



E Lighting Group

## **E Lighting Group Holdings Limited**

**壹照明集團控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**Stock Code : 8222**

### **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015**

#### **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This announcement, for which the directors (the “Directors”) of E Lighting Group Holdings Limited (the “Company” or “E Lighting”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## **FINANCIAL HIGHLIGHTS**

For the six months ended 30 September 2015:

- Turnover was approximately HK\$59,507,000, representing an increase of approximately 50.9% as compared with that of the preceding period. The increase was mainly contributed by the expansion of new stores and the acquisition of business in tableware and giftware during the current financial year.
- The Group turned around to a profit and recorded a profit of approximately HK\$7,246,000 during the six months ended 30 September 2015, against the loss recorded for the corresponding period of 2014.
- Basic earnings per share was approximately HK1.77 cents for the six months ended 30 September 2015 (six months ended 30 September 2014 : Basic loss per share of approximately HK1.66 cents).
- The board of Directors does not recommend the payment of any dividend for the six months ended 30 September 2015 (six months ended 30 September 2014: Nil).

## INTERIM RESULTS

The board of Directors (the “Board”) of the Company announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2015 (the “Reporting Period”), together with the comparative unaudited figures for the previous corresponding period in 2014 as follows:

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Three months ended 30 September		Six months ended 30 September	
		2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Turnover	4	<b>34,286</b>	21,376	<b>59,507</b>	39,447
Cost of sales		<b>(18,861)</b>	(8,973)	<b>(30,611)</b>	(16,204)
<b>Gross Profit</b>		<b>15,425</b>	12,403	<b>28,896</b>	23,243
Other income and gain	5	<b>6,204</b>	-	<b>6,811</b>	-
Selling and distribution expenses		<b>(11,023)</b>	(8,030)	<b>(21,196)</b>	(15,599)
Administrative and other expenses		<b>(3,992)</b>	(9,839)	<b>(7,091)</b>	(12,124)
Finance costs	6	<b>(15)</b>	-	<b>(23)</b>	-
<b>Profit/(Loss) before tax</b>	6	<b>6,599</b>	(5,466)	<b>7,397</b>	(4,480)
Income tax expense	8	<b>(118)</b>	(388)	<b>(151)</b>	(556)
<b>Profit/(Loss) and total comprehensive income for the period attributable to the owners of the Company</b>		<b>6,481</b>	(5,854)	<b>7,246</b>	(5,036)
<b>Earnings/(Loss) per share</b>	10				
- Basic (HK cents)		<b>1.56</b>	(1.92)	<b>1.77</b>	(1.66)
- Diluted (HK cents)		<b>1.29</b>	(1.92)	<b>1.03</b>	(1.66)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 September 2015 HK\$'000 (Unaudited)	As at 31 March 2015 HK\$'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	11	3,508	3,482
Intangible assets	12	10,193	-
Goodwill		33,971	-
Rental deposits		4,888	4,935
Deferred tax assets		258	295
Total non-current assets		52,818	8,712
<b>Current assets</b>			
Inventories	13	24,836	22,361
Trade and other receivables	14	11,271	6,493
Tax recoverable		1,101	1,101
Cash and bank balances		20,451	22,153
Total current assets		57,659	52,108
<b>Current liabilities</b>			
Trade and other payables	15	11,353	6,781
Amount due to a controlling shareholder	16	-	1,242
Other financial liabilities	17	7,465	-
Current tax liabilities		385	59
Total current liabilities		19,203	8,082
<b>Net current assets</b>		38,456	44,026
<b>Total assets less current liabilities</b>		91,274	52,738
<b>Non-current liabilities</b>			
Deferred tax liabilities		1,682	-
Other financial liabilities	17	15,369	-
Total non-current liabilities		17,051	-
<b>NET ASSETS</b>		74,223	52,738
<b>EQUITY</b>			
Share capital	18	4,153	4,000
Reserves		70,070	48,738
<b>TOTAL EQUITY</b>		74,223	52,738

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Convertible bonds equity reserve HK\$'000	Retained earnings HK\$'000	Total equity HK\$'000
As at 1 April 2014 (audited)		2	-	-	-	21,099	21,101
Issue of shares during reorganisation	18(a)	*-	-	-	-	-	*-
Elimination of share capital upon reorganisation		(2)	-	2	-	-	-
Issue of shares upon placing	18(b)	1,000	49,000	-	-	-	50,000
Issue of shares by capitalisation of share premium account	18(c)	3,000	(3,000)	-	-	-	-
Expenses incurred in connection with the issue of shares upon placing		-	(5,666)	-	-	-	(5,666)
Loss and total comprehensive income for the period		-	-	-	-	(5,036)	(5,036)
As at 30 September 2014 (unaudited)		<u>4,000</u>	<u>40,334</u>	<u>2</u>	<u>-</u>	<u>16,063</u>	<u>60,399</u>
<b>As at 1 April 2015 (audited)</b>		<b>4,000</b>	<b>40,334</b>	<b>2</b>	<b>-</b>	<b>8,402</b>	<b>52,738</b>
Issue of convertible bonds	17(a)	-	-	-	13,991	-	13,991
Issue of shares upon conversion of convertible bonds	18(d)	153	14,086	-	(13,991)	-	248
Profit and total comprehensive income for the period		-	-	-	-	7,246	7,246
As at 30 September 2015 (unaudited)		<u>4,153</u>	<u>54,420</u>	<u>2</u>	<u>-</u>	<u>15,648</u>	<u>74,223</u>

\* Represents amount less than HK\$1,000

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 29 November 2013 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is 4th Floor, Harbour Place, 103 South Church Street, George Town, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands and its principal place of business in Hong Kong is 26/F, Tiffan Tower, 199 Wanchai Road, Wanchai, Hong Kong. The Company's issued shares have been listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited ("Stock Exchange") since 29 September 2014 (the "Listing").

