Group’s debt investments at FVTOCI are considered to have low credit risk since the issuers’ credit rating are high.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(ii) *金融資產減值 (續)*

預期信貸虧損的計量 (續)

就其他債務金融資產而言，預期信貸虧損以12個月之預期信貸虧損為基準。12個月之預期信貸虧損乃指因報告日期後12個月內可能發生之金融工具違約事件而導致之部分年限內預期信貸虧損。然而，倘信貸風險自發生以來顯著上升，則撥備將以年限內預期信貸虧損為基準。當釐定金融資產之信貸風險是否自初步確認以來大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及無須付出過多成本或努力即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料及分析，並包括前瞻性資料。由於發行人信貸評級較高，本集團按公允價值計入其他全面收入的債務投資被認為具有較低信貸風險。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(ii) *Impairment of financial assets (continued)*

Measurement of ECLs (continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt investments at FVTOCI, the loss allowance is recognised in other comprehensive income, instead of reducing the carrying amount of the assets.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(ii) *金融資產減值 (續)*

預期信貸虧損的計量 (續)

於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

預期信貸虧損的呈列

按攤銷成本計量的金融資產虧損撥備自資產總賬面值中扣除。就按公允價值計入其他全面收入的債務投資而言，虧損撥備於其他全面收入確認，而非降低資產賬面值。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(ii) *Impairment of financial assets (continued)*

Impact of the ECL model

(a) Impairment of trade and other receivables

As mentioned above, the Group applies the IFRS 9 simplified approach to measure ECLs which adopts a lifetime ECLs for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(ii) *金融資產減值 (續)*

預期信貸虧損模式的影響

(a) 貿易及其他應收賬款之減值

如上所述，本集團應用國際財務報告準則第9號簡化法計量預期信貸虧損，其就所有貿易應收賬款採用年限內預期信貸虧損。為計量預期信貸虧損，貿易應收賬款已根據應佔信貸風險特點及逾期天數分類。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(ii) Impairment of financial assets (continued)

Impact of the ECL model (continued)

(a) Impairment of trade and other receivables (continued)

The increase in loss allowances for trade receivables upon the transition to IFRS 9 as at 1 January 2018 was RMB25,882,000. The increase also led to an increase in deferred tax assets arising from the deductible temporary differences of RMB6,471,000. The loss allowances further increased by RMB7,815,000 for trade receivables during the Period under Review.

No additional impairment for other receivables as at 1 January 2018 is recognised as the amount of additional impairment measured under the ECL model is immaterial.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(ii) 金融資產減值 (續)

預期信貸虧損模式的影響 (續)

(a) 貿易及其他應收賬款之減值 (續)

於2018年1月1日過渡至國際財務報告準則第9號後，貿易應收賬款虧損撥備增加人民幣25,882千元。該增加亦導致因可扣除暫時差額而令遞延稅項資產增加人民幣6,471千元。回顧期內，貿易應收賬款虧損撥備進一步增加人民幣7,815千元。

由於根據預期信貸虧損模式計量的額外減值數額微不足道，於2018年1月1日其他應收賬款的額外減值並未獲確認。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(ii) Impairment of financial assets (continued)

Impact of the ECL model (continued)

(b) Impairment of debts investments at FVTOCI

Debt investments at FVTOCI of the Group includes listed bonds and considered to have low credit risk where the loss allowances recognised during the period were therefore limited to 12-month ECLs.

No additional impairment for debt investments at FVTOCI as at 1 January 2018 is recognised as the amount of additional impairment measured under the ECL model is immaterial.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(ii) 金融資產減值 (續)

預期信貸虧損模式的影響 (續)

(b) 按公允價值計入其他全面收入的債務投資減值

本集團按公允價值計入其他全面收入的債務投資包括上市債券，且倘期內確認的虧損撥備因而限定為12個月預期信貸虧損，該等債務投資被認為信貸風險較低。

由於根據預期信貸虧損模式計量的額外減值數額微不足道，於2018年1月1日按公允價值計入其他全面收入的債務投資的額外減值並未獲確認。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(ii) Impairment of financial assets (continued)

Impact of the ECL model (continued)

As a result of the above changes, the impact of the new IFRS 9 impairment model results in additional impairment allowances as follows:

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(ii) 金融資產減值 (續)

預期信貸虧損模式的影響 (續)

由於上述變動，新國際財務報告準則第9號減值模式之影響導致以下額外減值撥備：

		RMB'000 千人民幣
Loss allowances for trade receivables as at 1 January 2018 under IAS 39	根據國際會計準則第39號於2018年1月1日的貿易應收賬款虧損撥備	168,459
Additional impairment recognised for trade receivables (Note 1.2.1(ii)(a))	就貿易應收賬款確認的額外減值 (附註1.2.1(ii)(a))	25,882
Loss allowances as a 1 January 2018 under IFRS 9	根據國際財務報告準則第9號於2018年1月1日的虧損撥備	194,341

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(iii) Transition

The Group has applied the transitional provision in IFRS 9 such that IFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECL rules are therefore not reflected in the statement of financial position as at 31 December 2017, but are recognised in the statement of financial position on 1 January 2018. This means that differences in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of IFRS 9 but rather those of IAS 39.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(iii) 過渡

本集團已應用國際財務報告準則第9號的過渡性條文，以使國際財務報告準則第9號全面獲採納而毋須重列比較資料。因此，新預期信貸虧損規則產生的重新分類及調整並無於2017年12月31日的財務狀況表中反映，惟於2018年1月1日的財務狀況表中確認。其指採納國際財務報告準則第9號產生的金融資產賬面值差異於2018年1月1日的儲備確認。因此，2017年呈列的資料並不反映國際財務報告準則第9號的規定，惟反映國際會計準則第39號的規定。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.1 IFRS 9 Financial Instruments (“IFRS 9”) (continued)

(iii) Transition (continued)

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of IFRS 9 (the “DIA”):

- The determination of the business model within which a financial asset is held; and
- The designation of certain investments in equity investments not held for trading as financial assets at FVTOCI.

If an investment in a debt investment had low credit risk at the DIA, the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

1.2 會計政策及披露的更改 (續)

1.2.1 國際財務報告準則第9號金融工具 (「國際財務報告準則第9號」) (續)

(iii) 過渡 (續)

以下評估乃根據國際財務報告準則第9號首次應用日期 (「首次應用日期」) 存在的事實及情況而作出：

- 釐定持有的金融資產的業務模式；及
- 指定對按公允價值計入其他全面收入的金融資產且共非持有作買賣的股本投資的若干投資。

倘於債務投資的投資在首次應用日期具有較低的信貸風險，則本集團假設該資產的信貸風險自其初始確認起並無顯著增加。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.2 IFRS 15 Revenue from Contracts with Customers (“IFRS 15”)

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations. IFRS 15 has established a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at the 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 has adopted IFRS 15 using the cumulative effect method without practical expedients. As a result, the financial information presented for 2017 has not been restated. The impact of adoption of IFRS 15 on the Group’s financial statements is summarised below:

(a) *Presentation of contract liabilities and refund liability*

Reclassification was made as at 1 January 2018 to be consistent with the terminology used under IFRS 15:

Contract liabilities recognised in relation to contract with customers were previously presented as advances from customers. They are included in “other payables and accruals” in the consolidated statement of financial position.

1.2 會計政策及披露的更改 (續)

1.2.2 國際財務報告準則第15號來自客戶合約之收益 (「國際財務報告準則第15號」)

國際財務報告準則第15號取代國際會計準則第11號建築合約、國際會計準則第18號收益及相關詮釋。國際財務報告準則第15號建立一個五步模式，以將客戶合約收益列賬。根據國際財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務作交換而有權獲得的代價金額確認。

本集團已運用累計影響法採納國際財務報告準則第15號(無可行權宜方法)。因此，2017年呈列的財務資料並未重新呈列。下文概述採納國際財務報告準則第15號對本集團財務報表的影響：

(a) *合約負債及退款負債的呈列*

於2018年1月1日，本集團作出重新分類，以符合國際財務報告準則第15號下的用詞：

有關客戶合約確認的合約負債過往呈列為客戶墊款，均已計入合併財務狀況表內「其他應付賬款及應計費用」。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.2 IFRS 15 Revenue from Contracts with Customers (“IFRS 15”) (continued)

(a) *Presentation of contract liabilities and refund liability (continued)*

Refund liabilities recognised in relation to customer’s volume-based rebates were previously presented as provision of rebate. They are included in “other payables and accruals” in the consolidated statement of financial position.

Impact on the condensed consolidated statement of financial position as at 30 June 2018 (increase/(decrease)):

1.2 會計政策及披露的更改 (續)

1.2.2 國際財務報告準則第15號來自客戶合約之收益 (「國際財務報告準則第15號」) (續)

(a) *合約負債及退款負債的呈列 (續)*

有關客戶大額回扣確認的退款負債過往呈列為回扣撥備，均已計入合併財務狀況表內「其他應付賬款及應計費用」。

截至2018年6月30日對簡明合併財務狀況表的影響(增加/(減少)):

RMB'000
千人民幣

Current liabilities

流動負債

Other payables and accruals	其他應付賬款及應計費用	
– Contract liabilities	– 合約負債	36,550
– Advances from customers	– 客戶墊款	(36,550)
– Refund liabilities	– 退款負債	187,201
– Provision for sale rebates	– 銷售回扣撥備	(187,201)
Total current liabilities	流動負債合計	–

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.2 IFRS 15 Revenue from Contracts with Customers (“IFRS 15”) (continued)

- (b) *New significant accounting policies in relation to the Group’s sales of goods and provision of services*

Sales of goods

Revenue from the sale of goods is recognised at a point in time when control of the goods have been transferred to the buyer. The credit periods generally range from 30 to 180 days for major customers. New customers are normally required to pay in advance. Volume rebates give rise to variable consideration. The Group applies the most-likely amount method to estimate the variable consideration. A refund liability would be recognised based on the estimate of the amount expected to be paid to customer’s volume-based rebate.

For sales commission paid to agents for successful referral of sale contracts, the Group is required to capitalise these sales commission as costs of obtaining contracts when they are incremental and are expected to be recovered, unless the expected amortisation period is one year or less from the date of initial recognition of the asset, in which case the sales commission can be expensed when incurred.

1.2 會計政策及披露的更改 (續)

1.2.2 國際財務報告準則第15號來自客戶合約之收益 (「國際財務報告準則第15號」) (續)

- (b) *有關本集團銷售貨品及提供服務的新重大會計政策*

銷售貨品

銷售貨品的收入於貨品的控制權已轉移至買方時確認。主要客戶的信用期限一般介於30天至180天不等。新客戶通常需要預先付款。大額回扣可引致可變代價。本集團採納最可能金額法估計可變代價。退款負債將按預期支付予客戶的大額回扣之估計金額確認。

對於因為成功轉介銷售承包商而支付給代理商的銷售佣金，當這些成本是遞增的並且預計將被收回時，本集團需要將該等銷售佣金資本化為獲得合同的成本，除非預期的攤銷期為資產的初始確認日期起一年或以下，在這種情況下，銷售佣金可在產生時計入費用。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

1.2 Changes in Accounting Policies and Disclosures (continued)

1.2.2 IFRS 15 Revenue from Contracts with Customers (“IFRS 15”) (continued)

- (b) *New significant accounting policies in relation to the Group’s sales of goods and provision of services (continued)*

Sales of goods (continued)

During the period, such sales commission is expensed when incurred as the expected amortisation period is one year or less.

Engineering income

Engineering income is recognised according to stage of completion of individual contract at the end of the reporting period. The stage of completion is determined using percentage of completion method by reference to value of work completed to date. Payments are made by the customers according to milestones reached.

Contract assets represent revenue recognised less progress billings and any impairment loss. Contract liabilities represent the excess of progress billings over revenue recognised. Amounts billed for works performed but not yet paid by the customers are included in “trade and bills receivables” in the statement of financial position.

