



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 2014

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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 2014:

- Turnover reached approximately HK\$39,447,000, representing an increase of approximately 3.2% as compared with the same period of previous financial year.
- The Group recorded a loss of approximately HK\$5,036,000 for the six months ended 30 September 2014 (six months ended 30 September 2013 : profit of approximately HK\$2,666,000).
- Loss per share was approximately HK\$1.66 cents for the six months ended 30 September 2014 (six months ended 30 September 2013 : earnings per share of approximately HK\$0.89 cents).
- Excluding the one-off exceptional listing expenses of the Group of approximately HK\$8,047,000 during the six months ended 30 September 2014, the Group's adjusted profit was approximately HK\$3,011,000, adjusted net profit ratio was approximately 7.6% and adjusted earnings per share was approximately HK\$0.99 cents.
- The board of directors does not recommend the payment of interim dividend for the six months ended 30 September 2014 (six months ended 30 September 2013: Nil).
- As at 30 September 2014, current ratio was approximately 4.2 times (31 March 2014: 2.2 times).
- As at 30 September 2014, the Group's cash and bank balances amounted to approximately HK\$48,328,000 (31 March 2014: HK\$4,087,000) and the Group has no bank borrowings (31 March 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 2014, together with the comparative unaudited figures for the previous corresponding period in 2013 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Three months ended 30 September		Six months ended 30 September	
		2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Turnover	4	21,376	19,159	39,447	38,234
Cost of sales		<u>(8,973)</u>	<u>(8,401)</u>	<u>(16,204)</u>	<u>(16,159)</u>
Gross Profit		12,403	10,758	23,243	22,075
Selling and distribution expenses		<u>(8,030)</u>	(7,140)	<u>(15,599)</u>	(14,138)
Administrative and other expenses		<u>(9,839)</u>	<u>(2,550)</u>	<u>(12,124)</u>	<u>(4,503)</u>
Profit/(Loss) before tax	5	(5,466)	1,068	(4,480)	3,434
Income tax expense	7	<u>(388)</u>	<u>(342)</u>	<u>(556)</u>	<u>(768)</u>
Profit/(Loss) and total comprehensive income for the period attributable to the owners of the Company		<u>(5,854)</u>	<u>726</u>	<u>(5,036)</u>	<u>2,666</u>
Earnings/(Loss) per share					
- Basic and diluted (HK cents)	9	<u><u>(1.92)</u></u>	<u><u>0.24</u></u>	<u><u>(1.66)</u></u>	<u><u>0.89</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	1,782	1,950
Rental deposits	12	4,142	4,391
Deferred tax assets		373	488
		6,297	6,829
Current assets			
Inventories	11	17,884	17,516
Trade and other receivables	12	3,890	3,451
Tax recoverable		649	649
Cash and bank balances		48,328	4,087
		70,751	25,703
Current liabilities			
Trade and other payables	13	15,527	7,626
Amount due to a controlling shareholder	14	-	3,124
Current tax liabilities		1,122	681
		16,649	11,431
Net current assets		54,102	14,272
NET ASSETS		60,399	21,101
EQUITY			
Share capital	15	4,000	2
Reserves		56,399	21,099
TOTAL EQUITY		60,399	21,101

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Retained earnings HK\$'000	Total equity HK\$'000
As at 31 March 2013 (audited)		2	-	-	15,242	15,244
Profit and total comprehensive income for the period		-	-	-	2,666	2,666
As at 30 September 2013 (unaudited)		<u>2</u>	<u>-</u>	<u>-</u>	<u>17,908</u>	<u>17,910</u>
As at 31 March 2014 (audited)		2	-	-	21,099	21,101
Issue of shares during reorganisation	15(b)	*-	-	-	-	*-
Elimination of share capital upon reorganisation		(2)	-	2	-	-
Issue of shares by capitalisation of share premium account	15(c)	3,000	(3,000)	-	-	-
Issue of shares upon placing	15(d)	1,000	49,000	-	-	50,000
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>16,063</u>	<u>60,399</u>

* Represents amount less than HK\$1,000

Note:

The other reserve of the Group represents the difference between the nominal value of shares issued by the Company and the aggregate nominal value of the issued share capital of subsidiaries acquired pursuant to a group reorganisation which became effective on 8 September 2014.

