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

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2019

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

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 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 enquiries, 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 year ended 31 March 2019:

- Revenue was approximately HK$78,765,000 for the year ended 31 March 2019, representing a decrease of approximately 3.6% as compared with that of the preceding year, which was mainly due to uncertainty in macro business environment.

- The Group recorded a loss of approximately HK$24,247,000 for the year ended 31 March 2019.

- Loss per share was approximately HK5.38 cents for the year ended 31 March 2019.

- The board of Directors does not recommend the payment of final dividend for the year ended 31 March 2019.

ANNUAL RESULTS

The board of Directors (the “Board”) of the Company announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2019, together with the comparative figures for the preceding year ended 31 March 2018 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2019

	Notes	**2019** **HK$'000**	2018 HK$'000
Revenue	5	**78,765**	81,725
Cost of sales		**(36,399)**	(41,647)
Gross profit		**42,366**	40,078
Other income, gains and losses	6	**(21,538)**	(17,125)
Selling and distribution expenses		**(28,863)**	(33,584)
Administrative and other expenses		**(16,650)**	(17,028)
Loss before tax	7	**(24,685)**	(27,659)
Income tax credit	9	**438**	246
Loss and total comprehensive income for the year attributable to the owners of the Company		**(24,247)**	(27,413)
Loss per share	11		
- Basic and diluted (HK cents)		**(5.38)**	(6.08)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

	Notes	2019 HK$'000	2018 HK$'000
Non-current assets			
Property, plant and equipment		**1,069**	1,255
Intangible assets		**-**	3,485
Goodwill	12	**-**	19,817
Rental deposits	13	**2,806**	3,769
Deferred tax assets		**258**	346
Total non-current assets		**4,133**	28,672
Current assets			
Inventories		**10,382**	12,433
Trade and other receivables	13	**7,403**	7,153
Tax recoverable		**44**	367
Cash and bank balances		**7,107**	4,936
Total current assets		**24,936**	24,889
Current liabilities			
Trade and other payables	14	**6,055**	7,069
Contract liabilities	15	**1,409**	-
Current tax liabilities		**178**	124
Total current liabilities		**7,642**	7,193
Net current assets		**17,294**	17,696
Total assets less current liabilities		**21,427**	46,368
Non-current liabilities			
Deferred tax liabilities		**2**	585
NET ASSETS		**21,425**	45,783
EQUITY			
Share capital	16	**4,510**	4,510
Reserves		**16,915**	41,273
TOTAL EQUITY		**21,425**	45,783

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2019

	Share capital HK$'000	**Share premium HK$'000**	**Other reserve HK$'000**	**Retained earnings/ (Accumulated losses) HK$'000**	**Total equity HK$'000**
As at 1 April 2017	4,510	67,066	2	1,618	73,196
Loss and total comprehensive income for the year	-	-	-	(27,413)	(27,413)
As at 31 March 2018, as originally presented	4,510	67,066	2	(25,795)	45,783
Initial application of HKFRS 9 (note 3(a))	-	-	-	(111)	(111)
Restated balance as at 1 April 2018	**4,510**	**67,066**	**2**	**(25,906)**	**45,672**
Loss and total comprehensive income for the year	**-**	**-**	**-**	**(24,247)**	**(24,247)**
As at 31 March 2019	**4,510**	**67,066**	**2**	**(50,153)**	**21,425**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

E Lighting Group Holdings Limited (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 10/F, Tiffan Tower, 199 Wanchai Road, Wanchai, Hong Kong.

The Company's issued shares have been listed on GEM of the Stock Exchange of Hong Kong Limited ("Stock Exchange") since 29 September 2014 (the "Listing").

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, giftware and other trading worldwide.

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRSs") and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "GEM Listings Rules").

(b) Basis of measurement

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

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

(c) Functional and presentation currency

The consolidated financial statements are presented in Hong Kong dollar ("HK$"), which is the same as the functional currency of the Company. These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK$'000), unless otherwise stated.