Pursuant to a reorganisation of the Company and its subsidiaries now comprising the Group to rationalise the Group's structure in preparation for the Listing, the Company became the holding company of the Group as set out in the paragraph headed "Reorganisation" of the section headed "History, Reorganisation and Corporate Structure" of the prospectus of the Company dated 22 September 2014 ("Prospectus").

The Company's principal activity is investment holding while the Group is principally engaged in retail chain business in lighting, designer label furniture and household products in Hong Kong and wholesale of tableware and giftware worldwide.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2015 have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of the GEM Listing Rules.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value. The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those used in the annual financial statements of the Group for the year ended 31 March 2015 as set out in the 2015 Annual Report of the Company, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"). The unaudited condensed consolidated financial statements should be read in conjunction with the annual financial statements of the Group for the year ended 31 March 2015.

In the current period, the HKICPA has issued a number of new and revised HKFRSs and interpretations that are first effective for the current accounting period of the Group. The Group has adopted all these new and revised HKFRSs and interpretations that are relevant to its operation. The adoption of these new and revised HKFRSs had no significant effects on the results of the Group for the current and prior periods.

The Group has not yet applied the new and revised HKFRSs that have been issued but not yet effective. The Group is in the process of assessing, where applicable, the potential impact of these new and revised HKFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRSs would have a material impact to the Group's results of operation.

## 2. BASIS OF PREPARATION (Continued)

The preparation of the unaudited condensed consolidated financial statements in conformity with the HKFRSs requires the use of certain critical accounting estimates. It also requires the management to exercise their judgments in the process of applying the Group's accounting policies.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company.

The unaudited condensed consolidated financial statements have been reviewed by the Company's audit committee.

## 3. SEGMENT INFORMATION

### (a) Business segment

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. The Group principally operates in one business segment, which is the sale of lighting and household products.

### (b) Geographic information

Since the Group solely operates business in Hong Kong and all of the non-current assets of the Group are located in Hong Kong, no geographical segment information is presented in accordance with HKFRS 8 "Operating Segments".

## 4. TURNOVER

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Sales of goods	<u>34,286</u>	<u>21,376</u>	<u>59,507</u>	<u>39,447</u>

## 5. OTHER INCOME AND GAIN

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Bank interest income	12	-	31	-
Gain on change in fair value of financial liabilities at fair value through profit or loss (note 17(b))	<u>6,192</u>	<u>-</u>	<u>6,780</u>	<u>-</u>
	<u>6,204</u>	<u>-</u>	<u>6,811</u>	<u>-</u>

## 6. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax is arrived at after charging:

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Auditor's remuneration	190	153	410	305
Costs of inventories recognised as expenses	17,613	8,298	28,580	14,870
Depreciation of property, plant and equipment	467	306	908	605
Amortisation of intangible assets	329	-	329	-
Lease payments under operating leases:				
Minimum lease payments	6,501	5,209	13,220	10,153
Contingent rent	303	176	410	262
Listing expenses (including professional fees and other expenses)	-	7,747	-	8,047
Staff costs (note 7)	5,006	3,504	8,906	6,868
Finance costs - interest on convertible bonds	15	-	23	-
	190	153	410	305

## 7. STAFF COSTS

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Employee costs (including directors) comprise:				
Salaries and other benefits	4,777	3,357	8,509	6,585
Contributions to retirement benefits schemes	229	147	397	283
	5,006	3,504	8,906	6,868



## 8. INCOME TAX EXPENSE

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Current tax :				
Hong Kong Profits Tax	154	291	168	441
Deferred tax	<u>(36)</u>	<u>97</u>	<u>(17)</u>	<u>115</u>
Income tax expense	<u>118</u>	<u>388</u>	<u>151</u>	<u>556</u>

Hong Kong Profits Tax has been provided at the rate of 16.5% based on the estimated assessable profits for each reporting period.

## 9. DIVIDEND

The Board does not recommend payment of any dividend for the six months ended 30 September 2015 (for the six months ended 30 September 2014: Nil).

## 10. EARNINGS/(LOSS) PER SHARE

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

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
<b>Earnings:</b>				
Profit/(Loss) for the period for the purpose of calculating basic earnings/(loss) per share	6,481	(5,854)	7,246	(5,036)
Gain on change in fair value of financial liabilities at fair value through profit or loss	<u>(1,058)</u>	<u>-</u>	<u>(2,880)</u>	<u>-</u>
Adjusted profit for the purpose of calculating diluted earnings/(loss) per share	<u>5,423</u>	<u>(5,854)</u>	<u>4,366</u>	<u>(5,036)</u>

## 10. EARNINGS/(LOSS) PER SHARE (Continued)

	Three months ended 30 September		Six months ended 30 September	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
<b>Number of shares:</b>				
Weighted average number of shares for the purpose of calculating basic earnings/(loss) per share	<b>415,310,714</b>	305,435,000	<b>409,956,147</b>	302,732,000
Contingent consideration payables	<b><u>6,102,410</u></b>	<u>-</u>	<b><u>15,174,004</u></b>	<u>-</u>
Adjusted weighted average number of shares for the purpose of calculating diluted earnings/(loss) per share	<b><u>421,413,124</u></b>	<u>305,435,000</u>	<b><u>425,130,151</u></b>	<u>302,732,000</u>

Basic earnings/(loss) per share was calculated by dividing the profit/(loss) attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings/(loss) per share for the six months ended 30 September 2015 was calculated by adjusting the earnings/(loss) and weighted average number of shares to assume dilutive potential ordinary shares from contingent consideration payables at the end of each reporting period.