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 (the "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, Development 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 the retail sales distribution of lighting products and household furniture in Hong Kong.

2. BASIS OF PREPARATION

The condensed financial statements 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 condensed financial statements should be read in conjunction with the accountants' report of the Group for the years ended 31 March 2013 and 2014 as set out in the appendix 1 to the Company's prospectus dated 22 September 2014. The accounting policies and methods of computation used in the preparation of the condensed financial statements are consistent with those used in the accountants' report of the Group for the years ended 31 March 2013 and 2014.

In current period, HKICPA has issued a number of new and revised HKFRSs and interpretations that are first effective or available for early adoption for the current accounting period of the company. There have been no significant changes to the accounting policies applied in these financial statements for the period presented as a result of these developments.

The condensed consolidated financial statements have been prepared under the historical cost convention.

2. BASIS OF PREPARATION (Continued)

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

The condensed consolidated financial statements have not been audited by the Company's auditor, but 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 products and household furniture in Hong Kong.

(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".

(c) Information about major customers

The Group has no customer from whom the revenue raised individually accounted for more than 10% of the Group's total revenue during the reporting period.

4. TURNOVER

Turnover represents the amounts received and receivable for goods sold by the Group to external customers less sales returns and discounts.

	Three months ended		Six months ended	
	30 September		30 September	
	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales of goods	<u>21,376</u>	<u>19,159</u>	<u>39,447</u>	<u>38,234</u>

5. PROFIT/(LOSS) BEFORE TAX

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

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Auditor's remuneration	153	50	305	100
Costs of inventories recognised as expenses	8,298	7,655	14,870	14,541
Depreciation of property, plant and equipment	306	329	605	619
Lease payments under operating leases:				
Minimum lease payments	5,209	4,385	10,153	8,390
Contingent rent	176	98	262	176
Listing expenses (including professional fees and other expenses)	7,747	976	8,047	1,302
Loss on disposal of property, plant and equipment	-	71	-	71
Staff costs	3,504	2,853	6,868	5,702

6. STAFF COSTS

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Employee costs (including directors) comprise:				
Salaries and other benefits	3,357	2,746	6,585	5,487
Contributions on defined contribution retirement plans	147	107	283	215
	<u>3,504</u>	<u>2,853</u>	<u>6,868</u>	<u>5,702</u>

7. INCOME TAX EXPENSE

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Current tax :				
Hong Kong Profits Tax	291	390	441	875
Deferred tax	97	(48)	115	(107)
Income tax expense	<u>388</u>	<u>342</u>	<u>556</u>	<u>768</u>

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

8. DIVIDEND

The Board does not recommend payment of any dividend for the six months ended 30 September 2014 (for the six months ended 30 September 2013: Nil).

9. EARNINGS/(LOSS) PER SHARE

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

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Earnings:				
Profit/(Loss) for the period	<u>(5,854)</u>	<u>726</u>	<u>(5,036)</u>	<u>2,666</u>
Number of shares:				
Weighted average number of shares for the purpose of calculating basic earnings/(loss) per share	<u>305,435,000</u>	<u>300,000,000</u>	<u>302,732,000</u>	<u>300,000,000</u>

The number of shares used for the purpose of calculating basic earnings/(loss) per share has been retrospectively adjusted for the issue of shares during the reorganisation and capitalisation issue as disclosed in note 15 as if the shares had been in issue throughout the entire reporting periods.

The calculation of the weighted average number of shares outstanding has been adjusted for the effect of the placing of 100,000,000 new shares on 26 September 2014.

As there were no dilutive potential ordinary shares during the periods, no diluted earnings per share is presented.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2014, the Group acquired property, plant and equipment of approximately HK\$437,000 (six months ended 30 September 2013: approximately HK\$747,000).