3. ADOPTION OF HKFRSs

(a) Adoption of new/revised HKFRSs – Effective 1 April 2018

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HK(IFRIC) - Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)

A. <u>HKFRS 9 - Financial Instruments</u>

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

The following table summarised the impact, net of tax, of transition to HKFRS 9 on the opening balance of accumulated losses as of 1 April 2018 as follows:

	HK$'000
<u>Accumulated losses</u>	
Accumulated losses as at 31 March 2018	**25,795**
Increase in expected credit losses in trade receivables (note 3(a)A(ii) below)	**111**
Restated accumulated losses as at 1 April 2018	**25,906**

(i) Classification and measurement of financial instruments

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group's accounting policies related to financial liabilities and derivative financial instruments as there are no such financial instruments of the Group. The impact of HKFRS 9 on the Group's classification and measurement of financial assets is set out below.

Under HKFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs. A financial asset is classified as: (i) financial assets at amortised cost ("amortised costs"); (ii) financial assets at fair value through other comprehensive income ("FVOCI"); or (iii) FVTPL (as defined in above). The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the "solely payments of principal and interest" criterion, also known as "SPPI criterion"). Under HKFRS 9, embedded derivatives is no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification.

3. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – Effective 1 April 2018 (Continued)

A. HKFRS 9 - Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

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

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

Amortised cost would be applied to the Group's financial assets. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gains or losses on derecognition are recognised in profit or loss.

The following table summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group's financial assets as at 1 April 2018:

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 April 2018 under HKAS 39 HK$'000	Carrying amount as at 1 April 2018 under HKFRS 9 HK$'000
Trade and other receivables	Loans and receivables	Amortised cost	7,117	7,117
Cash and bank balances	Loans and receivables	Amortised cost	4,936	4,936

(ii) Impairment of financial assets

The adoption of HKFRS 9 has changed the Group's impairment model by replacing the HKAS 39 "incurred loss model" to the "expected credit losses ("ECLs") model". HKFRS 9 requires the Group to recognise ECLs for trade receivables, other receivables and financial assets at amortised costs, earlier than HKAS 39. Cash and cash equivalents are subject to ECLs model but the impairment is immaterial for the current period.

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

3. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – Effective 1 April 2018 (Continued)

A. HKFRS 9 - Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECLs

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

The Group's significant financial assets which are subject to the new ECLs model include trade receivables and other receivables. The Group modified its impairment methodology under HKFRS 9 for these classes of financial assets.

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

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

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 12 months past due.

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

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – Effective 1 April 2018 (Continued)

A. HKFRS 9 - Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECLs model

(a) **Impairment of trade receivables**

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECLs which recognises lifetime ECLs for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance as at 1 April 2018 was determined as follows for trade receivables as follows:

1 April 2018	Not yet due	1-180 days past due	181-365 days past due	Past due more than 12 months	Total
ECLs rate (%)	1%	1%	50%	100%	
Gross carrying amount (HK$'000)	323	321	42	84	770
Loss allowance (HK$'000)	(3)	(3)	(21)	(84)	(111)

The increase in loss allowance for trade receivables upon the transition to HKFRS 9 as at 1 April 2018 were HK$111,000. The loss allowances further increased for HK$55,000 for trade receivables during the year ended 31 March 2019.

(b) **Impairment of other financial assets**

Other financial assets at amortised cost of the Group include other receivables. Applying the ECLs model, no additional impairment for other receivables as at 1 April 2018 is recognised.

(iii) Hedge accounting

Hedge accounting under HKFRS 9 has no impact on the Group as the Group does not apply hedge accounting in its hedging relationships.

(iv) Transition

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the statement of financial position as at 31 March 2018, but are recognised in the statement of financial position on 1 April 2018. This means that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained earnings and reserves as at 1 April 2018. Accordingly, the information presented for the financial year ended 31 March 2018 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

3. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – Effective 1 April 2018 (Continued)

B. HKFRS 15 - Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to each performance obligation
Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised goods or services in the contract. HKFRS 15 identifies 3 situations in which control of the promised goods or services is regarded as being transferred over time:

(a) when the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;

(b) when the entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or

(c) when the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15, the entity recognises revenue for the sale of those goods or services at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

3. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – Effective 1 April 2018 (Continued)

B. HKFRS 15 - Revenue from Contracts with Customers (Continued)

Nature of the goods, satisfaction of performance obligations and payments

The Group sells lighting and furniture products and tableware and giftware products. Revenue is recognised when control of the products has been transferred, being when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. There is generally only one performance obligation in the contract.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Invoices are usually payable within 30 days.