The weighted average number of shares for the purpose of calculating basic and diluted earnings/(loss) per share for the six months ended 30 September 2014 has been retrospectively adjusted for the issue of shares during the reorganisation and capitalisation issue as disclosed in the paragraphs headed "Reorganisation" of the section headed "History, Reorganisation and Corporate Structure" of the Prospectus as if the shares had been in issue throughout the entire reporting periods. As there were no dilutive potential ordinary shares for the six months ended 30 September 2014, the diluted earnings/(loss) per share is the same as basic earnings/(loss) per share.

## 11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2015, the Group acquired property, plant and equipment of approximately HK\$870,000 (six months ended 30 September 2014: approximately HK\$437,000).

## 12. INTANGIBLE ASSETS

As at 30 September 2015, the Group had intangible assets, represents customer and supplier relationship, with finite useful lives arising from the Acquisition (note 19).

## 13. INVENTORIES

	<b>As at 30 September 2015 HK\$'000 (Unaudited)</b>	<b>As at 31 March 2015 HK\$'000 (Audited)</b>
Merchandise	24,213	21,104
Goods in transit	623	1,257
	<u>24,836</u>	<u>22,361</u>

## 14. TRADE AND OTHER RECEIVABLES

	<b>As at 30 September 2015 HK\$'000 (Unaudited)</b>	<b>As at 31 March 2015 HK\$'000 (Audited)</b>
Trade receivables	6,338	683
Deposits and other receivables	8,565	8,317
Prepayments	1,256	2,428
Total	16,159	11,428
Less: non-current – rental deposits	(4,888)	(4,935)
	<u>11,271</u>	<u>6,493</u>

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

The credit period on sales of goods is 15 to 45 days from invoice date. Aging analysis of the trade receivables at the respective reporting date are as follows:

	<b>As at 30 September 2015 HK\$'000 (Unaudited)</b>	<b>As at 31 March 2015 HK\$'000 (Audited)</b>
Within 30 days	3,860	428
31 to 90 days	833	189
91 to 180 days	1,498	41
Over 180 days	147	25
	<u>6,338</u>	<u>683</u>

#### 15. TRADE AND OTHER PAYABLES

	<b>As at 30 September 2015 HK\$'000 (Unaudited)</b>	<b>As at 31 March 2015 HK\$'000 (Audited)</b>
Trade payables	5,880	2,750
Receipt in advance	1,450	1,215
Accruals and other payables	4,023	2,816
	<u>11,353</u>	<u>6,781</u>

Trade payables are non-interest bearing. The Group is normally granted credit terms ranging from 30 to 180 days. Aging analysis of the trade payables at the respective reporting date are as follows:

	<b>As at 30 September 2015 HK\$'000 (Unaudited)</b>	<b>As at 31 March 2015 HK\$'000 (Audited)</b>
Within 30 days	2,941	1,341
31 to 60 days	976	283
61 to 90 days	763	862
Over 90 days	1,200	264
	<u>5,880</u>	<u>2,750</u>

#### 16. AMOUNT DUE TO A CONTROLLING SHAREHOLDER

The amount due to a controlling shareholder is unsecured, interest free and repayable on demand.

## 17. OTHER FINANCIAL LIABILITIES

On 13 May 2015, the Group entered into a sales and purchase agreement with a vendor (the “Vendor”) to acquire 100% equity interest of Top Investor Global Limited and its subsidiaries (together collectively referred as “Trendmall Group”) (the “Acquisition”). The Acquisition was completed on 4 June 2015 (the “Acquisition Date”) (note 19).

The considerations of the Acquisition were to be satisfied by the issue of convertible bonds of the Company with a principal amount of HK\$35,725,000 (the “Considerations” or “Convertible Bonds”). The aggregate sum of HK\$10,717,500 of Convertible Bonds (“Convertible Bonds I”) were issued by the Company to the Vendor upon completion of the Acquisition on the Acquisition Date. The aggregate sum of HK\$25,007,500 of Convertible Bonds (“Convertible Bonds II”) shall be issued by the Company to the Vendor in two batches, upon fulfillment of the profit guarantee of the Trendmall Group. The total audited consolidated net profit after tax of the Trendmall Group for the two years ending 31 December 2016 shall not be less than HK\$3,200,000 (the “Profit Guarantee”). For details of the terms of the Acquisitions, please refer to the Company’s announcements made on 13 May 2015, 21 May 2015 and 4 June 2015.

The valuation of the fair value of Considerations was not finalised and hence the initial accounting of the Considerations was incomplete by the date of this announcement. Therefore, the amounts of Consideration below were recognised on a provisional basis.

	<b>Fair value recognised on Acquisition Date HK\$’000</b>
<b>Considerations</b>	
Convertible bonds I (note a)	
- liability component	248
- equity component	13,991
	<hr/> 14,239
Convertible bonds II (note b)	
- contingent consideration payables	29,614
	<hr/> 43,853
Total Consideration (note 19)	<hr/> <hr/> 43,853

## 17. OTHER FINANCIAL LIABILITIES (Continued)

Notes:

(a) Convertible Bonds I

On 4 June 2015, the Company issued Convertible Bonds I with an aggregate principal amount of HK\$10,717,500 upon the completion of Acquisition.

The Convertible Bonds I form part of the Convertible Bonds, which are denominated in Hong Kong dollars, carried interest at the rate of 1% per annum and will be mature three years from the date of issue.