11. INVENTORIES

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Merchandise	17,272	16,728
Goods in transit	612	788
	<u>17,884</u>	<u>17,516</u>

12. TRADE AND OTHER RECEIVABLES

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Trade receivables	1,114	775
Deposits and other receivables	6,179	5,922
Prepayments	739	1,145
Total	8,032	7,842
Less: non-current – rental deposits	(4,142)	(4,391)
	<u>3,890</u>	<u>3,451</u>

The average credit period on sales of goods is 30 days from invoice date. Aging analysis of the trade receivables at the respective reporting date are as follows:

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Within 30 days	376	416
31 to 90 days	601	166
91 to 180 days	137	83
Over 180 days	-	110
	<u>1,114</u>	<u>775</u>

13. TRADE AND OTHER PAYABLES

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Trade payables	4,916	4,597
Receipt in advance	1,509	723
Accruals and other payables	9,102	2,306
	<u>15,527</u>	<u>7,626</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:

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Within 30 days	2,888	2,712
31 to 60 days	581	409
61 to 90 days	380	302
Over 90 days	1,067	1,174
	<u>4,916</u>	<u>4,597</u>

14. AMOUNT DUE TO A CONTROLLING SHAREHOLDER

The amount due to a controlling shareholder is unsecured, interest free and repayable on demand. During the six months ended 30 September 2014, the amount due to a controlling shareholder has been fully settled.

15. SHARE CAPITAL

The Group

The share capital as at 31 March 2014 represents the combined share capital of the companies now comprising the Group after elimination of inter-company investments.

The share capital as at 30 September 2014 represents the Company's issued share capital after elimination of the Company's investment in subsidiaries upon the completion of Group's reorganisation on 8 September 2014.

The Company

	Notes	Number of ordinary shares	Nominal value of ordinary shares HK\$'000
Authorised:			
Ordinary shares of HK\$0.01 each as at 30 September 2014		1,000,000,000	10,000
Issued and fully paid:			
As at 29 November 2013 (date of incorporation)	(a)	1	*-
Issue of shares during reorganisation	(b)	999	*-
Issue of shares by capitalisation of share premium account	(c)	299,999,000	3,000
Issue of shares upon placing	(d)	100,000,000	1,000
As at 30 September 2014		400,000,000	4,000

* Represents amount less than HK\$1,000

- (a) On 29 November 2013, the Company was incorporated in the Cayman Islands as an exempted company with limited liability with an authorised share capital of HK\$10,000,000 divided into 1,000,000,000 shares with par value of HK\$0.01 each.

At the time of its incorporation, the total number of issued shares of the Company was one share.

- (b) On 8 September 2014, the Company allotted and issued 999 shares, credit as fully paid.
- (c) On 24 September 2014, the Company capitalised HK\$2,999,990 by crediting the share premium account of the Company and applied such sum to pay up in full at par a total of 299,999,000 shares for allotment and issue to the then shareholders in proportion to their respectively shareholdings.
- (d) 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.

16. 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:

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Not later than one year	17,556	17,758
Later than one year and not later than five years	8,342	11,135
	<u>25,898</u>	<u>28,893</u>

17. CONTINGENT LIABILITIES

As at 30 September 2014 and 31 March 2014, the Group did not have any contingent liabilities.

18. RELATED PARTY TRANSACTIONS

Other than those balances of related party disclosed elsewhere in the financial information, the Group had the following material transactions with its related parties during the reporting periods.

Compensation of key management personnel

Key management mainly represents the Company's directors and senior managements. Remuneration for key management personnel of the Group is as follows:

	Three months ended 30 September		Six months ended 30 September	
	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Salaries and other benefits	1,009	779	1,871	1,558
Contributions on defined contribution retirement plans	29	19	53	38
	<u>1,038</u>	<u>798</u>	<u>1,924</u>	<u>1,596</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Future Outlook

Business Review

Since founded in 2003, E Lighting has principally engaged in the sales of high-quality lighting and designer furniture and accessories from all over the world. The Group situates its lighting specialty stores in prime shopping locations in Hong Kong, including Wanchai, Mongkok and Shatin districts, priding itself as the most well-established retail chain of lighting products in Hong Kong.

As at 30 September 2014, the Group operated a total of 17 retail outlets, including one lighting and furniture store newly opened in Wanchai, Hong Kong Island. Moreover, E Lighting has successfully identified two prime retail outlets in Shatin and Mongkok districts respectively and has entered into a contractual agreement with the respective landlord. It is expected that these two new retail outlets will be operated before the end of 2014, which confer the Group with floor areas of approximately 2,000 sq. ft. in aggregate.

E Lighting possesses one of the most extensive lighting networks in Hong Kong. Besides the trade name of E LIGHTING as the major store branding, the Group is developing a multi-brand business model for its retail business. Lighting products from different origins and styles are available to meet various customer needs.