Right of return

Some of the Group's contracts with customers provide customers a right of return (a full or partial refund of any consideration paid or an exchange of another product after the arrival of the goods at the destination but before the installation).

Nature of change in accounting policy and impact

Right of return

Under HKAS 18, revenue for these contracts was recognised when a reasonable estimate of the returns could be made, provided that all other revenue recognition criteria are met. If a reasonable estimate could not be made, such revenue would be deferred until the return period lapsed or a reasonable estimate could be made.

Under HKFRS 15, right of return gives rise to variable consideration. The variable consideration is estimated at contract inception and constrained until the associated uncertainty is subsequently resolved. The application of the constraint on variable consideration increases the amount of revenue that will be deferred. In addition, a refund liability and a right to recover returned goods assets are recognised.

The Group concluded that the impact of refund liability from the right of return was insignificant as at 1 April 2018.

3. ADOPTION OF HKFRSs (Continued)

(a) Adoption of new/revised HKFRSs – Effective 1 April 2018 (Continued)

B. HKFRS 15 - Revenue from Contracts with Customers (Continued)

Nature of the goods, satisfaction of performance obligations and payments (Continued)

The Group has adopted HKFRS 15 Revenue from Contracts with Customers from 1 April 2018 which resulted in changes in accounting policies. In accordance with the transitional provisions in HKFRS 15, comparative figures have not been restated.

Impact on the consolidated statement of financial position as at 1 April 2018 (increase/(decrease)):

	At 31 March 2018 under HKAS 18 HK$'000	Effect of adoption of HKFRS 15 HK$'000	At 1 April 2018 under HKFRS 15 HK$'000
Contract liabilities	-	768	768
Trade and other payables	7,069	(768)	6,301

The Group assessed the impacts of adopting HKFRS 15 on its financial statements. Based on the assessment, the adoption of HKFRS 15 has no significant impact on the Group's revenue recognition.

C. HK(IFRIC) - Int 22 - Foreign Currency Transactions and Advance Consideration

The interpretation provides guidance on determining the date of the transaction for determining an exchange rate to use for transactions that involve advance consideration paid or received in a foreign currency and the recognition of a non-monetary asset or non-monetary liability. The Interpretations specifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part thereof) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The adoption of this interpretation does not have any material impact on the financial position and the financial result of the Group.

D. Amendments to HKFRS 15 - Revenue from Contracts with Customers (Clarifications to HKFRS 15)

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

The adoption of these amendments has no impact on these financial statements as the Group had not previously adopted HKFRS 15 and took up the clarifications in this, its first, year.

3. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group for the year ended 31 March 2019. The Group's current intention is to apply these changes on the date they become effective.

HKFRS 16	Leases[1]
HK(IFRIC) - Int 23	Uncertainty Over Income Tax Treatments[1]
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 12, Income Taxes[1]
Amendments to HKAS 1 and HKAS 8	Definition of Material[2]
Amendments to HKFRS 9	Prepayment Features with Negative Compensation[1]

[1]Effective for annual periods beginning on or after 1 January 2019
[2]Effective for annual periods beginning on or after 1 January 2020

<u>HKFRS 16 - Leases</u>

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 "Leases" and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents operating lease payments as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As set out in note 17, the total operating lease commitment of the Group in respect of rented offices, retail shops and warehouses as at 31 March 2019 amounted to HK$19,318,000 in which HK$19,139,000 were with original lease term over 1 year. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases at its present value upon the application of HKFRS 16. The combination of straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to the profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term, but there is no impact on the total expenses recognised over the lease term.

3. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 16 - Leases (Continued)

The directors of the Group do not expect the adoption of HKFRS 16, as compared to the current accounting policy of the Group, would result in significant impact on the Group's financial position and financial performance in future. These estimates are based on accounting policies, assumptions, judgements and estimation techniques that may be subject to change until the Group finalises its financial statements for the year ending 31 March 2020.

HK(IFRIC) - Int 23 - Uncertainty over Income Tax Treatments

The interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the "most likely amount" or the "expected value" approach, whichever better predicts the resolution of the uncertainty.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

Amendments to HKFRS 9 - Prepayment Features with Negative Compensation

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met – instead of at fair value through profit or loss.