The Convertible Bonds holders are entitled to convert the Convertible Bonds into ordinary shares of the Company at an initial conversion price of HK\$0.7 per conversion share (subject to the normal adjustments pursuant to the terms and conditions of the convertible bonds) at any time during the period commencing from the date of issuance of the Convertible Bonds to the maturity date of three years term. On maturity date, any Convertible Bonds not being redeemed or converted shall be automatically converted into conversion shares at the conversion price subject to compliance with the GEM Listing Rules.

The fair values of the liability component and the equity conversion component were determined at the issuance of the Convertible Bonds I.

Movements during the period are as follows:

	<b>As at 30 September 2015 HK\$'000 (Unaudited)</b>	<b>As at 31 March 2015 HK\$'000 (Audited)</b>
<b>Convertible Bonds I:</b>		
At beginning of the period	-	-
Issuance of Convertible Bonds I	<b>14,239</b>	-
Fair value of equity component	<b>(13,991)</b>	-
	<hr/>	<hr/>
Fair value of liability component at date of issue	<b>248</b>	-
Converted during the period (note i)	<b>(248)</b>	-
	<hr/>	<hr/>
At end of the period	<b>-</b>	<b>-</b>

Note i: During the Reporting Period, all Convertible Bonds I with an aggregate principal amounts of HK\$10,717,500 were converted into 15,310,714 ordinary shares of HK\$0.01 each at the conversion price of HK\$0.70 per share.

## 17. OTHER FINANCIAL LIABILITIES (Continued)

### (b) Convertible Bonds II:

The Convertible Bonds II with an aggregate principal amount of HK\$25,007,500 shall be issued by the Company in two batches. The first batch of Convertible Bonds II shall be issued by the Company after determination of the audited results of the Trendmall Group for the financial year ending 31 December 2015 based on the Profit Guarantee and adjustment to the Consideration formula. The second batch of Convertible Bonds II shall be payable and issued by the Company after determination of the results of the Trendmall Group for the financial year ending 31 December 2016 based on the Profit Guarantee and adjustment to the Consideration formula. For details of the Profit Guarantee and adjustment to the Consideration formula, please refer to the Company's announcements dated 13 May 2015.

As the issuance of Convertible Bonds II is subject to the Profit Guarantee, the directors of the Company consider that the contingent consideration payables is accounted for as financial liabilities at fair value through profit or loss and carried at fair value at the end of each reporting period, with resulting gain or loss recognised in profit or loss.

Movements during the period are as follows:

	<b>As at 30 September 2015 HK\$'000 (Unaudited)</b>	<b>As at 31 March 2015 HK\$'000 (Audited)</b>
<b>Convertible Bonds II - Contingent consideration payables:</b>		
At beginning of the period	-	-
Additions from acquisition of subsidiaries	<b>29,614</b>	-
Change in fair value	<b>(6,780)</b>	-
At end of the period	<b>22,834</b>	-
Represents:		
Non-current	<b>15,369</b>	-
Current	<b>7,465</b>	-
At end of the period	<b>22,834</b>	-
Gain on change in fair value of financial liabilities at fair value through profit or loss (note 5)	<b>6,780</b>	-

## 17. OTHER FINANCIAL LIABILITIES (Continued)

### (c) Fair value

At the date of issue and end of reporting period, the fair values of the Convertible Bonds I and contingent consideration payables were estimated by an independent appraiser using binomial tree model with key input such as share price, expected number of shares to be issued on conversion of the bonds, risk-free rates, expected dividend yield and annualised volatility.

However, the valuation was not finalised and hence the initial accounting for the Convertible Bonds I and contingent consideration payables was incomplete by the date of this announcement. Therefore, the amounts were on a provisional basis.

## 18. SHARE CAPITAL

	Notes	Number of ordinary shares	Nominal value of ordinary shares HK\$'000
<b>Authorised:</b>			
Ordinary shares of HK\$0.01 each as at 31 March 2015 and 30 September 2015		<b>1,000,000,000</b>	<b>10,000</b>
<b>Issued and fully paid:</b>			
As at 1 April 2014		<b>1</b>	<b>*-</b>
Issue of shares during reorganisation	(a)	<b>999</b>	<b>*-</b>
Issue of shares upon placing	(b)	<b>100,000,000</b>	<b>1,000</b>
Issue of shares by capitalisation of share premium account	(c)	<b>299,999,000</b>	<b>3,000</b>
As at 31 March 2015		<b>400,000,000</b>	<b>4,000</b>
Issue of shares upon conversion of convertible bonds	(e)	<b>15,310,714</b>	<b>153</b>
As at 30 September 2015		<b>415,310,714</b>	<b>4,153</b>

\* Represents amount less than HK\$1,000

- (a) On 8 September 2014, the Company allotted and issued 999 shares, credited as fully paid ordinary shares.
- (b) On 26 September 2014, the Company issued 100,000,000 new shares with nominal value of HK\$0.01 each for the placing at the offer price of HK\$0.50 each.
- (c) Pursuant to a written resolution by the shareholders on 11 September 2014, the directors were authorised to allot and issue a total of 299,999,000 shares by way of capitalisation of the sum of HK\$2,999,990 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 299,999,000 shares for allotment and issue to the then shareholders in proportion to their respectively shareholdings.
- (d) During the Reporting Period, convertible bonds of the Company with an aggregate principal amount of HK\$10,717,500 were converted into 15,310,714 ordinary shares of HK\$0.01 each at the conversion price of HK\$0.7 per share (note 17).

All new shares issued rank pari passu in all respects with the then existing shares.