E Lighting is currently the designated or authorised distributor in Hong Kong of lighting and furniture products from over 30 international brands and designer labels, including well-known European brands such as ARTEMIDE, KARTELL and TOM DIXON. The Group also maintains good business relationships with PANASONIC and other well-known international brands.

Future Outlook

Looking forward, E Lighting will utilize the proceeds and prospects arising from the listing as a springboard to capture well priced but high-potential development opportunities. We are committed to using the proceeds from the listing in a proactive and prudent manner in order to become an ever-brighter leading light within the industry.

In this endeavor, E Lighting plans to open 12 more retail stores in various high-traffic regions throughout Hong Kong by the end of September 2016 in accordance with its expansion plan. The expansion will raise the total retail floor area of the Group's stores by 12,000 square feet. With Hong Kong's new towns continuing to grow, we expect the city's residential property market to increase the demand for lighting and furniture products. E Lighting will aim to corner the development potential of the regions, which include Mongkok, Shatin, Kowloon Bay, Hunghom, Tai Po, Yuen Long and Tseung Kwan O, by setting up the abovementioned stores with a retail floor area totaling 12,000 square feet. Leveraging the vast and successful experience it has accumulated over the years, the Group is confident about successfully introducing its unique lighting business model into other regions, opening a new era for the market, and enhancing its already-healthy market share.

Future Outlook (Continued)

Business acumen and market sensitivity have been key strengths behind the success of E Lighting. Being in tune with the market, the Group has found that the demand for popular brands and high-quality products within the Hong Kong consumer market continues to grow. To respond quickly, E Lighting is committed to showcasing more international and designer brands, and diversifying our product portfolio. E Lighting has showcased various overseas brands with high market-demand potential and distinctive designs. Meanwhile, the Group is actively working together with other agencies in a bid to attract more distinctive brands. As a lighting and furniture retail pioneer, E Lighting is committed to bringing even more diversified products with creativeness in line with diversifying market needs. Today many lighting products are integrated with intelligent systems and features that go well beyond illumination, such as air filtering systems. To introduce more alternative products into the domestic market, the Group will keep abreast of the latest international trends and technology developments. We believe that the potential within the industry is enormous, adding to our positive and optimistic outlook towards future.

Facing an ever-changing market environment, E Lighting has adapted quickly by both responding proactively and bringing out the best in creativity. The Group will closely monitor the flourishing development of the LED lighting market, continue to promote its LED products, and develop more LED specialty shops.

In the future, mirroring the Hong Kong people's spirit and desire to embody continuous self-improvement and assiduousness, and to meet and prevail over new challenges with robust determination, E Lighting will strengthen its marketing efforts and advantages, as well as its relationships with customers and suppliers, to take its business to the next level of expansion and success.

Financial Review

Turnover

The turnover of the Group increased from approximately HK\$38,234,000 for the six months ended 30 September 2013 to approximately HK\$39,447,000 for the six months ended 30 September 2014, representing an increase of approximately 3.2%. Such increase was mainly attributable to the turnover generated from expansion of effective retail floor area in New Territories and Kowloon.

The turnover from the sale of lighting products increased from approximately HK\$34,083,000 for the six months ended 30 September 2013 to approximately HK\$34,884,000 for the six months ended 30 September 2014, representing an increase of approximately 2.4%.

The turnover from the sale of designer label furniture and accessory products increased from approximately HK\$4,151,000 for the six months ended 30 September 2013 to approximately HK\$4,563,000 for the six months ended 30 September 2014, representing an increase of approximately 9.9%.

Gross Profit and Gross Margin

The Group's gross profit for the six months ended 30 September 2014 was approximately HK\$23,243,000, representing an increase of approximately 5.3% as compared with that of the preceding period. The increase was primarily due to the increase in turnover and gross margin.

Overall gross profit margin slightly increased from approximately 57.7% for the six months ended 30 September 2013 to approximately 58.9% for the six months ended 30 September 2014. The growth in gross profit margin was mainly due to the Group has dedicated more of our resources to the active store profiling of the product mix in each retail outlet to accommodate changing market environment, including the enhancing of our focus on high quality, premium priced European branded products and LED products.