Save as disclosed in the foregoing paragraphs about the impact of HKFRS 16 to the Group's consolidated financial statements, the directors of the Company have also performed an assessment on other new standards, amendments and interpretations, and have concluded on a preliminary basis that other new standards and amendments would not have a significant impact on the Group's consolidated financial statements in subsequent years.

4. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting, in accordance with the Group's internal organisation and reporting structure, provided to the chief operating decision-maker to make strategic decisions.

The Group has two reportable segments. The segments are managed separately as each business offers different products and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

Lighting and furniture products – retail of lighting products and household furniture in Hong Kong
Tableware, giftware and other business – retail and wholesale of tableware and giftware and other trading worldwide

Inter-segment transactions are priced with reference to prices charged to external parties for similar order. Central revenue and expenses are not allocated to the operating segments as they are not included in the measure of the segments' profit that is used by the chief operating decision-maker for assessment of segment performance.

(a) Business segment

For the year ended 31 March 2019

	Lighting and furniture business HK$'000	Tableware, giftware and other business HK$'000	Total HK$'000
Revenue from external customers	**72,083**	**6,682**	**78,765**
Reportable segment result	**13,667**	**(8)**	**13,659**
Other segment information:			
Interest income	**1**	**-**	**1**
Depreciation of property, plant and equipment	**562**	**23**	**585**
Impairment loss on property, plant and equipment	**-**	**20**	**20**
Additions to non-current assets	**419**	**-**	**419**
Expected credit losses (recognised)/ reversed on trade receivables, net	**(57)**	**2**	**(55)**

4. SEGMENT INFORMATION (Continued)

(a) Business segment (Continued)

For the year ended 31 March 2018

	Lighting and furniture business HK$'000	**Tableware, giftware and other business HK$'000**	**Total HK$'000**
Revenue from external customers	71,040	10,685	81,725
Reportable segment result	6,581	(123)	6,458
Other segment information:			
Interest income	5	1	6
Depreciation of property, plant and equipment	1,015	37	1,052
Additions to non-current assets	1,133	-	1,133
Loss on disposal of property, plant and equipment	179	-	179

(b) Reconciliation of reportable segment results

	2019 HK$'000	2018 HK$'000
Reportable segment result	**13,659**	6,458
Other gains or losses – impairment loss on goodwill	**(19,817)**	(17,089)
Other gains or losses – impairment loss on intangible assets	**(1,877)**	-
Unallocated corporate expenses (note)	**(16,650)**	(17,028)
Consolidated loss before tax	**(24,685)**	(27,659)

Note : The unallocated corporate expenses mainly consist of rentals for office premises and warehousing facilities, staff costs (including salaries to administrative staff and emoluments to directors) and professional expenses.

4. SEGMENT INFORMATION (Continued)

(c) Segment assets and liabilities

	2019 **HK$'000**	2018 HK$'000
Assets		
Lighting and furniture business	**25,637**	26,362
Tableware, giftware and other business	**3,388**	3,897
Segment assets	**29,025**	30,259
Intangible assets	**-**	3,485
Goodwill	**-**	19,817
Consolidated total assets	**29,025**	53,561
Liabilities		
Lighting and furniture business	**7,409**	6,876
Tableware, giftware and other business	**191**	327
Segment liabilities	**7,600**	7,203
Unallocated deferred tax liabilities	**-**	575
Consolidated total liabilities	**7,600**	7,778

(d) Geographic information

The following table provides an analysis of the Group's revenue from external customers:

	2019 **HK$'000**	2018 HK$'000
Hong Kong (place of domicile)	**73,771**	73,384
North America	**4,052**	2,258
PRC (excluding Hong Kong)	**384**	600
Vietnam	**-**	5,483
Other countries	**558**	-
	78,765	81,725

(e) Information about major customers

The Group had no customer for whom the revenue raised individually accounted for more than 10% of the Group's total revenue during the year ended 31 March 2019 (2018: Nil).

5. REVENUE

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by products and timing of revenue recognition are as follows:

	2019 HK$'000	2018 HK$'000
Revenue from contracts with customers within the scope of HKFRS 15:		
Sales of lighting and furniture products	**72,083**	71,040
Sales of tableware, giftware and other products	**6,682**	10,685
	78,765	81,725
Timing of revenue recognition:		
At a point in time	**78,765**	81,725

The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18.