1.2 會計政策及披露的更改 (續)

1.2.2 國際財務報告準則第15號來自客戶合約之收益 (「國際財務報告準則第15號」) (續)

- (b) *有關本集團銷售貨品及提供服務的新重大會計政策 (續)*

銷售貨品 (續)

期內，該銷售佣金於產生時計入費用，因為預期攤銷期為一年或以下。

工程收入

工程收入於本報告期末乃根據個別合約的完成階段確認。完成階段經參考迄今已完成工程價值，採用完成百分比方法釐定。客戶根據工程進度作出付款。

合約資產指已確認收入減去進度付款及任何減值損失。合約負債指進度付款高於已確認收入的金額。就已履行工程已出具賬單但客戶尚未支付之金額均於財務狀況表內列作「貿易及票據應收賬款」。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

2. Seasonality of Operations

The principal operations of the Group are manufacture and sales of lamp products, luminaire products and lighting electronic products. Due to the seasonal nature of its products, higher revenues and operation profits are usually expected in the second half of the year rather than in the first six months.

3. Revenue and Segment Information

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) Luminaire products segment:

Luminaire products represent a complete lighting unit that consists of a lighting fixture, a lamp (namely the light source such as a light bulb or tube) and a lighting electronic device. The luminaire products are sold as complete lighting units or units without lamps and lighting electronics, based on the needs of end customers. The segment also includes engineering income from engineering work performed for customers' lighting projects. The Group is also responsible for supplying lighting products for these projects;

(b) Lamp products segment:

Lamp products represent a range of light bulbs and tubes for compact fluorescent lamps, high intensity discharge ("HID") lamps, fluorescent lamps, halogen lamps and light emitting diode ("LED") lamps; and

2. 業務的季節性

本集團的主要業務為生產和銷售光源產品、燈具產品和照明電器產品。由於產品受季節性因素影響，預期下半年的收入及經營利潤一般較首六個月為高。

3. 收入及分部資料

收入指已售貨物的發票價值，經扣除退貨和折扣的淨額。

出於管理目的，本集團基於其產品及服務組成業務單元，劃分以下三個報告業務分部：

(a) 燈具產品分部：

燈具產品是指一整套照明器材，包括燈具外殼、光源（即燈泡或燈管等燈光來源）和照明電器。基於終端客戶的需求，出售的燈具產品為整燈或不含光源和照明電器的照明器材。該分部亦包括就客戶的照明項目所進行工程的工程收入。本集團亦負責為該等項目供應照明產品；

(b) 光源產品分部：

光源產品是指用於緊湊型螢光光源、高強度放電（「HID」）光源、螢光光源、鹵鎢光源和發光二極管（「LED」）光源的一系列燈泡和燈管等；及

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

3. Revenue and Segment Information (continued)

(c) Lighting electronic products segment:

Lighting electronic products represent electronic transformers, electronic and inductive ballasts for fluorescent, LED and HID lamps, and HID ballast boxes.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before income tax. The adjusted profit or loss before income tax is measured consistently with the Group's profit or loss before income tax except that interest income, finance costs, share of results of associates, unallocated income and gains as well as head office and corporate expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Since total assets, liabilities and capital expenditures for each reportable segment are not regularly provided to the chief operating decision maker, the directors are of the opinion that the disclosure of such amounts is not necessary.

3. 收入及分部資料 (續)

(c) 照明電器產品分部：

照明電器產品是指電子變壓器、用於螢光、LED和HID光源的電子與電感鎮流器和HID鎮流器盒等。

為制定資源分配決策及評估業績，管理層將分別監控本集團業務分部的業績。分部業績按照報告分部利潤或虧損評估（根據經調整稅前利潤或虧損計量）。經調整稅前利潤或虧損的計量與本集團的稅前利潤或虧損相同，惟利息收入、財務費用、應佔聯營公司業績、未分配收入及收益和總辦事處及企業開支則不包括在該計量中。

分部間的銷售及轉讓以在當時現行市場價格基礎上向第三方作出的銷售價格為參照進行交易。

由於各報告分部的總資產、負債及資本支出並不經常提供予主要經營決策人，董事認為該等金額的披露並非必要。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

3. Revenue and Segment Information 3. 收入及分部資料 (續)

(continued)

		Revenue		Results	
		Six months ended 30 June		Six months ended 30 June	
		收入		業績	
		截至6月30日止6個月		截至6月30日止6個月	
		2018	2017	2018	2017
		2018年	2017年	2018年	2017年
		RMB'000	RMB'000	RMB'000	RMB'000
		千人民幣	千人民幣	千人民幣	千人民幣
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Luminaire products	燈具產品	1,356,790	1,262,710	466,223	444,899
Lamp products	光源產品	473,689	501,662	46,777	67,248
Lighting electronic products	照明電器產品	143,457	145,291	30,875	42,126
Total	合計	1,973,936	1,909,663	543,875	554,273
Reconciliation	調節項目				
Elimination of intersegment results	抵銷分部間的業績			(1,224)	(2,126)
Interest income	利息收入			11,824	13,467
Unallocated income and gains	未分配收入及收益			44,780	14,480
Corporate and other unallocated expenses [#]	企業及其他未分配費用 [#]			(347,198)	(365,547)
Finance costs	財務費用			(25,751)	(21,279)
Waiver of other payable	豁免其他應付賬款			-	17,358
Fair value change of derivative component of convertible bonds	可換股債券衍生工具部份的公允價值變動			75,138	24,574
Loss arising from modification of terms of convertible bonds	修訂可換股債券之條款產生之虧損			(78,387)	-
Impairment of other intangible assets	其他無形資產的減值			-	(17,358)
Share of results of associates	應佔聯營公司業績			3,110	6,428
Profit before income tax	稅前利潤			226,167	224,270

[#] Corporate and other unallocated expenses consist of unallocated depreciation, amortisation and staff costs, freight expenses and impairment of trade receivables, prepayments and other receivables.

[#] 企業及其他未分配費用包括未分配折舊、攤銷及員工成本、運費及貿易應收賬款減值、預付款及其他應收賬款。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

3. Revenue and Segment Information 3. 收入及分部資料 (續)

(continued)

Timing of revenue recognition:

收入確認時間：

Six months
ended 30 June
2018
截至2018年
6月30日止6個月
RMB'000
千人民幣
(Unaudited)
(未經審核)

At a point in time:

Luminaire products

Lamp products

Lighting electronic products

在某個時間點：

燈具產品

光源產品

照明電器產品

1,335,355

473,689

143,457

1,952,501

Transferred over time:

Luminaire products – engineering services

經過一段時間轉移：

燈具產品 – 工程服務

21,435

1,973,936

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

3. Revenue and Segment Information (continued)

3. 收入及分部資料 (續)

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

下表提供來自客戶合約之貿易應收賬款、合約資產及合約負債之資料。

		At 30 June 2018	At 1 January 2018
		於2018年 6月30日	於2018年 1月1日
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Trade receivables	貿易應收賬款	929,083	792,517
Contract liabilities	合約負債	36,550	36,110

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on revenue related to the provisions of engineering services. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group provides the invoice to the customer. There are no contract assets as at 30 June 2018 and 1 January 2018.

合約資產主要與本集團已完工但未於報告日期就提供工程服務有關的收入入賬的工程獲取代價的權利有關。合約資產於有關權利成為無條件時轉至應收賬項，且一般於本集團向客戶發出發票時發生。於2018年6月30日及2018年1月1日並無合約資產。

The contract liabilities mainly relate to the advance consideration received from customers. RMB440,000 of the contract liabilities as of 1 January 2018 has been recognised as revenue for the Period under Review from performance obligations satisfied in current period.

合約負債主要與向客戶收取的預付代價有關。截至2018年1月1日的合約負債人民幣440千元已自於本期間履行責任起確認為回顧期內的收入。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

4. Profit Before Income Tax

This is arrived at after charging/(crediting):

4. 稅前利潤

為經扣除／(計入) 下列項目所得：

		Six months ended 30 June	
		截至6月30日止6個月	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Cost of inventories sold	已售存貨成本	1,434,075	1,360,273
Depreciation	折舊	44,361	48,698
Amortisation of prepaid land lease payments	預付土地租金攤銷	660	660
Amortisation of computer software, customer relationships and patents*	電腦軟件、客戶關係及專利權攤銷*	1,632	672
Research and development costs:	研發成本：		
Deferred expenditure amortised*	已攤銷的遞延開支*	1,286	1,334
Current period expenditure	本期間開支	34,381	27,449
Less: Government grants released**	減：已發放政府補助**	(11)	(12)
		34,370	27,437
		35,656	28,771
Minimum lease payments	最低租賃付款	11,565	9,261
Auditor's remuneration	核數師薪酬	1,180	1,534
Employee benefit expenses (including directors' and chief executive's remuneration):	僱員福利開支 (包含董事及最高行政人員薪酬)：		
Wages and salaries	工資和薪金	245,515	238,270
Pension scheme contributions (defined contribution scheme)	退休金計劃供款 (界定供款計劃)	26,553	26,081
Housing funds' contributions	住房公積金供款	6,150	5,632
Other welfare expenses	其他福利開支	6,314	6,982
		284,532	276,965

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

4. Profit Before Income Tax (continued)

This is arrived at after charging/(crediting): (continued)

4. 稅前利潤 (續)

為經扣除/(計入)下列項目所得：(續)

		Six months ended 30 June	
		截至6月30日止6個月	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Impairment of other intangible assets	其他無形資產減值	-	17,358
Impairment/(reversal of impairment) of trade receivables	貿易應收賬款減值/(減值撥回)	7,815	(53)
Reversal of write-down of inventories to net realisable value	撥回撇減存貨至可變現淨值	(2,790)	(2,757)
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備項目的損失	676	723
Fair value change of derivative component of convertible bonds (Note 18)	可換股債券衍生工具部份的公允價值變動 (附註18)	(75,138)	(24,574)
Loss on modification of terms of convertible bonds (Note 18)	更改可換股債券條款的損失 (附註18)	78,387	-

* The amortisation of computer software, customer relationships and patents and the amortisation of deferred development costs for the period are included in "Cost of sales" and "Administrative expenses" in the condensed consolidated statement of profit or loss.

** Various government grants have been received for setting up research activities in Chongqing City, Guangdong and Zhejiang Province, the People's Republic of China (the "PRC"), to support the development of energy-saving products and LED products. The government grants released have been deducted from the research and development costs to which they relate. Government grants received for which related expenditure has not yet been undertaken are included in government grants in the condensed consolidated statement of financial position. There are no unfulfilled conditions or contingencies relating to these grants.

* 本期間電腦軟件、客戶關係及專利權攤銷以及遞延開發成本攤銷計入簡明合併損益表「銷售成本」及「管理費用」。

** 在中華人民共和國(「中國」)重慶市、廣東省及浙江省開展研究活動，以支持節能產品及LED產品的開發，並已因此獲得多項政府補助。發放的政府補助已扣除相關研發成本。就尚未承擔的有關支出而獲得的政府補助計入簡明合併財務狀況表的政府補助。上述補助並無附有任何未實現的條件或或有事項。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

5. Other Income and Gains

5. 其他收入及收益

		Six months ended 30 June	
		截至6月30日止6個月	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Other income	其他收入		
Bank and other interest income	銀行及其他利息收入	11,824	13,467
Government grants	政府補助	24,029	4,391
Rental income	租金收入	3,927	1,758
Trademark licence fees	商標許可費	1,539	-
Handling income	手續費收入	-	5,011
Others	其他	5,799	1,973
		47,118	26,600
Gains	收益		
Exchange gains, net	匯兌收益淨額	8,087	-
Sales of scrap materials	銷售廢料	1,399	1,347
Fair value change of derivative component of convertible bonds	可換股債券衍生工具部份的公允價值變動	75,138	24,574
Gain arising from waiver of other payable	豁免其他應付賬款產生的收益	-	17,358
		84,624	43,279
		131,742	69,879

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

6. Finance Costs

6. 財務費用

		Six months ended 30 June 截至6月30日止6個月	
		2018 2018年 RMB'000 千人民幣 (Unaudited) (未經審核)	2017 2017年 RMB'000 千人民幣 (Unaudited) (未經審核)
Interest on bank loans	銀行貸款利息	3,323	631
Interest expenses on convertible bonds (Note 18)	可換股債券利息支出 (附註18)	19,388	20,513
Other interest expenses	其他利息支出	3,040	135
		25,751	21,279

7. Income Tax

The Group is subject to income tax on an individual legal entity basis on profits arising in or derived from the tax jurisdictions in which the group entities are domiciled and operate. No provision for Hong Kong profits tax or the United Kingdom (the "UK") corporation income tax has been made as the Group had no assessable profits arising in Hong Kong or the UK during the Period under Review (six months ended 30 June 2017: RMBNil). Taxes on the corporate income elsewhere have been calculated at the rates of tax prevailing in the countries or jurisdictions in which the Group operates.