Selling and Distribution Expenses

The Group's selling and distribution expenses for the six months ended 30 September 2014 was approximately HK\$15,599,000, representing an increase of approximately 10.3% as compared with that of the preceding period. Selling and distribution expenses primarily consist of rentals for our retail outlets and related expenses, staff costs (including salaries and sales commission paid to our salesmen), electronic payment charges and depreciation. The increase was primarily due to the increase in rental expenses and staff costs.

Administrative Expenses and Listing Expenses

The Group's administrative and other expenses for the six months ended 30 September 2014 was approximately HK\$12,124,000, representing an increase of approximately 169.3% as compared with that of the preceding period. Administrative and other expenses primarily consist of rentals for our office premise and warehousing facilities, staff costs (including salaries paid to our administrative staff and emoluments to directors) and the one-off exceptional listing expenses.

For the six months ended 30 September 2014, one-off exceptional listing expenses of approximately HK\$8,047,000 was incurred (six months ended 30 September 2013 : HK\$1,302,000).

Administrative and other expenses (exclusive of listing expenses) increased by approximately 27.3%, primarily due to the increase in rental expenses and staff costs.

Profit/(Loss) for the Period

To illustrate the profitability of the Group's operation, the one-off exceptional listing expenses were excluded to arrive at the adjusted profit for the period as set out below.

	Three months ended		Six months ended	
	30 September		30 September	
	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit/(Loss) for the period	(5,854)	726	(5,036)	2,666
Add: Listing expenses	7,747	976	8,047	1,302
Adjusted profit for the period	1,893	1,702	3,011	3,968
Adjusted earnings per share				
- Basic and diluted (HK cents)	0.62	0.57	0.99	1.32

As one-off exceptional listing expenses of approximately HK\$8,047,000 were charged, the Group recorded a loss of approximately HK\$5,036,000 for the six months ended 30 September 2014 (six months ended 30 September 2013 : profit of approximately HK\$2,666,000)

After excluding the above mentioned one-off exceptional listing expenses, the Group's adjusted profit was approximately HK\$3,011,000. Adjusted net profit ratio was approximately 7.6%.

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 2014 nor material acquisitions and disposals of subsidiaries during the six months ended 30 September 2014. Save for those disclosed in this announcement, there is no plan for material investments or capital assets as at the date of this announcement.

Liquidity, Financial Resources and Capital Structure

As at 30 September 2014, the Group's current ratio was approximately 4.2 times (31 March 2014: 2.2 times). The increase of current ratio was due to the significant increase in cash and bank balances from approximately HK\$4,087,000 as at 31 March 2014 to approximately HK\$48,328,000 as at 30 September 2014. It was mainly arising from the net proceeds from the Group's shares listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

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. Total equity attributable to owners of the Company amounted to approximately HK\$60,399,000 as at 30 September 2014 (31 March 2014 : HK\$21,101,000).

Gearing Ratio

The gearing ratio of the Group, calculated as total bank borrowings over total equity, was nil as at 30 September 2014 (31 March 2014 : Nil), as the Group financed the operations from internally generated funds and advance from a controlling shareholder, and did not raise any external debt financing during the six months ended 30 September 2014.

Contingent Liabilities

As at 30 September 2014, the Group did not have any material contingent liabilities (31 March 2014: 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 2014, there is no charges on Group Assets (31 March 2014: Nil).

Segment Information

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

Capital Commitments

As at 30 September 2014, the Group did not have any significant capital commitments (31 March 2014: Nil).

Dividend

The Board does not recommend the payment of interim dividend for the six months ended 30 September 2014 (six months ended 30 September 2013: Nil).

Donations

Charitable donations made by the Group during the six months ended 30 September 2014 amounted to HK\$650,000 (six months ended 30 September 2013: Nil).

Employee Information

Total remuneration for the six months ended 30 September 2014 (including (i) Directors' emoluments and (ii) salaries to staff and Directors including MPF contributions) was approximately HK\$6,868,000 (six months ended 30 September 2013: HK\$5,702,000). Such increase was mainly due to the increase in average number of staff during the period and staff salaries.

As at 30 September 2014, the Group had 46 employees (31 March 2014: 50 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 2014.