## 19. BUSINESS COMBINATION – ACQUISITION OF SUBSIDIARIES

On 13 May 2015, the Group entered into a sales and purchase agreement with a vendor to acquire 100% equity interests of Trendmall Group. The consideration will be satisfied by the issue of convertible bonds of the Company with a principal amount of HK\$35,725,000. The consideration is subject to the Profit Guarantee. The Acquisition was completed on 4 June 2015.

The fair values of the identifiable assets and liabilities of the Trendmall Group as at the Acquisition Date were as follows:

	<b>Fair value recognised on Acquisition Date HK\$'000</b>
Property, plant and equipment	64
Intangible assets*	10,522
Inventories	124
Trade and other receivables	3,466
Cash and cash equivalents	328
Trade and other payables	(2,728)
Current tax liabilities	(158)
Deferred tax liabilities	(1,736)
Total identifiable net assets at fair value	9,882
Goodwill on acquisition*	33,971
Total consideration	43,853
<b>Satisfied by:</b>	
Convertible bonds issued*	14,239
Contingent consideration payables*	29,614
Total consideration transferred at fair value	43,853
Net cash inflow arising on Acquisition	
Cash consideration paid	-
Less: Cash and cash equivalents acquired	328
	328

\* provisional amount

The intangible assets represent customer and supplier relationship, being a network of customers and suppliers which have done business with Trendmall Group.

The amount of goodwill arising as a result of the acquisition was HK\$33,971,000. Trendmall Group, which is principally engaged in wholesale of tableware and giftware worldwide and a retail business of tableware and giftware in Hong Kong, was acquired so as to diversify the business and revenue stream of the Group.

## 19. BUSINESS COMBINATION – ACQUISITION OF SUBSIDIARIES (Continued)

Since the acquisition date to 30 September 2015, the acquired business contributed HK\$11,567,000 to revenue and HK\$719,000 of profit to the consolidated comprehensive income of the Group.

Had the combination taken place at the beginning of the Reporting Period, the revenue of the Group and the profit of the Group for the Reporting Period would have been approximately HK\$66,632,000 and approximately HK\$7,536,000, respectively. The pro forma information is for illustrative purpose only.

The Group engaged an independent appraiser to assist with the identification and determination of fair values to be assigned to the assets and liabilities of the subsidiaries, and determination of fair value of the convertible bonds. However, the valuation was not finalised and hence the initial accounting for the business combination of the subsidiaries was incomplete by the date of this announcement. Therefore, the amounts recognised were on a provisional basis.

## 20. OPERATING LEASE ARRANGEMENTS

### As lessee

The Group leases various offices, retail shops and warehouses under non-cancellable lease agreements. The lease agreements are between one and three years, and majority of lease arrangements are renewable at the end of the lease period with either pre-set increment rate or market rate to be agreed with landlords.

The operating leases of certain retail shops also call for additional rentals, which will be based on a certain percentage of revenue of the operation being undertaken therein pursuant to the terms and conditions as stipulated in the respective rental agreements. As the future revenue of these retail shops could not be accurately determined as at the end of each reporting period, the relevant contingent rentals have not been included.

The future aggregate minimum lease payments under non-cancellable operating leases in respect of offices, retail shops and warehouses are as follows:

	<b>As at 30 September 2015 HK\$'000 (Unaudited)</b>	<b>As at 31 March 2015 HK\$'000 (Audited)</b>
Not later than one year	<b>23,181</b>	18,448
Later than one year and not later than five years	<b>14,491</b>	13,668
	<b><u>37,672</u></b>	<u>32,116</u>

## 21. CONTINGENT LIABILITIES

As at 30 September 2015 and 31 March 2015, the Group did not have any contingent liabilities.

## 22. RELATED PARTY TRANSACTIONS

Other than those balances of related party disclosed elsewhere in the unaudited condensed consolidated financial statements, the Group had the following material transactions with its related parties during the Reporting Periods.

### Compensation of key management personnel

Key management includes directors and senior managements. The compensation paid or payable to key management personnel for employee services is shown below:

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Salaries and other benefits	1,213	1,009	2,287	1,871
Contributions to retirement benefits schemes	36	29	67	53
	<u>1,249</u>	<u>1,038</u>	<u>2,354</u>	<u>1,924</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review and Future Outlook

#### *Business Review*

##### **Retail chain business in lighting and designer label furniture**

Retail chain business in lighting and designer label furniture is the core business of the Group. Being the most well-established retail chain group of lighting products in Hong Kong, E Lighting possesses rich experience in the sale of quality lighting and designer label furniture products from all over the world. During the Reporting Period, E Lighting has opened a new retail shop in Kowloon Bay, which provides superior modern products, and has introduced certain world-renowned brands from Italy and United States. During the Reporting Period, turnover of the retail chain business in lighting and designer label furniture was approximately HK\$47,940,000, representing an increase of approximately 21.5% as compared with that of the preceding period.

##### **Business in tableware and giftware**

In June 2015, the Group successfully acquired a tableware and giftware supplier, Trendmall Group. The acquisition has expanded the Group's existing business portfolio, and broadened its source of income and additional cash flows. Turnover of the business in tableware and giftware from the date of acquisition to 30 September 2015 was approximately HK\$11,567,000, accounted for approximately 19.4% of the Group's turnover.

#### *Future Outlook*

With increasing housing demand and Hong Kong citizens' growing attention to home living, E Lighting is afforded with new opportunities in its various lines of business. With the stepped-up efforts of the Government of the Hong Kong Special Administrative Region to increase housing supply in the next five years, more housing units are expected to be completed.

Looking forward, the Group expects the flourishing residential market in Hong Kong will drive demand for lighting and household products. The Group will strive to maintain a streamlined business operation, while catering for consumers' specific needs and being responsive to market changes. Leveraging the strong support of the capital market, our own strengths, and the global trends of saving energy, protecting the environment and pursuing a higher quality of life, the Group is cautiously confident about its development in the future. We will continue to maintain steady growth and to maximise returns for our investors.