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

	As at 31 March 2019 HK$'000	As at 1 April 2018 HK$'000
Trade receivables (note 13)	**638**	659
Contract liabilities (note 15)	**1,409**	768

The contract liabilities mainly relate to the advance consideration received from customers. HK$338,000 of the contract liabilities as of 1 April 2018 has been recognised as revenue for the year ended 31 March 2019.

6. OTHER INCOME, GAINS AND LOSSES

	2019 HK$'000	2018 HK$'000
Bank interest income	**1**	6
Impairment loss on goodwill	**(19,817)**	(17,089)
Impairment loss on intangible assets	**(1,877)**	-
Impairment loss on property, plant and equipment	**(20)**	-
Expected credit losses on trade receivables	**(55)**	-
Loss on disposal of property, plant and equipment	**-**	(179)
Others	**230**	137
	(21,538)	(17,125)

7. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	2019 **HK$'000**	2018 HK$'000
Auditor's remuneration	**746**	746
Costs of inventories recognised as expenses	**32,055**	32,278
Depreciation of property, plant and equipment	**585**	1,052
Amortisation of intangible assets (included in administrative expenses)	**1,608**	1,608
Lease payments under operating leases:		
Minimum lease payments	**14,770**	18,754
Contingent rent	**95**	177
	14,865	18,931
Employee costs (note 8)	**17,592**	16,953

8. EMPLOYEE COSTS

	2019 **HK$'000**	2018 HK$'000
Employee costs (including directors) comprise:		
Salaries and other benefits	**16,920**	16,297
Contributions to defined contribution retirement plans	**672**	656
	17,592	16,953

9. INCOME TAX CREDIT

The amount of income tax credit in the consolidated statements of profit or loss and other comprehensive income represents:

	2019 **HK$'000**	2018 HK$'000
Current tax – Hong Kong Profits Tax		
- charge for the year	**(57)**	(43)
- over-provision in respect of prior year	**-**	1
	(57)	(42)
Deferred tax		
- credit for the year	**490**	288
- effect of change in tax rates	**5**	-
	495	288
Income tax credit	**438**	246

In March 2018, the Hong Kong Government introduced a two-tiered profits tax rates regime by enacting the Inland Revenue (Amendment) (No. 3) Ordinance 2018 (the "Ordinance"). Under the two-tiered profits tax rates regime, the first HK$2 million of assessable profits of qualifying corporations is taxed at 8.25% and the remaining assessable profits at 16.5%. The Ordinance is effective from the year of assessment 2018/19.

Accordingly, the provision for Hong Kong Profits Tax for the year ended 31 March 2019 is calculated in accordance with the two-tiered profits tax rates regime (2018: a single tax rate of 16.5% was applied).

10. DIVIDEND

The Board does not recommend payment of any dividend for the year ended 31 March 2019, nor has any dividend been proposed since the end of reporting period (2018: Nil).

11. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	2019	2018
	HK$'000	HK$'000
Loss:		
Loss for the year for the purpose of calculating basic and diluted loss per share	**(24,247)**	(27,413)
	2019	2018
	'000	'000
Number of shares:		
Weighted average number of shares for the purpose of calculating basic and diluted loss per share	**451,036**	451,036

Notes:

(i) Basic loss per share was calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

(ii) For the years ended 31 March 2019 and 2018, diluted loss per share was the same as basic loss per share as there were no dilutive potential ordinary shares outstanding during the years ended 31 March 2019 and 2018.

12. GOODWILL

	HK$'000
Cost	
As at 1 April 2017, 31 March 2018 and 31 March 2019	**36,906**
Accumulated impairment	
As at 1 April 2017	**-**
Impairment loss recognised	17,089
As at 31 March 2018	**17,089**
Impairment loss recognised	**19,817**
As at 31 March 2019	**36,906**
Net book value	
As at 31 March 2018	19,817
As at 31 March 2019	**-**

Impairment of goodwill

For the purpose of impairment testing, goodwill is allocated to cash generating unit ("CGU") of sales of tableware and giftware products. The recoverable amounts of the CGU have been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five-year period and adopted pre-tax discount rate of 16.6% (2018: 21.6%). Cash flow beyond the five-year period is extrapolated using an estimated weighted average growth rate of 3% (2018: 3%), which does not exceed the long-term growth rate for the industry. The key assumptions for the value in use calculations are budgeted gross margin of 20% to 23% (2018: 26% to 28%) and growth rate of 3% to 5% (2018: 3% to 32%), which are determined based on the unit's past performance and management's expectations regarding market development. The discount rate is determined based on the Hong Kong risk-free interest rate adjusted by the specific risk associated with the CGU.