Business plan up to 31 March 2015 as set out in the Prospectus

Actual business progress up to 30 September 2014

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

- | | |
|--|--|
| - explore and identify new districts suitable for new retail outlets | The Group is in the process of exploring and identifying new districts suitable for new retail outlets |
| - negotiate and incept tenancy agreements to enable the anticipated expansion of floor area by an additional 3,000 sq. ft. | Not yet commenced |
| - renovation and furnishing of new retail outlets | Not yet commenced |

Marketing and promotion of our own branding of trademarks

- | | |
|--|-------------------|
| - launch media advertising and promotion in newspaper, magazine, etc | Not yet commenced |
|--|-------------------|

Solicit new incoming brands to expand product range

- | | |
|---|--|
| - probe and explore further new brands of potential | The Group is in the process of probing and exploring new brands of potential |
|---|--|

Position ourselves to capture LED market

- | | |
|---|--|
| - monitor latest development of policies for replacing Incandescent Light Source with LED | The Group is monitoring the latest development of these policies |
| - expand our Panasonic LED product range | The Group is negotiating with the supplier to expand the Panasonic LED product range |

Strengthen logistic management

- | | |
|---|--|
| - implement new technological system ware for point-of sale inventory monitoring for new retail outlets | The Group is in the process of implementing the new technological system ware |
| - explore and identify new suitable warehousing facilities | The Group is in the process of exploring and identifying new suitable warehousing facilities |

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 intend to adjust the use of proceeds in the same proportion as shown in the Prospectus.

During the period between the Listing Date and 30 September 2014, there was no usage of the net proceeds from the Listing and the unused net proceeds have been placed as interest bearing deposits with licensed bank in Hong Kong.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

The Company's shares were listed on the GEM of the Stock Exchange on 29 September 2014. Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities since the date of listing and up to 30 September 2014.

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 2014, the interests and short positions of the Directors and 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 maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings") were as follows:

Long positions in ordinary shares of the Company

Name	Capacity/Nature of interests	Number of securities	Approximate percentage of shareholding
Mr. Hui Kwok Keung Raymond ("Mr. Hui")	Interest in controlling corporation	210,000,000 (Note 1)	52.5%
Mr. Hue Kwok Chiu	Interest in controlling corporation	45,000,000 (Note 2)	11.25%
Mr. Chou Hing Yan Stephen ("Mr. Chou")	Interest in controlling corporation	36,000,000 (Note 3)	9%

Notes:

- (1) These shares are held by Time Prestige Ventures Limited, a company wholly-owned by Mr. Hui.
- (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 2014, 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 (within the meaning of Part XV of the 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.

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

As at 30 September 2014, 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 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

Name	Capacity/Nature of interests	Number of securities	Approximate percentage of shareholding
Time Prestige Ventures Limited	Beneficial Owner	210,000,000	52.5%
Star Adventure Holdings Limited	Beneficial Owner	45,000,000	11.25%
Ms. Ng Hiu Ying (Note 1)	Interest of spouse	45,000,000	11.25%
Time Palace Holdings Limited	Beneficial Owner	36,000,000	9%
Ms. Chow Kam Yu (Note 2)	Interest of spouse	36,000,000	9%

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 Yu 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.

Save as disclosed above, as at 30 September 2014, there was no person or corporation (other than the Directors and the Chief Executives) who had any interests or short positions in the shares or underlying shares as recorded in the register of interests 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 our Group.

The Company conditionally adopted a share option scheme (the "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 Scheme will be valid and effective for a period of ten years commencing from the date of adoption of the Scheme.

As at 30 September 2014, the total number of shares available for issue under the Scheme is 40,000,000 shares, representing 10% of the issued shares of the Company. Since the adoption of the Scheme, no share option has been granted by the Company.

Rights to Acquire Shares or Debentures

Save as disclosed above, at no time during the six months ended 30 September 2014 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 Executives (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 2014, 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 2014, 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.

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 since the date of listing and up to 30 September 2014.

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 since the date of listing and up to 30 September 2014.

Audit Committee

The audit committee of the Company (the "Audit Committee") was established by the Board on 11 September 2014 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 2014 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.

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) and the Company (www.elighting.asia). The interim report of the Company for the six months ended 30 September 2014 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 and Executive Director

Hong Kong, 11 November 2014

As at the date of this announcement, the executive Directors are Mr. Hue Kwok Chiu, Mr. Hui Kwok Keung Raymond 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 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.