7. 所得稅

本集團須根據集團實體公司所處地及經營地的稅務司法管轄區所產生或賺取的利潤，按獨立法人實體基準繳納所得稅。回顧期內，由於本集團並無在香港或英國產生任何應課稅利潤，因此並無就香港利得稅或英國（「英國」）企業所得稅計提撥備（截至2017年6月30日止6個月：人民幣零元）。其他地區的企業所得稅已按本集團營運所在國家或司法管轄區的現行稅率計算。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

7. Income Tax (continued)

7. 所得稅 (續)

		Six months ended 30 June	
		截至6月30日止6個月	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Current income tax	即期所得稅		
– Current income tax charge for the period	– 本期即期所得稅支出	72,875	59,843
– Over provision in respect of prior years	– 過往年度超額撥備	(4)	(74)
		72,871	59,769
Deferred tax	遞延稅項	51,655	5,448
Total tax charge for the period	本期稅項開支合計	124,526	65,217

The Company's subsidiaries located in the PRC are subject to enterprise income tax at the statutory tax rate of 25%. According to the preferential tax policies in the PRC, two of our subsidiaries (six months ended 30 June 2017: two) were recognised as western development enterprises by the local tax authorities and were entitled to the preferential tax rate of 15%, while one of our subsidiaries (six months ended 30 June 2017: one) was recognised as high-tech enterprises by PRC tax authorities and was entitled to the preferential tax rate of 15%.

本公司在中國的附屬公司按25%的法定稅率繳納企業所得稅。按照中國的稅收優惠政策，我們的兩家（截至2017年6月30日止6個月：兩家）附屬公司獲當地稅務機關確認為西部開發企業，享受15%的優惠稅率；同時我們的一家（截至2017年6月30日止6個月：一家）附屬公司獲中國稅務機關確認為高新技術企業，享受15%的優惠稅率。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

8. Other Comprehensive Income

Tax effect relating to each component of other comprehensive income

8. 其他全面收入

有關其他全面收入各部分的稅務影響

	Six months ended 30 June 2018			Six months ended 30 June 2017		
	截至2018年6月30日止6個月			截至2017年6月30日止6個月		
	Before-tax amount	Tax expense	Net-of-tax amount	Before-tax amount	Tax expense	Net-of-tax amount
	除稅前金額	稅項費用	扣除稅項金額	除稅前金額	稅項費用	扣除稅項金額
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	千人民幣	千人民幣	千人民幣	千人民幣	千人民幣	千人民幣
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Items that may be reclassified subsequently to profit or loss:	其後或會重新分類至損益表的項目：					
Exchange differences on translation of foreign operations	(3,881)	-	(3,881)	9,724	-	9,724
Fair value change on financial assets at FVTOCI - debts investments	-	-	-	-	-	-
Fair value change on available-for-sale financial assets	-	-	-	100	-	100
	(3,881)	-	(3,881)	9,824	-	9,824
Items that will not be reclassified to profit or loss:	不會重新分類至損益的項目：					
Fair value change on financial assets at FVTOCI - equity investments	9,200	(1,800)	7,400	-	-	-
	5,319	(1,800)	3,519	9,824	-	9,824

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

9. Earnings per Share Attributable to Ordinary Equity Holders of the Parent

The calculation of basic and diluted earnings per share attributable to ordinary equity holders of the Company is based on the following data:

9. 母公司普通股權益擁有人應佔每股盈利

本公司普通股權益擁有人應佔基本及攤薄每股盈利的計算是基於以下數據：

		Six months ended 30 June	
		截至6月30日止6個月	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<u>Earnings</u>			
Earnings for the purpose of basic earnings per share	<u>盈利</u> 用於計算基本每股 收益的盈利	91,851	148,157
Effect of dilutive potential ordinary shares:	潛在普通股的攤薄作用：		
- Interest on convertible bonds	- 可換股債券利息	N/A不適用	20,513
- Fair value change of derivative component of convertible bonds	- 可換股債券衍生工具 部份的公允價值變動	N/A不適用	(24,574)
Earnings for the purpose of diluted earnings per share	用於計算攤薄 每股收益的盈利	91,851	144,096

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

9. Earnings per Share Attributable to Ordinary Equity Holders of the Parent (continued)

9. 母公司普通股權益擁有人應佔每股盈利 (續)

		'000 Shares 千股股份 (Unaudited) (未經審核)	'000 Shares 千股股份 (Unaudited) (未經審核)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算基本每股盈利的普通股加權平均數	3,581,805	3,270,993
Effect of dilutive potential ordinary shares:	潛在普通股的攤薄作用：		
– Convertible bonds	– 可換股債券	N/A 不適用	540,541
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用於計算攤薄每股盈利的普通股加權平均數	3,581,805	3,811,534

No adjustment was made to the basic earnings per share amount presented for the Period under Review as the convertible bonds outstanding during the period had an anti-dilutive effect on the basic earnings per share amount presented.

由於期內尚未轉換之可換股債券對所呈列基本每股盈利金額具反攤薄影響，故並無對所呈列之回顧期內基本每股盈利金額作出調整。

10. Dividend

The directors do not recommend the payment of any dividend for the six months ended 30 June 2017 and 2018.

10. 股息

董事會不建議宣派截至2017年及2018年6月30日止6個月之中期股息。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

11. Property, Plant and Equipment

During the six months ended 30 June 2018, the Group acquired assets with a cost of RMB42,456,000 (six months ended 30 June 2017: RMB42,237,000). Assets with a net book value of RMB2,809,000 were disposed of by the Group during the six months ended 30 June 2018 (six months ended 30 June 2017: RMB6,412,000).

As at 30 June 2018, land use rights with aggregate carrying amount of RMB46,335,000 (31 December 2017: RMB46,995,000) (Note 12) and certain buildings with aggregate carrying amounts of RMB221,496,000 (31 December 2017: RMB238,747,000); and buildings with carrying amounts of RMB42,844,000 (31 December 2017: RMB43,797,000) were pledged for the Group's applications of assets preservation in certain PRC legal proceedings and bank loan facilities respectively.

11. 物業、廠房及設備

截至2018年6月30日止6個月，本集團以人民幣42,456千元（截至2017年6月30日止6個月：人民幣42,237千元）購買資產。截至2018年6月30日止6個月，本集團已出售賬面淨值為人民幣2,809千元的資產（截至2017年6月30日止6個月：人民幣6,412千元）。

於2018年6月30日，賬面值合共人民幣46,335千元的土地使用權（2017年12月31日：人民幣46,995千元）（附註12）及賬面值合共人民幣221,496千元（2017年12月31日：人民幣238,747千元）的若干樓宇以及賬面值為人民幣42,844千元（2017年12月31日：人民幣43,797千元）的樓宇分別就本集團於若干中國法律程序中申請資產保全及銀行貸款信貸已抵押。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

12. Prepaid Land Lease Payments

12. 預付土地租金

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Carrying amounts as at beginning of period/year	期初／年初的賬面值	46,995	48,314
Recognised during the period/year	期內／年內確認	(660)	(1,319)
Carrying amount as at end of period/year	期末／年末的賬面值	46,335	46,995
Current portion included in prepayments, deposits and other receivables	計入預付款、保證金及其他應收賬款中的流動部份	(876)	(876)
Non-current portion	非流動部份	45,459	46,119

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

13. Long Term Investments

13. 長期投資

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
		RMB'000	RMB'000
		千人民幣	千人民幣
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Financial assets at FVTOCI/ available-for-sale financial assets:	按公允價值計入其他全面 收益之金融資產／可供 出售金融資產：		
Listed equity investments, at fair value	上市之股本投資， 以公允價值列賬	29,200	20,000
Unlisted equity investments, at fair value	非上市之股本投資， 以公允價值列賬	2,100	2,000
Listed debt investments, at fair value	上市的債務投資， 以公允價值列賬	198,498	196,026
		229,798	218,026

During the Period under Review, the gross gain in respect of the Group's long term investments recognised in other comprehensive income amounted to RMB9,200,000 (six months ended 30 June 2017: RMB100,000).

於回顧期內，就確認於其他全面收入的本集團長期投資總收益為人民幣9,200千元（截至2017年6月30日止6個月：人民幣100千元）。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

14. Inventories

14. 存貨

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Raw materials	原材料	143,246	97,576
Work in progress	在製品	38,647	19,631
Finished goods	產成品	337,653	308,177
		519,546	425,384

During the Period under Review, the reversal of write-down of inventories amounted to RMB2,790,000 (six months ended 30 June 2017: RMB2,757,000), which was recorded in "Cost of sales" in the condensed consolidated statement of profit or loss.

於回顧期內，撥回存貨撇減人民幣2,790千元（截至2017年6月30日止6個月：人民幣2,757千元），於簡明合併損益表中其被記錄為「銷售成本」。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

15. Trade and Bills Receivables and Prepayments, Deposits and Other Receivables

15. 貿易及票據應收賬款及預付款、保證金及其他應收賬款

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Trade receivables	貿易應收賬款	1,131,078	960,976
Impairment	減值	(201,995)	(168,459)
Trade receivables, net	貿易應收賬款淨額	929,083	792,517
Bills receivable	票據應收賬款	162,509	300,037
		1,091,592	1,092,554

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

15. Trade and Bills Receivables and Prepayments, Deposits and Other Receivables (continued)

An ageing analysis of the trade receivables as at the end of the Period under Review, based on the transaction date and net of impairment provision, is as follows:

Within 3 months	3個月內
4 to 6 months	4至6個月
7 to 12 months	7至12個月
1 to 2 years	1年至2年
Over 2 years	2年以上

Trade receivables of the Group represented proceeds receivable mainly from sale of goods. The Group's trading terms with its customers are mainly on credit, except for new customers where payment in advance is normally required. The credit periods generally range from 30 to 180 days for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balance. Overdue interests of several trade receivables are calculated at annual interest of 12%.

15. 貿易及票據應收賬款及預付款、保證金及其他應收賬款 (續)

下列是在本回顧期末貿易應收賬款的賬齡分析，基於交易日期和扣除減值撥備後：

30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
704,652	545,268
155,335	145,821
42,449	20,298
26,612	36,776
35	44,354
929,083	792,517

本集團的貿易應收賬款主要來自貨物銷售的應收所得款項。本集團與客戶之間主要通過信用交易，但新客戶一般需要提前支付。主要客戶的信用期限一般介於30天至180天不等。每位主要客戶均設置最高信用限額。本集團尋求對其未結清應收賬款維持嚴格監控，並已建立一個信用控制部以將信用風險降至最低。高級管理人員定期複核逾期結餘。鑒於上述情況及本集團貿易應收賬款與大量分散客戶有關，信用風險的集中度並不高。本集團並無就其貿易應收賬款結餘持有任何抵押品或採取其他信用增級。若干貿易應收賬款的逾期利息以年利率12%計算。

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中期簡明合併財務報表附註

15. Trade and Bills Receivables and Prepayments, Deposits and Other Receivables (continued)

As at 30 June 2018, included in the Group's trade receivables are amounts due from related parties of RMB112,092,000 (31 December 2017: RMB48,367,000) which are repayable on similar credit terms to those offered to the major customers of the Group.