Goodwill impairment of HK$19,817,000 (2018: HK$17,089,000) was made due to the recently intensively competitive environment within which the CGU operates, as a result of macro business environment uncertainty. Management have therefore adjusted their expected profit forecast for the CGU to allow for the impact of material competitiveness in the market.

13. TRADE AND OTHER RECEIVABLES

	2019 **HK$'000**	2018 HK$'000
Trade receivables	**638**	770
Deposits and other receivables	**5,715**	6,347
Prepayments	**3,856**	3,805
Total	**10,209**	10,922
Less: non-current – rental deposits	**(2,806)**	(3,769)
	7,403	7,153

The average credit period on sales of goods is 30 days from invoice date. At the end of reporting period, aging analysis of the trade receivables (net of impairment losses), based on invoice dates, are as follows:

	2019 **HK$'000**	2018 HK$'000
Within 30 days	**402**	323
31 to 90 days	**49**	173
91 to 180 days	**164**	144
Over 180 days	**23**	130
	638	770

14. TRADE AND OTHER PAYABLES

	2019 **HK$'000**	2018 HK$'000
Trade payables	**3,694**	4,029
Receipts in advance	**-**	768
Accruals and other payables	**2,361**	2,272
	6,055	7,069

Trade payables are non-interest bearing. The Group is normally granted credit terms ranging from 30 to 180 days. At the end of reporting period, aging analysis of the trade payables, based on invoice dates, are as follows:

	2019 **HK$'000**	2018 HK$'000
Within 30 days	**1,803**	1,693
31 to 60 days	**525**	334
61 to 90 days	**624**	467
Over 90 days	**742**	1,535
	3,694	4,029

15. CONTRACT LIABILITIES

The Group has recognised the following revenue-related contract liabilities:

	2019	2018
	HK$'000	HK$'000
Contract liabilities	**1,409**	-

Movements in contract liabilities:

	2019
	HK$'000
Balance at 1 April 2018	-
Impact of adoption of HKFRS 15	768
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year (note 5)	(338)
Increase in contract liabilities as a result of advanced consideration received from customers	979
Balance at 31 March 2019	1,409

The Group has initially applied HKFRS 15 using the cumulative effect method and adjusted the opening balance at 1 April 2018. Upon the adoption of HKFRS 15, amounts previously included as "Receipts in advance" grouped under "Trade and other payables" (note 14) were reclassified to "Contract liabilities".

16. SHARE CAPITAL

	Number of ordinary shares	Nominal value of ordinary shares HK$'000
Authorised:		
Ordinary shares of HK$0.01 each as at 1 April 2017, 31 March 2018 and 31 March 2019	**1,000,000,000**	**10,000**
Issued and fully paid:		
As at 1 April 2017, 31 March 2018 and 31 March 2019	**451,035,713**	**4,510**

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

17. LEASES

Operating leases – 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 the year, 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:

	2019 **HK$'000**	2018 HK$'000
Not later than one year	**12,083**	13,023
Later than one year and not later than five years	**7,235**	9,466
	19,318	22,489

18. RELATED PARTY TRANSACTIONS

Other than those balances of related party as disclosed elsewhere in the consolidated financial statements, the Group had the following material transactions with its related parties during the years ended 31 March 2019 and 2018.

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:

	2019 **HK$'000**	2018 HK$'000
Salaries and other benefits	**6,100**	4,403
Contributions to defined contribution retirement plans	**126**	126
	6,226	4,529

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 one of the most 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 year ended 31 March 2019 (the "Financial Year"), E Lighting was cautious in its retail network development due to the sluggish retail environment and has concentrated on the consolidation of its retail network and optimisation of the product mix.

During the Financial Year, revenue of the retail chain business in lighting and designer label furniture was approximately HK$72,083,000, accounted for approximately 91.5% of the Group's revenue.