## **Financial Review**

### ***Turnover***

During the Reporting Period, the Group's turnover was approximately HK\$59,507,000, representing an increase of approximately 50.9% from approximately HK\$39,447,000 as compared with that of the preceding period. The increase was mainly contributed by the new stores opened last financial year and current financial year and the acquisition of business in tableware and giftware during the current financial year.

During the Reporting Period, turnover of the retail chain business in lighting and designer label furniture was approximately HK\$47,940,000, representing an increase of approximately 19.4% from approximately HK\$39,447,000 as compared with that of the preceding period.

Turnover of the business in tableware and giftware from the date of acquisition to 30 September 2015 was approximately HK\$11,567,000.

### ***Gross Profit and Gross Margin***

During the Reporting Period, the Group's gross profit was approximately HK\$28,896,000, representing an increase of approximately 24.3% from approximately HK\$23,243,000 as compared with that of the preceding period. The increase was primarily due to increase in sales. During the Reporting Period, The Group's overall gross profit margin was approximately 48.6%.

### ***Selling and Distribution Expenses***

During the Reporting Period, the Group's selling and distribution expenses was approximately HK\$21,196,000, representing an increase of approximately 35.9% from HK\$15,599,000 as compared with that of the preceding period. Selling and distribution expenses primarily consist of rentals for retail outlets and related expenses, staff costs (including salaries and sales commission to salesperson), electronic payment charges and depreciation. The increase was primarily due to increase in rental expenses and staff costs.

### ***Administrative and Other Expenses***

During the Reporting Period, the Group's administrative and other expenses was approximately HK\$7,091,000, representing a decrease of approximately 41.5% from HK\$12,124,000 as compared with that of the preceding period. Administrative and other expenses primarily consist of rentals for office premises and warehousing facilities, staff costs (including salaries to administrative staff and emoluments to directors) and professional expenses. The decrease was primarily due to the net effect of the absence of an one-off listing expenses during the Reporting Period and increase in rental expenses and staff costs.

### ***Profit/(Loss) for the Period***

The Group recorded a profit of approximately HK\$7,246,000 during the Reporting Period (six months ended 30 September 2014 : loss of approximately HK\$5,036,000).

### ***Dividend***

The Board does not recommend the payment of any dividend for the six months ended 30 September 2015 (six months ended 30 September 2014 : Nil).

### ***Significant Investments held, Material Acquisitions and Disposals of Subsidiaries, and Future Plans for Material Investments or Capital Assets***

Save for those disclosed in this announcement, there were neither significant investments held as at 30 September 2015 nor material acquisitions and disposals of subsidiaries during the Reporting Period.

## **Liquidity, Financial Resources and Capital Structure**

As at 30 September 2015, the Group's current ratio was approximately 3 times (31 March 2015: 6.4 times). The decrease of current ratio was mainly due to the increase in current liabilities of contingent consideration payables, which was arising from acquisition of subsidiaries.

The Group closely monitors the cash flow position to ensure that the Group has sufficient working capital available to fulfill its operational requirement. The Group takes into account the trade receivables, trade payables, cash and bank balances, administrative and capital expenditures to prepare cash flow forecast to forecast the Group's future liquidity.

The capital of the Group comprises only ordinary shares. As at 30 September 2015, the Company's total number of issued shares was 415,310,714 (31 March 2015: 400,000,000). On 4 June 2015, the Company issued convertible bonds with an aggregate principal amount of HK\$10,717,500 as part of consideration for the acquisition of subsidiaries (note 19). During the Reporting Period, convertible bonds with an aggregate principal amounts of HK\$10,717,500 were converted into 15,310,714 ordinary shares of HK\$0.01 each at the conversion price of HK\$0.70 per share.

## **Gearing Ratio**

The gearing ratio of the Group, calculated as total bank borrowings over total equity, was nil as at 30 September 2015 (31 March 2015: Nil), as the Group financed the operations from internally generated funds and did not raise any external debt financing during the Reporting Period.

## **Contingent Liabilities**

As at 30 September 2015, the Group did not have any material contingent liabilities (31 March 2015: Nil).

## **Foreign Currency Risk**

The Group undertakes certain purchase transactions denominated in Hong Kong dollar, Euro, United States dollar and Renminbi, hence exposure to exchange rate fluctuations arises. We are mainly exposed to foreign exchange fluctuation of the Euro and Renminbi against Hong Kong dollar, as Hong Kong dollar is pegged to United States dollar. The Group currently does not have a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises. The Directors are of the view that the transactional exposure of the Group in currencies other than the functional currencies is maintained at an acceptable level.

## **Charges on Group Assets**

As at 30 September 2015, there is no charges on the Group's assets (31 March 2015: Nil).

## **Segment Information**

The Group principally operates in one business segment, which is the sale of lighting and household products.

## **Capital Commitments**

As at 30 September 2015, the Group did not have any significant capital commitments (31 March 2015: Nil).

## **Employee Information**

Total remuneration of the Group for the Reporting Period (including (i) Directors' emoluments, (ii) salaries to staff and (iii) MPF contributions) was approximately HK\$8,906,000 (six month ended 30 September 2014: HK\$6,868,000). Such increase was mainly due to the increase in average number of staff during the year and staff salaries. As at 30 September 2015, the Group had 76 employees (31 March 2015: 62 employees).

## Comparison Between Business Objectives with Actual Business Progress

The following is a comparison of the Group's business plan as set out in the Company's prospectus dated 22 September 2014 (the "Prospectus") with actual business progress for the six months ended 30 September 2015.