As at 30 June 2018, certain trade receivables of NVC Lighting Limited ("UKNVC") with carrying amounts of RMB13,116,000 (31 December 2017: RMB24,004,000) were pledged to secure the bank borrowings of UKNVC as further set out in Note 17.

The maturity of the bills receivable of the Group as at 31 December 2017 and 30 June 2018 is within 6 months. As at 30 June 2018, included in the Group's and bills receivables are amounts due from related parties of RMB154,000 (31 December 2017: RMBNil).

15. 貿易及票據應收賬款及預付款、保證金及其他應收賬款 (續)

於2018年6月30日，應收關聯方款項人民幣112,092千元（2017年12月31日：人民幣48,367千元）計入本集團貿易應收賬款，該等款項的還款信貸條件跟提供給本集團的主要客戶相若。

於2018年6月30日，NVC Lighting Limited（「英國雷士」）的若干貿易應收賬款賬面值人民幣13,116千元（2017年12月31日：人民幣24,004千元）已質押作為英國雷士銀行借款的抵押，進一步詳情載於附註17。

於2017年12月31日及2018年6月30日，本集團的票據應收賬款於6個月內到期。於2018年6月30日，應收關聯方款項人民幣154千元（2017年12月31日：人民幣零元）計入本集團票據應收賬款。

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15. Trade and Bills Receivables and Prepayments, Deposits and Other Receivables (continued)

As at 31 December 2017 and 30 June 2018, the fair values of trade and bills receivables approximate to their carrying amounts largely due to the short-term maturities.

As at 30 June 2018, prepayments, deposits and other receivables included the followings:

- (a) Amounts due from a company of RMB550,924,000 (31 December 2017: RMB550,924,000), net of impairment provision of RMB285,360,000 (31 December 2017: RMB285,360,000), further details of which are set out in Note 19(A)(a).
- (b) An amount of RMB55,396,000 (31 December 2017: RMB55,396,000) which represented an amount withdrawn by the court during the year ended 31 December 2017, further details of which are set out in Note 19(A)(b)(ii).

15. 貿易及票據應收賬款及預付款、保證金及其他應收賬款 (續)

於2017年12月31日及2018年6月30日，貿易及票據應收賬款的公允價值與其賬面值相若，這主要是其短期性質使然。

於2018年6月30日，預付款、保證金及其他應收賬款包括下列各項：

- (a) 人民幣550,924千元的應收一家公司款項(2017年12月31日：人民幣550,924千元)，扣除減值撥備人民幣285,360千元(2017年12月31日：人民幣285,360千元)，進一步詳情載於附註19(A)(a)。
- (b) 人民幣55,396千元的款項(2017年12月31日：人民幣55,396千元)指截至2017年12月31日止年度被法院提取的金額，進一步詳情載於附註19(A)(b)(ii)。

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中期簡明合併財務報表附註

16. Trade and Bills Payables

16. 貿易及票據應付賬款

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Trade and bills payables to third parties	貿易及票據應付賬款 — 第三方	928,332	778,663
Trade and bills payables to related parties	貿易及票據應付賬款 — 關聯方	13,648	42,170
		941,980	820,833

An ageing analysis of the trade and bills payables as at the end of the Period under Review, based on the transaction date, is as follows:

下列是在本回顧期末基於交易日期的貿易及票據應付賬款的賬齡分析。

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Within 3 months	3個月內	803,098	792,738
4 to 6 months	4至6個月	18,779	12,248
7 to 12 months	7至12個月	109,730	4,995
1 to 2 years	1年至2年	939	1,849
Over 2 years	2年以上	9,434	9,003
		941,980	820,833

As at 31 December 2017 and 30 June 2018, the fair values of trade and bills payables approximated to their carrying amounts largely due to the short-term maturities.

於2017年12月31日及2018年6月30日，貿易及票據應付賬款的公允價值與其賬面值相若，這主要是其短期性質使然。

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中期簡明合併財務報表附註

17. Interest-bearing Loans

17. 計息貸款

		30 June 2018 2018年6月30日 (Unaudited) (未經審核)			31 December 2017 2017年12月31日 (Audited) (經審核)		
		Contractual interest rate (%) 合約利率(%)	Maturity 到期日	RMB'000 千人民幣	Contractual interest rate (%) 合約利率(%)	Maturity 到期日	RMB'000 千人民幣
Current	流動部份						
Bank loans – secured	銀行貸款 – 有抵押	Base*+1.90 基本利率*+1.90	On demand ¹ 按要求即付 ¹	13,116	Base*+1.90 基本利率*+1.90	On demand ¹ 按要求即付 ¹	24,004
		2.5% – HIBOR** 2.5% – HIBOR**	February 2019 ² 2019年2月 ²	396,259	N/A不適用	N/A不適用	N/A不適用
Bank loan – unsecured	銀行貸款 – 無抵押	4% per month 4%/每月	On demand 按要求即付	827	4% per month 4%/每月	On demand 按要求即付	936
Total	合計			410,202			24,940

1 The secured bank loan represented a GBP-dominated secured facility amounting to GBP8,000,000 (31 December 2017: GBP8,000,000). The bank loan was secured by the pledge over certain trade receivables (Note 15) and certain buildings (Note 11). In accordance with the contract, the loan was repayable upon the collection of the factored trade receivables and carried a floating interest rate based on the Base plus 1.90%.

2 The secured bank loan represented a HKD-dominated secured facility amounting to HK\$470,000,000 (31 December 2017: RMBNil). The bank loan was secured by the pledge of a time deposit of the Group amounting to RMB400,000,000 (31 December 2017: RMBNil).

* “Base” refers to the Bank of England base rate.

** “HIBOR” refers to Hong Kong Inter-bank Offered Rate.

As at 31 December 2017 and 30 June 2018, the fair values of interest-bearing loans approximated to their carrying amounts largely due to the short-term maturities.

1 有抵押銀行貸款指一筆以英鎊計價的有抵押融資額度英鎊8,000千元(2017年12月31日：英鎊8,000千元)。銀行貸款乃以若干貿易應收賬款(附註15)及若干樓宇(附註11)作為抵押。根據合同，於收回已讓售的貿易應收賬款後，該筆貸款即須償還，並按基本利率加上1.90%的浮動利率計息。

2 有抵押銀行貸款指一筆以港元計價的有抵押融資額度470,000千港元(2017年12月31日：人民幣零元)。銀行貸款乃以質押本集團定期存款人民幣400,000千元(2017年12月31日：人民幣零元)作為抵押。

* 「基本利率」指英格蘭銀行基本利率。

** 「HIBOR」指香港銀行同業拆息。

於2017年12月31日及2018年6月30日，計息貸款的公允價值與其賬面值相若，這主要是其短期性質使然。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

18. Convertible Bonds

On 20 May 2016, the Company and an independent third party entered into a subscription agreement (the “Subscription Agreement”) in relation to the issue of convertible bonds denominated in Hong Kong dollar (“HK\$”) in an aggregate principal amount of HK\$500 million (the “Convertible Bonds”). The Convertible Bonds were issued on 7 June 2016.

Pursuant to the Subscription Agreement, the Convertible Bonds are convertible into fully paid ordinary shares:

- (a) on or after the issue date (i.e. 7 June 2016) and up to and excluding the close of business on the second anniversary of the issue date (the “First Maturity Date”, in June 2018) at an initial conversion price of HKD0.925 per share (subject to anti-dilutive adjustments); and
- (b) with extension up to and excluding the close of business on the fourth anniversary of the issue date if agreed by the Company and the bondholder in writing at least 30 days prior to the First Maturity Date (the “Second Maturity Date”).

The Convertible Bonds bear interest at the rate of 7.8% per annum on the principal amount of the bonds outstanding. The interest will be payable by the Company semi-annually in arrears. The outstanding amount of the Convertible Bonds will be redeemed on maturity (the date falling on the First Maturity Date or the Second Maturity Date, where applicable) at a value equal to the aggregate of (1) its principal amount outstanding; and (2) the interest accrued.

18. 可換股債券

於2016年5月20日，本公司與一名獨立第三方就發行本金額合共500,000千港元以港元（「港元」）計值的可換股債券（「可換股債券」）訂立認購協議（「認購協議」）。可換股債券已於2016年6月7日發行。

根據認購協議，可換股債券可轉換為已繳足普通股：

- (a) 於發行日（即2016年6月7日）或之後起直至發行日第二個週年當日營業時間結束（不包括該日）（「首個到期日」，於2018年6月）止期間按初始換股價每股0.925港元（須經反攤薄調整）；及
- (b) 倘本公司及債券持有人於首個到期日前最少30日以書面方式同意延期直至發行日第四個週年當日營業時間結束（不包括該日）（「第二個到期日」）。

可換股債券按尚未贖回債券本金額以年利率7.8%計息。本公司將於每半年期後支付利息。可換股債券未行使金額將於到期時（首個到期日或第二個到期日當日（倘適用））按(1)其尚未贖回本金額；及(2)應計利息之和贖回。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

18. Convertible Bonds (continued)

The Convertible Bonds that contain both liability and conversion option components were classified separately into their respective items on initial recognition. The embedded derivative of conversion option is therefore accounted for as a derivative. The fair values of the derivative component are determined based on the valuations performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent firm of professionally qualified valuers, using the binomial option pricing model. Changes in fair value of that component between the measurement dates are recognised in profit or loss. The fair value of the liability component is measured as the present value of the expected payments and principal repayment at maturity on initial recognition and is carried as a liability on the amortised cost basis until extinguished on conversion or redemption.

On 4 May 2018, pursuant to an amendment deed approved by the bondholder, the Company and the bondholder agreed to amend the terms of the Convertible Bonds as follows:

- (a) The conversion price, which was originally HK\$0.925 per share is amended to HK\$0.77 per share (subject to anti-dilutive adjustments); and
- (b) The maturity date of the Convertible Bonds is extended to 7 June 2020.

Save as disclosed above, all the other terms and conditions of the Convertible Bonds shall remain unchanged. The amendments have been approved by the shareholders of the Company at the extraordinary general meeting on 15 June 2018.

18. 可換股債券 (續)

包含負債及換股權部份的可換股債券於初步確認時分開歸類為獨立項目。換股權部份的嵌入式衍生工具因此入賬列作衍生工具。衍生工具部份的公允價值乃根據一家獨立專業合資格評估師仲量聯行企業評估及諮詢有限公司以二項式期權定價模式進行的估值釐定。該部份於計量日期間的公允價值變動確認為損益。負債部份的公允價值於初步確認時按預期付款及本金還款於到期時的現值計量，並按攤餘成本計入負債，直至被轉換或被贖回為止。

於2018年5月4日，根據經債券持有人批准之修訂契據，本公司與債券持有人同意修訂可換股債券之以下條款：

- (a) 換股價原定為每股0.925港元，將修訂為每股0.77港元（須經反攤薄調整）；及
- (b) 可換股債券之到期日延長至2020年6月7日。

除上文所披露者外，可換股債券之所有其他條款及條件將保持不變。該等修訂於2018年6月15日的股東特別大會上獲本公司股東批准。

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中期簡明合併財務報表附註

18. Convertible Bonds (continued)

Consequently, a loss arising from the modification of the terms of RMB78,387,000 (six months ended 30 June 2017: RMBNil), being the difference between the carrying amount and fair value of the components of the Convertible Bonds on the date of modification, was recognised in profit or loss during the Period under Review.