Tableware, giftware and other business

Tableware, giftware and other business is mainly for wholesale of tableware, giftware and other trading worldwide, which has expanded the Group's business portfolio, and broadened its source of income and generated additional cash flows. During the Financial Year, revenue of the business in tableware and giftware was approximately HK$6,682,000, accounted for approximately 8.5% of the Group's revenue.

Future Outlook

With reference to the monthly figures released by the Census and Statistics Department of the Government of the Hong Kong Special Administrative Region (the "Government"), the value of total retail sales decrease in February 2019 over the previous year, after increasing for 23 consecutive months from March 2017. It continued to drop for 3 consecutive months from February 2019 to April 2019 over the previous year and the retail sales remained weak in April 2019. The larger year-on-year decrease recorded in April 2019 reflected the still-cautious consumption sentiment amid external uncertainties.

The Government announces certain measures to expedite and increase housing supply to meet with demands. In the 2019/20 budget, the Government forecasted for the land resources and housing supply in Hong Kong. The Government estimated that the production of public housing will be about 100,400 units in the next five years. The Government also estimated that the supply of first-hand private residential property will be about 93,000 units in the next 3 to 4 years and the production of private residential housing will be about 18,800 units on average in the next five years. At the same time, the Government aims to adopt a multi-pronged strategy to increase land supply in a steady and sustained manner. The Government set aside HK$2 billion to support Non-Governmental Organisations in constructing transitional housing and set aside HK$22 billion to implement the first batch of government projects under the "single site, multiple use" initiative.

Business Review and Future Outlook (Continued)

Future Outlook (Continued)

Therefore, the Directors foresee that the Hong Kong retail market remains challenging in 2019, but expect the retail market may gradually recover from the challenging economic outlook. The Group will continue to concentrate on the consolidation of its retail network, optimisation of product-mix and intensification of cost control, and will also continue to seize opportunities to stabilise growth through cautious strategic planning.

Looking forward, the Group expects the Government's effort to step up supply of residential units in Hong Kong will drive demand for lighting and household products. Therefore, E Lighting is afforded with new opportunities in its various lines of business. The Group will strive to maintain a streamlined business operation, while catering for consumers' specific needs and being responsive to market changes. Leveraging the support of the capital market, its own strengths, and the global trends of saving energy, protecting the environment and pursuing a higher quality of life, the Group is cautiously confident of its development in the future. The Group will strive to maintain steady growth and to maximise returns for the investors.

Financial Review

Revenue

During the Financial Year, the Group's revenue was approximately HK$78,765,000, representing a decrease of approximately 3.6% from approximately HK$81,725,000 as compared with that of the preceding year, which was mainly due to uncertainty in macro business environment.

During the Financial Year, revenue of the retail chain business in lighting and designer label furniture was approximately HK$72,083,000, representing an increase of approximately 1.5% from approximately HK$71,040,000 as compared with that of the preceding year.

During the Financial Year, revenue of the tableware, giftware and other business was approximately HK$6,682,000, representing a decrease of approximately 37.5% from approximately HK$10,685,000 as compared with that of the preceding year.

Gross Profit and Gross Profit Margin

During the Financial Year, the Group's gross profit was approximately HK$42,366,000, representing an increase of approximately 5.7% from approximately HK$40,078,000 as compared with that of the preceding year. The increase was primarily due to increase in sales and gross profit margin. During the Financial Year, the Group's overall gross profit margin was approximately 53.8%.

Selling and Distribution Expenses

During the Financial Year, the Group's selling and distribution expenses was approximately HK$28,863,000, representing a decrease of approximately 14.1% from approximately HK$33,584,000 as compared with that of the preceding year. Selling and distribution expenses primarily consists of rentals for retail outlets and related expenses, staff costs (including salaries and sales commission to salespersons), electronic payment charges and depreciation. The decrease was primarily due to decrease in rental expenses.

Financial Review (Continued)

Administrative and Other Expenses

During the Financial Year, the Group's administrative and other expenses was approximately HK$16,650,000, representing a decrease of approximately 2.2% from approximately HK$17,028,000 as compared with that of the preceding year. Administrative and other expenses primarily consists 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 decrease in professional expenses.

Loss for the Year

The Group recorded a loss of approximately HK$24,247,000 during the Financial Year (2018: loss of approximately HK$27,413,000).