### Business plan up to 30 September 2015 as set out in the Prospectus

### Actual business progress up to 30 September 2015

#### *Expansion of retail floor area (including LED specialty stores, lighting stores, lighting & furniture combined stores)*

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>- explore and identify new districts suitable for new retail outlets</li><li>- negotiate and incept tenancy agreements to enable the anticipated expansion of floor area by an additional 6,000 sq. ft.</li><li>- renovation and furnishing of new retail outlets</li></ul> | <p>The Group has successfully identified five suitable retail outlets in Shatin, Mongkok, Whampoa, Kowloon Bay and Central, and in the process of exploring and identifying new districts suitable for new retail outlets</p> <p>The Group has incepted tenancy agreements with those five landlords, which will increase the floor areas of over 7,500 sq. ft. in aggregate</p> <p>The five new retail outlets at Shatin, Mongkok, Whampoa, Central and Kowloon Bay, approximately 7,500 sq. ft. floor area in aggregate, were operated</p> |
|---|--|

#### *Marketing and promotion of our own branding of trademarks*

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>- launch media advertising and promotion in newspaper, magazine, etc</li></ul> | <p>The Group has launched advertisement and promotion in newspaper, magazine and banner to promote its own branding of trademarks in the market</p> |
|--|---|

#### *Solicit new incoming brands to expand product range*

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>- probe and explore further new brands of potential</li></ul> | <p>The Group has introduced more than 5 world-renowned brands from Italy, Austria and United States and is in the process of probing and exploring new brands of potential</p> |
|---|--|

#### *Position ourselves to capture LED market*

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>- monitor latest development of policies for replacing Incandescent Light Source with LED</li><li>- expand our Panasonic LED product range</li></ul> | <p>The Group is monitoring the latest development of these policies</p> <p>The Group is negotiating with the supplier to expand the Panasonic LED product range</p> |
|--|---|

#### *Strengthen logistics management*

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>- implement new technological system ware for point-of sale inventory monitoring for new retail outlets</li><li>- explore and identify new suitable warehousing facilities, negotiate and incept tenancy agreement for new warehousing facilities and commence renovation works</li></ul> | <p>The Group is in the process of implementing the new technological system ware</p> <p>The Group has increased approximately 7,000 sq. ft. warehousing facilities</p> <p>The Group is in the process of exploring and identifying new suitable warehousing facilities</p> |
|---|--|

The Directors will constantly evaluate the Group's business objectives and may change or modify plans against the changing market condition to attain sustainable business growth of the Group.

### Use of Proceeds from the Listing

The actual net proceeds from the issue of new shares of the Company under the placing were approximately HK\$33.5 million. We have adjusted the use of proceeds in the same proportion as shown in the Prospectus.

An analysis of the utilisation of the actual net proceeds and the unused amount as at 30 September 2015 is set out below:

<b>Use of proceeds</b>	<b>Net proceeds HK\$'000</b>	<b>Utilised amount as at 30 September 2015 HK\$'000</b>	<b>Unused amount as at 30 September 2015 HK\$'000</b>
a) Expansion of retail floor area by approximately 12,000 sq. ft.	28,740	18,100	10,640
b) Marketing and promotion of our own branding of trademarks	2,138	880	1,258
c) Strengthen logistics management	2,309	250	2,059
d) Working capital and other general corporate purpose	342	332	10
<b>Total</b>	<b>33,529</b>	<b>19,562</b>	<b>13,967</b>

The unused net proceeds have been placed as interest bearing deposits with licensed bank in Hong Kong.

On 7 October 2015, the Directors has reviewed the utilisation of the net proceeds. Having considered the changes in the business environment, the Directors considered that the current number of retail stores is correspondingly sufficient to meet the demand of customers (which has unexpectedly been reduced since the Listing) and resolved that the Group should slow down and reduce the scale of the expansion plan. The Directors considered that the funding requirement of the expansion plan would be reduced and certain of the net proceeds originally intended to be used for the expansion would be reallocated for working capital and other general corporate purpose, in order to improve working capital position and liquidity of the Group, and enhance the Group's capability to capture future business and investment opportunities (if any).



## CORPORATE GOVERNANCE AND OTHER INFORMATION

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

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

### Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporations

As at 30 September 2015, the interests and short positions of the Directors and the chief executive of the Company (the "Chief Executive") in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings") were as follows:

#### *Long positions in ordinary shares of the Company*

<b>Name</b>	<b>Capacity/Nature of interests</b>	<b>Number of securities</b>	<b>Approximate percentage of shareholding</b>
Mr. Hui Kwok Keung Raymond	Interest in controlling corporation	210,000,000 (Note 1)	50.56%
Mr. Hue Kwok Chiu	Interest in controlling corporation	45,000,000 (Note 2)	10.84%
Mr. Chou Hing Yan Stephen ("Mr. Chou")	Interest in controlling corporation	36,000,000 (Note 3)	8.67%

Notes:

- (1) These shares are held by Time Prestige Ventures Limited, a company wholly-owned by Mr. Hui Kwok Keung Raymond.
- (2) These shares are held by Star Adventure Holdings Limited, a company wholly-owned by Mr. Hue Kwok Chiu.
- (3) These shares are held by Time Palace Holdings Limited, a company wholly-owned by Mr. Chou.

Save as disclosed above, as at 30 September 2015, none of the Directors or the Chief Executive had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Required Standard of Dealings.