The movements of the liability component and derivative component of the Convertible Bonds during the year ended 31 December 2017 and the Period under Review are as follows:

18. 可換股債券 (續)

因此，因修訂條款而產生之虧損人民幣78,387千元（截至2017年6月30日止6個月：人民幣零元），即可換股債券於修訂當日的賬面值與負債部分的公允價值之間的差額，於回顧期間的損益內確認。

截至2017年12月31日止年度及回顧期內，可換股債券的負債部份及衍生工具部份的變動如下：

		Liability component of Convertible Bonds	Derivative component of Convertible Bonds	Total
		可換股債券的 負債部份	可換股債券的 衍生工具部份	合計
		RMB'000	RMB'000	RMB'000
		千人民幣	千人民幣	千人民幣
At 1 January 2017	於2017年1月1日	440,272	60,230	500,502
Effective interest expense recognised to profit or loss	於損益表確認的實際利息支出	40,262	-	40,262
Interest paid	已付利息	(33,664)	-	(33,664)
Fair value change	公允價值變動	-	(46,228)	(46,228)
Exchange realignment	外匯調整	(25,641)	(2,069)	(27,710)
At 31 December 2017 (Audited)	於2017年12月31日（經審核）	421,229	11,933	433,162
Effective interest expense recognised to profit or loss	於損益表確認的實際利息支出	19,388	-	19,388
Interest paid	已付利息	(14,724)	-	(14,724)
Loss arising from modification of terms	修訂條款產生之虧損	(19,891)	98,278	78,387
Fair value change	公允價值變動	-	(75,138)	(75,138)
Exchange realignment	外匯調整	4,765	982	5,747
At 30 June 2018 (Unaudited)	於2018年6月30日（未經審核）	410,767	36,055	446,822

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中期簡明合併財務報表附註

18. Convertible Bonds (continued)

The major inputs for the valuation of the fair value of the derivative component of the Convertible Bonds as at 30 June 2018 and 31 December 2017 are show as follows:

18. 可換股債券 (續)

於2018年6月30日及於2017年12月31日可換股債券衍生工具部份公允價值估值的主要輸入數據列示如下：

		30 June 2018 2018年 6月30日	At modification date 修訂日	31 December 2017 2017年 12月31日
Share price	股價	HK\$0.660 0.660港元	HK\$0.790 0.790港元	HK\$0.770 0.770港元
Conversion price	換股價	HK\$0.770 0.770港元	HK\$0.770 0.770港元	HK\$0.925 0.925港元
Risk-free rate	無風險利率	1.353%	1.837%	1.018%
Volatility	波幅	39.54%	39.39%	37.01%

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities

(A) Litigations

(a) *The Group as a plaintiff*

A subsidiary of the Company (the “Subsidiary”) entered into several pledge and guarantee agreements in 2013 and 2014 (the “Pledge and Guarantee Agreements”) with certain banks in the PRC, providing guarantees to the banks for their loan facilities granted to certain borrowers. Counter guarantees were provided by one of the borrowers of the bank loans, namely Chongqing Wu Ji Real Estate Development Co., Ltd. (“Wu Ji”), to the Group. During 2014, aggregate pledged time deposits of RMB550,924,000 of the Subsidiary had been withdrawn by the banks due to default of the bank loans under the guarantees of the Subsidiary.

19. 訴訟及或有負債

(A) 訴訟

(a) 本集團為原告

本公司的一家附屬公司（「附屬公司」）於2013年及2014年在中國與若干銀行訂立數項質押及擔保協議（「質押及擔保協議」），為銀行向若干借款人授予貸款融資提供擔保。一位銀行貸款的借款人重慶無極房地產開發有限公司（「無極」）向本集團提供了反擔保。於2014年，由於由附屬公司擔保的銀行貸款未能償還，銀行已提取該附屬公司質押定期存款合共人民幣550,924千元。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(a) The Group as a plaintiff (continued)

The Group initiated a series of legal proceedings against Mr. WU Changjiang, a former director and former chief executive officer of the Company, Mrs. WU Lian (spouse of Mr. WU Changjiang), Mr. WU Xianming, Mrs. CHEN Min, Chongqing Lei Li Jie Industrial Development Co., Ltd., Wu Ji, Chongqing Jiang Te Surface Treatment Co., Ltd. and Chongqing Hua Biao Lighting Manufacturing Co., Ltd., in the Intermediate People's Court of Huizhou for damages. In addition, as indicated in 8 letters of counter guarantee issued by Wu Ji with dates in 2013 and 2014, Wu Ji provided counter guarantees to the Group to reimburse any losses for provision of guarantees on the bank loans borrowed by certain PRC companies under the Pledge and Guarantee Agreements. An aggregate amount of RMB550,924,000 was recognised as other receivables due from a company since 2014 and as at 31 December 2017, and 30 June 2017 and 2018. The directors are of the opinion that an amount of RMB265,564,000 is recoverable since 2014 and as at 31 December 2017, and 30 June 2017 and 2018, and accordingly a provision for the irrecoverable amount of RMB285,360,000 had been charged to profit or loss of the Group since 2014 and up to 31 December 2017, and 30 June 2017 and 2018.

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(a) 本集團為原告 (續)

本集團就有關損害向惠州市中級人民法院對本公司前董事兼前首席執行官吳長江先生、吳戀女士（吳長江先生的配偶）、吳憲明先生、陳敏女士、重慶雷立捷實業發展有限公司、無極、重慶江特表面處理有限公司及重慶華標燈具製造有限公司提出一連串的法律訴訟。此外，無極出具的落款時間為2013年及2014年的8封反擔保函顯示，無極向本集團提供反擔保以補償其就若干中國公司根據質押及擔保協議所借銀行貸款提供擔保而產生的任何損失。自2014年起並於2017年12月31日以及2017年及2018年6月30日確認合共人民幣550,924千元的金額為其他應收一家公司款項。董事認為自2014年起並於2017年12月31日以及2017年及2018年6月30日可收回金額為人民幣265,564千元，並就不可收回金額人民幣285,360千元計提撥備及計入本集團自2014年起直至2017年12月31日以及2017年及2018年6月30日的損益表內。

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中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(b) The Group as a defendant

- (i) The Subsidiary also entered into guarantee agreements with another PRC bank in 2013 (the "Guarantee Agreement 1") and a PRC finance company in 2014 (the "Guarantee Agreement 2") respectively, providing guarantees to the PRC bank and the PRC finance company for their loan facilities granted to their borrowers. Mrs. WU Lian is the borrower of the loan in relation to the Guarantee Agreement 2.

The outstanding loans of RMB35,497,000 and RMB34,000,000 in relation to the Guarantee Agreements 1 and 2 were in default in 2015 and 2014 respectively. The PRC bank and the PRC finance company took legal actions against the respective borrowers and the guarantors (including Wu Ji and the Subsidiary as guarantors) to recover the loan balances and interests.

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(b) 本集團作為被告人

- (i) 附屬公司亦於2013年與另一家中國銀行(「擔保協議1」)及於2014年與一家中國財務公司(「擔保協議2」)分別訂立擔保協議，向該中國銀行及中國財務公司就彼等授予借款人的貸款融資提供擔保。吳戀女士為擔保協議2項下貸款的借款人。

按照擔保協議1及擔保協議2，分別仍有貸款人民幣35,497千元及人民幣34,000千元於2015年及2014年未獲償還。該家中國銀行及中國財務公司已採取法律行動，向相關借款人及擔保人(包括無極及作為擔保人的該附屬公司)追索貸款結餘及利息。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(b) The Group as a defendant (continued)

(i) (continued)

For the Guarantee Agreement 1, according to the first court judgement in 2016 and the final court judgement in 2017, the Subsidiary is adjudicated to be jointly liable for the payment to the PRC bank of the outstanding loan, plus interest and costs. The Subsidiary has filed application of retrial of the PRC court judgements and the commencement thereof was accepted by the PRC court in January 2018, but the application was subsequently rejected according to the court judgement received by the Subsidiary in May 2018. For the Guarantee Agreement 2, according to the first court judgement in 2016 and the final court judgement in 2017, the Subsidiary is adjudicated

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(b) 本集團作為被告人
(續)

(i) (續)

就擔保協議1而言，根據於2016年的首次法院判決及2017年的最終法院判決，該附屬公司被裁定須就向該家中國銀行支付的未償還貸款及另加利息及成本共同承擔責任。該附屬公司已就中國法院判決申請重審，該申請起初於2018年1月獲中國法院接納，惟其後於2018年5月根據該附屬公司收到的法院判決被駁回。就擔

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(b) *The Group as a defendant (continued)*

(i) *(continued)*

to be jointly liable for the payment to the PRC finance company of the outstanding loan, plus interest and costs. The Subsidiary is in the process of applying for protests of the PRC court judgements in relation to Guarantee Agreements 1 and 2. Accordingly, the Group is of the view that the legal proceedings in relation to Guarantee Agreements 1 and 2 are still in progress notwithstanding the respective final court judgements and the rejection of the application of retrial in relation to Guarantee Agreement 1.

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(b) 本集團作為被告人
(續)

(i) (續)

保協議2而言，根據於2016年的首次法院判決及2017年的最終法院判決，該附屬公司被裁定須就向該家中國財務公司支付的未償還貸款另加利息及成本承擔共同責任。該附屬公司正就擔保協議1及擔保協議2之中國法院判決申請抗訴。因此，本集團認為，儘管已各自作出最終法院判決及有關擔保協議1的重審申請遭拒，但有關擔保協議1及擔保協議2的法律訴訟仍在進行。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(b) The Group as a defendant (continued)

(i) (continued)

The directors, with reference to legal opinions obtained and other factors, consider that the likelihood of the Group sustaining losses from the Guarantee Agreements 1 and 2 is remote. In particular, it is considered that the loans had sufficient underlying securities including Wu Ji's guarantees and the Subsidiary is only one of the guarantors for the loans and it is considered not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and no provision is considered necessary as at 31 December 2017 and 30 June 2018. Details of the contingent liabilities are set out in Note 19(B).

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(b) 本集團作為被告人 (續)

(i) (續)

經參考取得的法律意見及其他因素，董事認為本集團須承擔擔保協議1及擔保協議2損失的可能性輕微，尤其是據悉該貸款具有足夠的相關擔保（包括無極的擔保），而該附屬公司亦僅為貸款的其中一名擔保人，並認為並無可能需要包含經濟利益的資源流出以償付該等責任。因此，董事認為不需要於2017年12月31日及2018年6月30日作出相關撥備。或有負債詳情載於附註19(B)。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(b) The Group as a defendant (continued)

- (ii) In addition to the above agreements, the Subsidiary entered into a guarantee agreement (the “Guarantee Agreement 3”) with a PRC bank in 2014, providing guarantee to the bank for a loan facility granted to its borrower. In addition, the bank loan was secured by the pledge of a piece of land owned by Wu Ji.

The bank loan was in default in 2014 and the bank took legal actions against the borrower and the guarantors (including the Subsidiary) to recover the bank loan balance and interest. A court order was issued to freeze assets of the guarantors (including the Subsidiary) in the amount of RMB62,000,000.

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(b) 本集團作為被告人 (續)

- (ii) 除上述協議外，該附屬公司亦於2014年與一家中國銀行訂立擔保協議（「擔保協議3」），向該銀行就其授予借款人的貸款融資提供擔保。此外，該銀行貸款由無極擁有的一塊土地作質押擔保。

該銀行貸款未能於2014年償還，且該銀行已對借款人及擔保人（包括附屬公司）採取法律行動追討銀行貸款結餘及利息。一項法院判令已發出以凍結擔保人（包括該附屬公司）金額為人民幣62,000千元的資產。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(b) The Group as a defendant (continued)

(ii) (continued)

As a result of the court order, bank balance of the Subsidiary in the amount of RMB55,396,000 had been frozen by the bank in 2014.