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

Save as otherwise disclosed, there were neither significant investments held as at 31 March 2019 nor material acquisitions and disposals of subsidiaries during the Financial Year.

Save as otherwise disclosed, there is no plan for material investments or capital assets as at the date of this announcement.

Liquidity and Financial Resources

As at 31 March 2019, the Group had cash and bank balances of approximately HK$7,107,000 (2018: HK$4,936,000). The gearing ratio of the Group, calculated as total bank borrowings over total equity, was nil as at 31 March 2019 (2018: Nil), as the Group mainly financed the operations from internally generated funds and had no bank borrowings as at 31 March 2019 (2018: Nil).

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.

Capital Structure

The capital of the Group comprises only ordinary shares. As at 31 March 2019, there were 451,035,713 ordinary shares in issue.

Total equity attributable to the owners of the Company amounted to approximately HK$21,425,000 as at 31 March 2019 (2018: HK$45,783,000).

Contingent Liabilities

As at 31 March 2019, save as otherwise disclosed, the Group did not have any material contingent liabilities (2018: 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 31 March 2019, there was no charges on the Group's assets (2018: Nil).

Capital Commitments
As at 31 March 2019, the Group did not have any significant capital commitments (2018: Nil).

Dividend
The Board does not recommend the payment of any dividend for the Financial Year (2018: Nil).

Employee Information
Total remuneration of the Group for the Financial Year (including (i) Directors' emoluments, (ii) salaries to staff and (iii) MPF contributions) was approximately HK$17,592,000 (2018: HK$16,953,000).

As at 31 March 2019, the Group had 44 employees (2018: 50 employees).

CORPORATE GOVERNANCE AND OTHER INFORMATION

Corporate Governance Practices

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 has complied with the code provisions in the CG Code during the Financial Year.

Directors' Securities Transactions

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with the required standard of dealings as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings"). The Company has made specific enquiries with all Directors and the Directors confirmed that they have complied with the Required Standard of Dealings and the code of conduct for dealing in securities of the Company during the Financial Year.

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 Financial Year.

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

As at 31 March 2019, the interests and short positions of the Directors and the chief executives of the Company (the "Chief Executives") in the shares, underlying shares and debentures of the Company or any of 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 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	Interest in controlling corporation	210,000,000 (Note 1)	46.56%
Mr. Hue Kwok Chiu	Beneficial Owner	45,000,000	9.98%

Note:

(1) These shares are held by Time Prestige Ventures Limited, a company wholly-owned by Mr. Hui Kwok Keung Raymond.

Save as disclosed above, as at 31 March 2019, none of the Directors or the Chief Executives had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations 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 31 March 2019, to the best of the knowledge of the Directors and the Chief Executives 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 Executives) 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

Name	Capacity/Nature of interests	Number of securities	Approximate percentage of shareholding
Time Prestige Ventures Limited	Beneficial Owner	210,000,000	46.56%
Ms. Ng Hiu Ying (Note 1)	Interest of spouse	45,000,000	9.98%

Note:
(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.

Save as disclosed above, as at 31 March 2019, 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 of the Company 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 Participants") and to promote the success of the business of the Group.

The Company conditionally adopted a share option scheme (the "Scheme") on 11 September 2014 whereby the Board is authorised, at its absolute discretion and subject to the terms of the Scheme, to grant options to the Eligible Participants 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 31 March 2019, the total number of shares available for issue under the Scheme is 40,000,000 shares, representing approximately 8.87% of the total number of 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 Financial Year 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 31 March 2019, 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
After the completion of the engagement of Ample Capital Limited as the compliance adviser of the Company in compliance with Rule 6A.19 of the GEM Listing Rules on 30 June 2017, the Company did not have compliance adviser.

Event after the Reporting Period
Save as otherwise disclosed, the Group does not have any material subsequent event after the reporting period and up to the date of this announcement.

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 mainly to oversee the relationship with the Company's external auditor, review the Company's financial information and oversee the Company's financial reporting system, risk management and internal control systems.

The Audit Committee had reviewed the consolidated results of the Group for the Financial Year 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 required by the GEM Listing Rules.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.elighting.asia). The annual report of the Company for the year ended 31 March 2019 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, 19 June 2019

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