## **Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company**

As at 30 September 2015, to the best of the knowledge of the Directors and the Chief Executive and based on the public records filed on the website of the Stock Exchange and records kept by the Company, the interests and short positions of the persons or corporations (other than the Directors and the Chief Executive) in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

### ***Long positions in ordinary shares of the Company***

<b>Name</b>	<b>Capacity/Nature of interests</b>	<b>Number of securities</b>	<b>Approximate percentage of shareholding</b>
Time Prestige Ventures Limited	Beneficial Owner	210,000,000	50.56%
Star Adventure Holdings Limited	Beneficial Owner	45,000,000	10.84%
Ms. Ng Hiu Ying (Note 1)	Interest of spouse	45,000,000	10.84%
Time Palace Holdings Limited	Beneficial Owner	36,000,000	8.67%
Ms. Chow Kam Yiu (Note 2)	Interest of spouse	36,000,000	8.67%
Zhang Yong Fang (Note 3)	Beneficial Owner	35,725,000	8.60%

#### Notes:

- (1) Ms. Ng Hiu Ying is the spouse of Mr. Hue Kwok Chiu. Under the SFO, Ms. Ng Hiu Ying is deemed to be interested in the same number of shares in which Mr. Hue Kwok Chiu is interested.
- (2) Ms. Chow Kam Yiu is the spouse of Mr. Chou. Under the SFO, Ms. Chow Kam Yu is deemed to be interested in the same number of shares in which Mr. Chou is interested.
- (3) The 35,725,000 shares that Zhang Yong Fang are interested in represent the underlining shares of the Company of the principal amount of convertible bonds of HK\$25,007,500 to be issued by the Company upon the fulfillment of the profit guarantee as set out in the announcements dated 13 May 2015, 21 May 2015 and 4 June 2015 of the Company at the conversion price of HK\$0.7 per share.

Save as disclosed above, as at 30 September 2015, there was no person or corporation (other than the Directors and the Chief Executive) who had any interests or short positions in the shares or underlying shares were recorded in the register required to be kept by the Company under section 336 of the SFO.

## **Share Option Scheme**

The purpose of the share option scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group (the “Eligible Participant”) and to promote the success of the business of the Group.

The Company conditionally adopted a share option scheme (the “Share Option Scheme”) on 11 September 2014 whereby the Board are authorised, at their absolute discretion and subject to the terms of the Scheme, to grant options to the Eligible Participant to subscribe for the shares of the Company. The Share Option Scheme will be valid and effective for a period of ten years commencing from the date of adoption of the Share Option Scheme.

As at 30 September 2015, the total number of shares available for issue under the Share Option Scheme is 40,000,000 shares, representing 9.63% of the issued shares of the Company. Since the adoption of the Share Option Scheme, no share option has been granted by the Company.

## **Rights to Acquire Shares or Debentures**

At no time during the Reporting Period was the Company, or any of its holding companies or any of its subsidiaries a party to any arrangement to enable the Directors and the Chief Executive (including their spouses and children under 18 years of age) to hold any interests or short positions in the shares, or underlying shares, or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

## **Competing Interests**

As at 30 September 2015, none of the Directors, the substantial shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) has any interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## **Compliance Adviser’s Interests**

As at 30 September 2015, neither Ample Capital Limited, the compliance adviser of the Company, nor any of its Directors, employees or close associates had any interests in the securities of the Company or any other companies of the Group (including options or rights to subscribe for such securities) pursuant to Rule 6A.32 of GEM Listing Rules.

## **Compliance with the Corporate Governance Code**

The Company is committed to achieving high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance its corporate value. The Company’s corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report in Appendix 15 to the GEM Listing Rules (the “CG Code”). To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the Reporting Period.

## **Directors’ Securities Transactions**

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Rules 5.48 to 5.67 of the GEM Listing Rules. No director has dealt in the shares of the Company during the Reporting Period.

### **Audit Committee**

The audit committee of the Company (the “Audit Committee”) was established with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors and is chaired by Mr. Leung Wai Chuen. The other members are Mr. Chung Wai Man and Ms. Yeung Mo Sheung Ann. The primary duties of the Audit Committee are to review and supervise the financial reporting process and the internal control systems of the Group.

The Audit Committee had reviewed the unaudited consolidated results of the Group for the six months ended 30 September 2015 with the management and is of the view that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

### **Changes in Information of Directors**

Subsequent to the date of the annual report of the Company for the year ended 31 March 2015, Mr. Chung Wai Man was appointed as an independent non-executive director of Legend Strategy International Holdings Group Company Limited, a company listed on the main board of the Stock Exchange (Stock Code: 1355), on 25 June 2015. Ms. Yeung Mo Sheung Ann has resigned as an independent non-executive director of Dejin Resources Group Company Limited, a company listed on the main board of the Stock Exchange (Stock Code: 1163), with effect from 12 August 2015.

### **Sufficiency of Public Float**

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float as at the date of this announcement.

## **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

This results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.elighting.asia](http://www.elighting.asia)). The interim report of the Company for the six months ended 30 September 2015 containing all the information required by the GEM Listing Rules will be dispatched to the Company’s shareholders and published on the above websites in due course.

By order of the Board  
**E Lighting Group Holdings Limited**  
壹照明集團控股有限公司  
**Hue Kwok Chiu**  
Chairman

Hong Kong, 12 November 2015

*As at the date of this announcement, the executive Directors are Mr. Hue Kwok Chiu, Mr. Hui Kwok Keung Raymond, Mr. Hui Kwok Wing and Mr. Chou Hing Yan Stephen; the independent non-executive Directors are Mr. Chung Wai Man, Mr. Leung Wai Chuen and Ms. Yeung Mo Sheung Ann.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and will also be published on the Company’s website at [www.elighting.asia](http://www.elighting.asia).*