According to the first court judgement in 2016 and the final court judgement in 2017, the Subsidiary is adjudicated to be jointly liable for the payment to the PRC bank of RMB60,000,000, plus interest and costs. In February 2017, the frozen bank balance of the Subsidiary was withdrawn by the court for the purpose of settlement of the claim by the PRC bank. During 2017, the Subsidiary filed an application of retrial of the PRC court judgements in relation to Guarantee Agreement 3 which was rejected by the PRC court. During 2017, the Subsidiary filed an application of protest of the PRC court judgements and the commencement of related legal proceedings has been accepted by the PRC court in March 2018. The related outcome of the protest according to the official legal documents received by the Subsidiary is pending as of the date

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(b) 本集團作為被告人
(續)

(ii) (續)

鑒於法院判令，該附屬公司金額為人民幣55,396千元的銀行結餘已於2014年被該銀行凍結。

根據於2016年的首次法院判決及於2017年的最終法院判決，該附屬公司被裁定須就向該家中國銀行支付人民幣60,000千元款項另加利息及成本承擔共同責任。於2017年2月，該附屬公司被凍結銀行存款被法院提取以支付該家中國銀行的索償。於2017年，該附屬公司已就被中國法院駁回的擔保協議3的中國法院判決申請

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(b) *The Group as a defendant (continued)*

(ii) *(continued)*

of approval of these interim condensed consolidated financial statements and accordingly, the Group is of the view that the legal proceeding is still in progress notwithstanding the final court judgement and the rejection of the application of retrial. As at 31 December 2017 and 30 June 2018, the withdrawn amount of RMB55,396,000 was included in "Prepayments, deposits and other receivables" in the condensed consolidated statement of financial position.

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(b) 本集團作為被告人
(續)

(ii) (續)

重審。於2017年，該附屬公司另行對中國法院判決提出抗訴，且中國法院已於2018年3月受理相關法律訴訟。根據該附屬公司收到的正式法律文件，於該等中期簡明合併財務報表獲批准之日期，仍在等待抗訴的相關結果，因此，本集團認為儘管已作出最終法院判決及重審申請遭拒，法律訴訟現仍在進行中。於2017年12月31日及2018年6月30日，人民幣55,396千元的被提取金額已計入簡明合併財務狀況表內「預付款、保證金及其他應收賬款」一項。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(A) Litigations (continued)

(b) The Group as a defendant (continued)

(ii) (continued)

The directors, with reference to legal opinion obtained and other factors, consider that the likelihood of the Group sustaining losses from the guarantee is remote. In particular, it is considered that the bank loan had sufficient underlying securities including a piece of land pledged by Wu Ji and the Subsidiary is only one of the guarantors for the bank loan. The directors believe that the withdrawn bank balance will be fully recovered upon the conclusion of the protest of the PRC court judgements and no provision on the withdrawn amount is considered necessary as at 31 December 2017 and 30 June 2018. In addition, the directors are of the opinion that no provision on any shortfall between the amount to be ultimately settled by the Group under the Guarantee Agreement 3 and the Subsidiary's withdrawn bank balance is considered necessary as at 31 December 2017 and 30 June 2018. Details of the contingent liabilities are set out in Note 19(B).

19. 訴訟及或有負債 (續)

(A) 訴訟 (續)

(b) 本集團作為被告人
(續)

(ii) (續)

經參考取得的法律意見及其其他因素，董事認為本集團須承擔該項擔保損失的可能性輕微，尤其是據悉該銀行的貸款具有足夠的相關擔保，包括一塊由無極質押的土地，而附屬公司僅為該銀行貸款的其中一名擔保人。董事相信當中國法院判決抗辯完結時，被提取的銀行結餘將可悉數收回，且於2017年12月31日及2018年6月30日無需對被提取的金額計提撥備。此外，董事認為，本集團根據擔保協議3最終作出的付款金額與該附屬公司的被提取的銀行結餘之間的差額亦不需要於2017年12月31日及2018年6月30日計提撥備。或有負債的詳情載於附註19(B)。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

19. 訴訟及或有負債 (續)

(B) Contingent liabilities

- (a) As at 30 June 2018, contingent liabilities not provided for in the interim condensed consolidated financial statements were as follows:

(B) 或有負債

- (a) 截至2018年6月30日止，未於中期簡明合併財務報表計提撥備的或有負債如下：

	30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Guarantees given to banks and a finance company in connection with facilities granted to:		
Two PRC companies and Mrs. WU Lian, an individual		
	131,497	131,497

就授予下列公司／人士
信貸而給予銀行及一家
財務公司的擔保：

兩間中國公司及吳戀女士
(個別人士)

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

19. Litigations And Contingent Liabilities (continued)

(B) Contingent liabilities (continued)

- (b) The Group acted as defendant in lawsuits brought by two PRC banks and a PRC finance company alleging that the Group should assume guarantee liabilities and interests according to guarantee agreements. The directors consider that the likelihood of the Group sustaining losses from the guarantees is remote, and accordingly no provision for claims arising from the litigations is considered necessary as at 31 December 2017 and 30 June 2018, save for the related legal and other costs. Based on the respective court judgements, interests are imposed on the principal amounts as disclosed in (a) above, which are calculated on (i) principal amount of approximately RMB62,000,000 at 9.9% per annum plus compound interest at 9.9% per annum on unpaid interest since 21 October 2014; (ii) principal amount of approximately RMB34,000,000 at four times of six-month borrowing rate of the People's Bank of China since 8 October 2014; and (iii) principal amount of approximately RMB35,497,000 at 0.05% per day since 4 January 2015.

19. 訴訟及或有負債 (續)

(B) 或有負債 (續)

- (b) 本集團為由兩家中國銀行及一家中國財務公司根據擔保協議起訴本集團須承擔擔保責任及利息的訴訟的被告。董事認為本集團須承受該等擔保的損失的可能性不大，因此，除有關法律及其他成本費用外，毋須就截至2017年12月31日及2018年6月30日為源自該等訴訟的任何索償計提撥備。根據相關法院判決，誠如上述(a)所披露，本金款項所徵收的利息會以(i)本金款項約人民幣62,000千元以每年9.9%另加自2014年10月21日起未支付利息以每年9.9%的複合利率；(ii)本金款項約人民幣34,000千元自2014年10月8日起以中國人民銀行六個月借款利率的四倍；及(iii)本金款項約人民幣35,497千元自2015年1月4日起以每日0.05%計算。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

20. Pledge of Assets

As at 30 June 2018, save for those disclosed elsewhere in these interim condensed consolidated financial statements, the following assets of the Group were pledged:

Property, plant and equipment	物業、廠房及設備
Prepaid land lease payments	預付土地租金
Trade and bills receivables	貿易及票據應收賬款
Pledged time deposits	有抵押定期存款

20. 抵押資產

於2018年6月30日，除本中期簡明合併財務報表另行披露者外，本集團下列資產已被抵押：

30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
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264,340	282,544
46,335	46,995
13,116	24,004
493,019	129,086
816,810	482,629

21. Related Party Transactions

- (a) None of the shareholders is the controlling entity of the Company.
- (b) In addition to the information disclosed elsewhere in these interim condensed consolidated financial statements, major related parties with which the Group had transactions during the six months ended 30 June 2018 and six months ended 30 June 2017 are listed below:

An entity with significant influence over the Group

Elec-Tech International Co., Ltd. ("Elec-Tech")

21. 關聯方交易

- (a) 概無股東為本公司控股實體。
- (b) 除本中期簡明合併財務報表其他地方披露的信息外，截至2018年6月30日止6個月及截至2017年6月30日止6個月與本集團進行交易的主要關聯方載列如下：

一家對本集團具有重大影響的實體

廣東德豪潤達電氣股份有限公司（「德豪潤達」）

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

21. Related Party Transactions (continued)

(b) (continued)

Subsidiaries of Elec-Tech

Wuhu Retop Electronics Co., Ltd.
Dalian Elec-Tech Lighting Technology Co., Ltd.
Wuhu 3E Lighting Co., Ltd.
Wuhu Elec-Tech International Lighting Technology Co., Ltd.
Elec-Tech Lighting Engineering Co., Ltd.

Huizhou NVC Fire Lighting Co., Ltd.¹

Elec-Tech International (H.K.) Company Limited

Associates of the Group

Huizhou Thorled-opto Co., Ltd.
Wuhu NVC Lighting E-Commerce Limited
("Wuhu NVC")

Entities controlled by Mr. WU Jiannong, a director and substantial shareholder of a subsidiary of the Company

Jiangshan World Bright Crystal Co., Ltd.
Quzhou Aushite Illumination Co., Ltd.
Zhejiang Tonking New Energy Group Co., Ltd.

An entity controlled by Mr. WANG Dongming, a director of the Company

NVC Lighting & Electrical
Technology Singapore
Pte. Ltd.

¹ On 9 January 2017, the entity ceased to be a related party of the Group as it has become a subsidiary of the Group.

21. 關聯方交易 (續)

(b) (續)

德豪潤達的附屬公司

蕪湖銳拓電子有限公司
大連德豪光電科技有限公司
蕪湖三頤照明有限公司
蕪湖德豪潤達光電科技
有限公司
廣東德豪潤達照明系統工程
有限公司
惠州雷士消防照明標識
有限公司¹
德豪潤達國際(香港)
有限公司

本集團的聯營公司

惠州雷通光電器件有限公司
蕪湖雷士照明電子商務
有限公司(「蕪湖雷士」)

由本公司一家附屬公司董事及主要股東吳建農先生控制的實體

江山世明水晶玻璃有限公司
衢州奧仕特照明有限公司
浙江同景新能源集團
有限公司

一家由本公司董事王冬明先生控制的實體

NVC Lighting & Electrical
Technology Singapore
Pte. Ltd.

¹ 於2017年1月9日，由於該實體已成為本集團的一家附屬公司，其不再為本集團的關聯方。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

21. Related Party Transactions (continued)

(c) In addition to the transactions detailed elsewhere in the interim condensed consolidated financial statements, the Group had the following transactions with related parties during the six months ended 30 June 2018:

21. 關聯方交易 (續)

(c) 除中期簡明合併財務報表其他地方詳載的交易外，本集團於截至2018年6月30日止6個月有以下關聯方交易：

		Six months ended 30 June 截至6月30日止6個月	
		2018 2018年 RMB'000 千人民幣 (Unaudited) (未經審核)	2017 2017年 RMB'000 千人民幣 (Unaudited) (未經審核)
		Notes 附註	
Elec-Tech:	德豪潤達：		
Purchases of shares	購買股份	-	47,373
Purchases of finished goods	購買產成品	(i) 8,257	2,995
Subsidiaries of Elec-Tech:	德豪潤達的附屬公司：		
Sales of finished goods	銷售產成品	(i) 8,019	1,278
Purchases of raw materials and finished goods	購買原材料及產成品	(i) 62,591	63,674
Rental expenses	租金費用	(i) 121	56
Associates of the Group:	本集團的聯營公司：		
Rental fee income	租金收入	(i) 571	571
Sales of finished goods	銷售產成品	(i) 72,130	27,344
Purchases of raw materials	購買原材料	(i) -	43,168
Trademark licence fee income	商標許可費收入	(ii) 1,539	-
Handling income	手續費收入	(i) -	5,011
Entities controlled by Mr. WU Jiannong, a director and substantial shareholder of a subsidiary of the Company:	由本公司一家附屬公司董事及主要股東吳建農先生控制的實體：		
Purchases of raw materials and finished goods	購買原材料及產成品	(i) 1,038	4,281
Purchases of property, plant and equipment	購買物業、廠房及設備	(i) -	188

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

21. Related Party Transactions (continued)

(c) (continued)

An entity controlled by
Mr. WANG Dongming,
a director of the Company:
Consultancy fee

一家由本公司董事
王冬明先生控制
的實體：
諮詢費

Notes:

- (i) The transactions were made at prices mutually agreed by both parties.
- (ii) Trademark licence fee income arose from licensing the “NVC” brand to related parties, and was charged at 3% to 5% of the related parties’ annual sales. The royalty rate was mutually agreed by both parties.

In the opinion of the board of directors, the related party transactions were conducted on normal commercial terms and in the ordinary course of the Group’s business.

21. 關聯方交易 (續)

(c) (續)

		Six months ended 30 June	
		截至6月30日止6個月	
		2018	2017
		2018年	2017年
		RMB’000	RMB’000
		千人民幣	千人民幣
Note	(Unaudited)	(Unaudited)	(Unaudited)
附註	(未經審核)	(未經審核)	(未經審核)
(i)	2,363	2,074	

附註：

- (i) 交易乃根據雙方協定的價格進行。
- (ii) 授權關聯方使用「雷士」品牌所產生的商標許可費收入乃按關聯方全年銷售額的3%至5%計提。收費率乃由雙方協定。

董事會認為關聯方交易乃按正常商業條款及本集團一般正常業務過程中進行。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

21. Related Party Transactions (continued)

(d) Outstanding balances with related parties:

Except as disclosed elsewhere in the interim condensed consolidated financial statements, as at 30 June 2018, included in prepayments, deposits and other receivables, and other payables and accruals of the Group are the aggregate balance of RMB10,783,000 (31 December 2017: RMB8,610,000) and RMB18,417,000 (31 December 2017: RMB733,000) due with related parties.

(e) Compensation of key management personnel of the Group:

21. 關聯方交易 (續)

(d) 關聯方的未清償結餘：

除中期簡明合併財務報表所披露者外，於2018年6月30日計入應收關聯方的本集團預付款、保證金及其他應收賬款以及其他應付賬款及應計費用合共為人民幣10,783千元（2017年12月31日：人民幣8,610千元）及人民幣18,417千元（2017年12月31日：人民幣733千元）的結餘。

(e) 本集團主要管理人員薪酬：

Six months ended 30 June 截至6月30日止6個月

	2018	2017
	2018年	2017年
	RMB'000	RMB'000
	千人民幣	千人民幣
	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)
Short-term employee benefits 短期僱員福利	11,694	10,950

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

22. Financial Instruments by Category

Set out below is an overview of financial instruments held by the Group as at 30 June 2018 and 31 December 2017:

22. 按類別劃分的金融工具

本集團於2018年6月30日及2017年12月31日持有的金融工具概覽如下：

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Financial assets at amortised costs:	按攤銷成本入賬的金融資產：		
Financial assets at amortised cost/loans and receivables:	按攤銷成本入賬的金融資產／貸款及應收賬款：		
Trade and bills receivables	貿易及票據應收賬款	1,091,592	1,092,554
Financial assets included in prepayments, deposits and other receivables	納入預付款、保證金及其他應收賬款的金融資產	413,491	380,092
Restricted bank balances and short-term deposits	受限制銀行結餘及短期存款	518,019	314,422
Cash and cash equivalents	現金及現金等價物	991,040	1,265,589
		3,014,142	3,052,657
Financial assets at fair value:	以公允價值列賬之金融資產：		
Long term investments	長期投資	229,798	218,026
Held-for-trading investments	持做買賣投資	88,786	88,786
		318,584	306,812

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

22. Financial Instruments by Category (continued) 22. 按類別劃分的金融工具 (續)

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Financial liabilities:	金融負債：		
Financial liabilities at fair value through profit or loss:	以公允價值計入損益的金融負債：		
Convertible bonds	可換股債券		
– derivative component	– 衍生工具部份	36,055	11,933
Financial liabilities at amortised cost:	按攤銷成本入賬的金融負債：		
Trade and bills payables	貿易及票據應付賬款	941,980	820,833
Financial liabilities included in other payables and accruals	納入其他應付賬款及應計費用的金融負債	498,309	447,054
Interest-bearing loans	計息貸款	410,202	24,940
Convertible bonds – liability component	可換股債券 – 負債部份	410,767	421,229
		2,261,258	1,714,056

23. Fair Value of Financial Instruments

(a) Financial instruments not measured at fair value

Management has assessed that the fair values of cash and cash equivalents, restricted bank balances and short-term deposits, trade and bills receivables, trade and bills payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, interest-bearing loans and convertible bonds – liability component approximate to their carrying amounts largely due to the short-term maturities of these instruments.

23. 金融工具之公允價值

(a) 並非按公允價值計量之金融工具

管理層評估現金及現金等價物、受限制銀行結餘及短期存款、貿易及票據應收賬款、貿易及票據應付賬款、納入預付款、保證金及其他應收賬款的金融資產、納入其他應付賬款及應計費用的金融負債、計息貸款及可換股債券 – 負債部份的公允價值與其賬面值相若，乃主要由於該等金融工具均於短期內到期所致。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

23. Fair Value of Financial Instruments (continued)

(b) Financial instruments measured at fair value

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

As at 30 June 2018 (Unaudited)

(b) 按公允價值計量之金融工具

下表展示本集團金融工具公允價值計量層級：

於2018年6月30日(未經審核)

		Fair value measurement using 公允價值計量使用的輸入值			
		Quoted prices in active markets (Level 1) 活躍市場報價 (第一層) RMB'000 千人民幣	Significant observable inputs (Level 2) 重要可觀察 輸入值 (第二層) RMB'000 千人民幣	Significant unobservable inputs (Level 3) 重要不可觀察 輸入值 (第三層) RMB'000 千人民幣	Total 總計 RMB'000 千人民幣
Financial asset:	金融資產：				
Financial assets at FVTPL	以公允價值計入損益 的金融資產				
- Listed equity investments	- 上市之股本投資	88,786	-	-	88,786
Long term investments	長期投資				
Financial assets at FVTOCI	以公允價值計入其他 全面收入的金融資產				
- Listed equity investments	- 上市之股本投資	29,200	-	-	29,200
- Unlisted equity investments	- 非上市之股本投資	-	-	2,100	2,100
- Listed debt investments	- 上市之債務投資	198,498	-	-	198,498
Financial liabilities:	金融負債				
Financial liabilities at FVTPL	以公允價值計入損益 的金融負債				
- Convertible bonds	- 可換股債券				
- derivative component	- 衍生工具部份	-	-	36,055	36,055

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

23. Fair Value of Financial Instruments (continued)

(b) Financial instruments measured at fair value (continued)

As at 31 December 2017 (Audited)

23. 金融工具之公允價值 (續)

(b) 按公允價值計量之金融工具 (續)

於2017年12月31日 (經審核)

		Fair value measurement using 公允價值計量使用的輸入值			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場報價 (第一層)	重要可觀察 輸入值 (第二層)	重要不可觀察 輸入值 (第三層)	總計
		RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣	RMB'000 千人民幣
Financial asset:	金融資產：				
Held-for-trading investments	持作買賣投資				
- Listed equity investments	- 上市之股本投資	88,786	-	-	88,786
Long term investments	長期投資				
Available-for-sale financial assets	可供出售金融資產				
- Listed equity investments	- 上市之股本投資	20,000	-	-	20,000
- Unlisted equity investments	- 非上市之股本投資	-	-	2,000	2,000
- Listed debt investments	- 上市之債務投資	196,026	-	-	196,026
Financial liabilities:	金融負債				
Financial liabilities at FVTPL	以公允價值計入損益 的金融負債				
- Convertible bonds	- 可換股債券	-	-	11,933	11,933
- derivative component	- 衍生工具部份	-	-	-	-

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

23. Fair Value of Financial Instruments (continued)

(b) Financial instruments measured at fair value (continued)

During the Period under Review, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

The Group's management is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, management analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

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 fair values of listed equity and debt investments are determined based on quoted market prices.

Fair values of the unlisted equity investments have been estimated using a discounted cash flows model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unlisted equity investments.

23. 金融工具之公允價值 (續)

(b) 按公允價值計量之金融工具 (續)

回顧期內，金融資產及金融負債第一層與第二層之間概無公允價值計量轉撥，第三層亦無轉出或轉入。

本集團管理層負責釐定金融工具公允價值計量的政策及程序。於各報告日期，管理層分析金融工具價值變動及釐定應用於估值之主要輸入數據。一年兩次與審核委員會討論估值程序及結果，以用於中期及年度財務報告。

金融資產及負債的公允價值乃各自願人士之間進行當前交易時買賣金融工具之價格，而該等交易並非在被迫或清盤下進行。

上市股本及債務投資的公允價值按市場報價釐定。

非上市之股本投資的公允價值乃使用貼現現金流量模式估計。評估需要管理層就模式輸入值作出一定假設，包括預測現金流量、折現率、信用風險及波幅。範圍內不同估計的可能性可被合理地估計，且用於管理層對該等非上市股本投資的公允價值估計。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

23. Fair Value of Financial Instruments (continued)

(b) Financial instruments measured at fair value (continued)

Significant unobservable inputs	
– Weighted average cost of capital	26%
– Revenue growth rate	10-28%
– Long term perpetual growth rate	3%

The fair value of the conversion option embedded in the Convertible Bonds is measured using valuation technique, the Binomial Option Pricing Model.

Reconciliation for financial instruments carried at fair value based on significant unobservable inputs (Level 3) are as follows:

23. 金融工具之公允價值 (續)

(b) 按公允價值計量之金融工具 (續)

重要不可觀察輸入值	
– 加權平均資本成本	26%
– 收入增長率	10-28%
– 長期永久增長率	3%

於可換股債券的嵌入式換股權的公允價值乃應用二項式期權定價模式的估值技術計量。

基於重要不可觀察輸入值 (第三級) 按公允價值列賬的金融工具之對賬如下:

Financial assets at FVTOCI	Available-for-sale financial assets
以公允價值計入其他全面收入的金融資產	可供出售金融資產
Six months ended 30 June 2018	Year ended 31 December 2017
截至2018年6月30日止6個月	截至2017年12月31日止年度
RMB'000	RMB'000
千人民幣	千人民幣
(Unaudited)	(Audited)
(未經審核)	(經審核)

Unlisted equity investments

At beginning of period/year	
Purchases	
Total gains or losses:	
– in other comprehensive income	

非上市之股本投資

期初/年初	
購買	
總收益或虧損:	
– 於其他全面收入	

At end of period/year

期末/年末

2,100

2,000

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

23. Fair Value of Financial Instruments (continued)

(b) Financial instruments measured at fair value (continued)

23. 金融工具之公允價值 (續)

(b) 按公允價值計量之金融工具 (續)

		Financial liabilities at FVTPL 以公允價值計入損益的金融負債	
		Six months ended 30 June 2018 截至2018年 6月30日 止6個月 RMB'000 千人民幣 (Unaudited) (未經審核)	Year ended 31 December 2017 截至2017年 12月31日 止年度 RMB'000 千人民幣 (Audited) (經審核)
Contingent consideration payable	應付或有代價		
At beginning of period/year	期初／年初	-	41,825
Transfer to other payables and accruals	轉撥至其他應付賬款 及應計費用	-	(41,825)
At end of period/year	期末／年末	-	-

Details of the reconciliation for convertible bonds – derivative component at fair value are set out in Note 18.

有關按公允價值列賬的可換股債券 – 衍生工具部份的對賬詳情載於附註18。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

24. Capital Commitments

Save for those disclosed elsewhere in the interim condensed consolidated financial statements, as at 30 June 2018, the Group had the following capital commitments:

24. 資本承諾

除中期簡明合併財務報表其他部分披露的內容外，於2018年6月30日，本集團的資本承諾如下：

		30 June 2018 2018年 6月30日 RMB'000 千人民幣 (Unaudited) (未經審核)	31 December 2017 2017年 12月31日 RMB'000 千人民幣 (Audited) (經審核)
Contracted, but not provided for:	已訂約但尚未計提：		
Acquisition of property, plant and equipment	收購物業、 廠房及設備	133,798	80,668
Investment in a joint venture	於一家合營企業的投資	400,000	400,000
Acquisition of interest in an investment	收購一項投資的權益	700	500
Investments in associates	投資於聯營公司	32,160	17,160
		566,658	498,328

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

25. Events after the Reporting Period And Significant Event during the Period under Review

- (a) Pursuant to the share purchase agreement dated 16 March 2018 (“S&P Agreement 1”) and the share purchase agreement dated 23 May 2018 (“S&P Agreement 2”) entered into between the Company and the seller (the “Seller”), the Group conditionally agreed to purchase and the Seller conditionally agreed to sell 40% equity interest and 60% equity interest in Blue Light (HK) Trading Co., Limited (the “Target Company”) at a cash consideration of RMB315,000,000 and RMB500,000,000 respectively, subject to adjustments as stipulated in the S&P Agreements 1 and 2. Furthermore, pursuant to the share purchase agreement dated 23 May 2018 (“S&P Agreement 3”) entered into between the Group and Mr. Zhang Peng who is one of the key management personnel of the Group, the Group conditionally agreed to purchase and Mr. Zhang Peng conditionally agreed to sell his 5% equity interest in Wuhu NVC at a consideration of RMB45,000,000 (collectively the “Proposed Acquisitions”). Wuhu NVC is a subsidiary of the Target Company. The Proposed Acquisitions were approved by the shareholders of the Company at the extraordinary general meeting on 18 July 2018. During the six months ended 30 June 2018, an advance payment of RMB315,000,000 has been made to the Seller. Further details are set out in the Company’s circular dated 30 June 2018 and announcements dated 19 March 2018, 23 May 2018 and 18 July 2018.

25. 報告期後事項及回顧期內的重重大事件

- (a) 根據本公司與賣方（「賣方」）訂立日期為2018年3月16日的購股協議（「買賣協議1」）及日期為2018年5月23日的購股協議（「買賣協議2」），本集團有條件同意購買而賣方有條件同意出售香港蔚藍芯光貿易有限公司（「目標公司」）分別40%股權及60%股權，現金代價分別為人民幣315,000千元及人民幣500,000千元，可根據買賣協議1及買賣協議2做出調整。此外，根據本集團與張鵬先生（本集團的主要管理人員之一）訂立日期為2018年5月23日的購股協議（「買賣協議3」），本集團有條件地同意購買而張鵬先生有條件地同意出售其於蕪湖雷士5%股權，代價為人民幣45,000千元（統稱「建議收購」）。蕪湖雷士為目標公司的附屬公司。建議收購已獲本公司股東於2018年7月18日舉行的股東特別大會上批准。截至2018年6月30日止6個月，已向賣方支付預付款人民幣315,000千元。進一步詳情載於本公司日期為2018年6月30日的通函及日期為2018年3月19日、2018年5月23日及2018年7月18日的公告。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明合併財務報表附註

25. Events after the Reporting Period And Significant Event during the Period under Review (continued)

- (b) On 9 August 2018, the Company received a conversion notice from bondholder of the Convertible Bonds in relation to the exercise of conversion rights attached to such Convertible Bonds in full, and accordingly, 649,350,649 conversion shares were allotted to bondholder on 13 August 2018 pursuant to the terms and conditions of the Convertible Bonds. Further details are set out in the Company's announcement dated 13 August 2018.
- (c) Pursuant to a legally binding heads of agreement (the "Heads of Agreement") between the Company and Jadestone China High-technology Industry Investment Fund LP ("Jadestone") dated 25 April 2018, the Company intended to acquire, and Jadestone intended to sell, 100% equity interest in Elec-Tech Solid State Lighting (HK) Limited at a cash consideration of RMB900,000,000, subject to adjustments as stipulated in the Heads of Agreement. The Heads of Agreement contains the basic terms and conditions agreed upon by the parties in respect of the acquisition and it will be subject to the signing of a definitive acquisition agreement between the parties (the "Formal Share Purchase Agreement").

During the six months ended 30 June 2018, an advance payment of RMB200,000,000 has been made to the seller. The Formal Share Purchase Agreement has not been entered into and the acquisition has not been completed as of the date of approval of the interim condensed consolidated financial statements. Further details are set out in the Company's announcements dated 25 April 2018.

25. 報告期後事項及回顧期內的重重大事件 (續)

- (b) 於2018年8月9日，本公司接獲可換股債券持有人全面行使可換股債券附帶之換股權的轉換通知。據此，649,350,649股換股股份已於2018年8月13日根據可換股債券之條款及條件配發予債券持有人。進一步詳情載於本公司日期為2018年8月13日的公告。
- (c) 根據本公司與Jadestone China High-technology Industry Investment Fund LP (「Jadestone」) 於2018年4月25日簽訂的具有法律約束力的協議綱領 (「協議綱領」)，本公司擬收購，Jadestone擬出售怡達 (香港) 光電科技有限公司100%的股權，現金代價為人民幣900,000千元，可根據協議綱領做出調整。協議綱領包含雙方就收購達成一致的基本條款和條件，須遵守雙方簽署最終收購協定 (「正式購股協議」)。

截至2018年6月30日止6個月內，已向賣方預付人民幣200,000千元。於本中期簡明合併財務報表批准之日，正式股份收購協議尚未簽訂，收購也尚未完成。進一步詳情載於本公司日期為2018年4月25日的公告。

Notes to the Interim Condensed Consolidated Financial Statements 中期簡明合併財務報表附註

26. Approval of the Interim Condensed Consolidated Financial Statements

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors of the Company on 24 August 2018.

26. 批准中期簡明合併財務報表

未經審核中期簡明合併財務報表已於2018年8月24日經本公司董事會批准及授權發行。

Definitions

釋義

In this report, unless the context otherwise requires, the following words and expressions shall have the following meanings. 在本報告中，除文意另有所指外，下列詞彙及用語具有以下涵義。

“Board” 「董事會」	the board of Directors of the Company. 本公司董事會。
“BRL” 「巴幣」	Brazilian Real, the lawful currency of the Federative Republic of Brazil. 巴西雷亞爾，巴西的法定貨幣。
“China” or “PRC” 「中國」	the People’s Republic of China, but for the purpose of this report and for geographical reference only and except where the context requires, references in this report to “China” and the “PRC” do not apply to Taiwan, the Macau Special Administrative Region and the Hong Kong Special Administrative Region. 中華人民共和國，但僅就本報告及地理參考而言，除文意另有所指外，本報告中凡提述「中國」之處均不包括台灣、澳門特別行政區及香港特別行政區。
“Code” 「守則」	the Corporate Governance Code and the Corporate Governance Report as set out in the Appendix 14 to the Listing Rules. 上市規則附錄十四之《企業管治守則》及《企業管治報告》。
“Company” or “our Company” 「本公司」	NVC Lighting Holding Limited (雷士照明控股有限公司), a company incorporated in the British Virgin Islands on 2 March 2006 and subsequently redomiciled to the Cayman Islands on 30 March 2010 as an exempted company with limited liability under the laws of the Cayman Islands. The shares of the Company are listed on the main board of the Stock Exchange. 雷士照明控股有限公司，一家於2006年3月2日在英屬維爾京群島註冊成立，隨後於2010年3月30日將註冊地遷至開曼群島之公司，並根據開曼群島法例註冊為一家獲豁免有限公司，其股份於聯交所主板上市。
“Convertible Bonds” 「可換股債券」	the convertible bonds denominated in Hong Kong dollar in an aggregate principal amount of HKD500,000,000 issued on 7 June 2016 by the Company. 本公司於2016年6月7日發行之本金額合共500,000,000港元以港元計值的可換股債券。
“Corresponding Period” 「同期」	means the six months ended 30 June 2017 (as the context may require). 截至2017年6月30日止6個月（視乎文義而定）。

Definitions

釋義

“Director(s)” 「董事」	the director(s) of the Company. 本公司董事。
“ETIC” 「德豪潤達」	Elec-Tech International Co., Ltd.* (廣東德豪潤達電氣股份有限公司), a PRC incorporated company which is currently listed on the Shenzhen Stock Exchange. It is a substantial shareholder of the Company. 廣東德豪潤達電氣股份有限公司，一家在中國註冊成立的公司，目前在深圳證券交易所上市，是本公司的一個主要股東。
“En Wei Xi” 「恩緯西」	Chongqing En Wei Xi Industrial Development Co., Ltd.* (重慶恩緯西實業發展有限公司), a limited liability company incorporated in the PRC and owned as to 40% by Mr. WU Xianming, Mr. WU Changjiang’s father-in-law. 重慶恩緯西實業發展有限公司，一家在中國註冊成立並且其中40%的股權由吳長江先生的岳父吳憲明先生擁有的有限公司。
“Group” 「本集團」	our Company and its subsidiaries. 本公司及其附屬公司。
“GBP” 「英鎊」	Great Britain Sterling Pound, the lawful currency of the United Kingdom. 英鎊，英國法定貨幣。
“HK\$” 「港元」	Hong Kong dollars, the lawful currency of Hong Kong. 港元，香港法定貨幣。
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of People Republic of China. 中華人民共和國香港特別行政區。
“Huizhou NVC” 「惠州雷士」	Huizhou NVC Lighting Technology Co., Ltd.* (惠州雷士光電科技有限公司), a wholly foreign-owned enterprise with limited liability incorporated in the PRC on 29 April 2006 and our direct wholly-owned subsidiary. 惠州雷士光電科技有限公司，一家於2006年4月29日在中國註冊成立的外商獨資有限責任公司，是我們的直接全資附屬公司。
“HID” 「HID」	High intensity discharge. 高強度放電。
“LED” 「LED」	Light-emitting diode. 發光二極管。
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. 《香港聯合交易所有限公司證券上市規則》。

Definitions

釋義

“Model Code” 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. 上市規則附錄十之《上市發行人董事進行證券交易的標準守則》。
“ODM” 「ODM」	Original Design Manufacturing, a type of manufacturing under which the manufacturer is responsible for the design and production of the products and the products are marketed and sold under the customer's brand name. 原設計製造，根據此種製造，製造商負責產品的設計和生產，而產品則以客戶品牌營銷和銷售。
“Period under Review” 「回顧期」	the six months ended 30 June 2018. 截至2018年6月30日止6個月。
“RMB” 「人民幣」	Renminbi, the lawful currency of the PRC. 人民幣，中國法定貨幣。
“SFO” 「《證券及期貨條例》」	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). 《證券及期貨條例》(香港法例第571章)。
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited. 香港聯合交易所有限公司。
“USA” or “US” 「美國」	the United States of America, its territories, its possessions and all was subject to its jurisdiction. 美利堅合眾國，其領土、屬地及其管轄的所有地區。
“US\$” 「美元」	United States dollars, the lawful currency of the United States. 美元，美國法定貨幣。
“UK NVC” 「英國雷士」	NVC Lighting Limited (formerly known as NVC (Manufacturing) Limited), a private company incorporated in England and Wales on 31 May 2007, and our direct wholly-owned subsidiary. NVC Lighting Limited (原名為NVC (Manufacturing) Limited)，一家於2007年5月31日在英格蘭及威爾士註冊成立的私人公司，是我們的直接全資附屬公司。
“we”, “us” or “our” 「我們」	our Company or our Group (as the context may require). 本公司或本集團(視乎文義而定)。

Definitions

釋義

“Wu Ji”	Chongqing Wu Ji Real Estate Development Co., Ltd. * (重慶無極房地產開發有限公司), a limited liability company incorporated in the PRC which may potentially be associated with Mr. WU Changjiang.
「無極」	重慶無極房地產開發有限公司，一家在中國註冊成立並且可能與吳長江先生相關聯的有限公司。
“Wuhu NVC”	Wuhu NVC Lighting E-Commerce Limited* (蕪湖雷士照明電子商務有限公司), a company incorporated in the PRC with limited liability and an indirect subsidiary of Blue Light (HK) Trading Co., Limited.
「蕪湖雷士」	蕪湖雷士照明電子商務有限公司，一家於中國註冊成立的有限責任公司，為香港蔚藍芯光貿易有限公司的間接附屬公司。

* Denotes English translation of the name of a Chinese company or entity and is provided for identification purposes only.

NVC 雷士照明

雷士照明控股有限公司

NVC LIGHTING HOLDING LIMITED

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