

Interim Report 2011 中期報告

CEC

中国电子
CHINA ELECTRONICS

China Electronics

Corporation Holdings Company Limited

中國電子集團控股有限公司

(Stock Code 股份代號: 00085)

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CORPORATE INFORMATION

Board of Directors

Non-executive Directors

Rui Xiaowu (*Chairman*)

Zhao Guiwu (*Vice Chairman*)

Executive Directors

Fan Qingwu (*Managing Director*)

Liu Jinping

Independent Non-executive Directors

Chan Kay Cheung

Wong Po Yan

Yin Yongli

Audit Committee

Chan Kay Cheung (*Chairman*)

Wong Po Yan

Yin Yongli

Remuneration Committee

Wong Po Yan (*Chairman*)

Chan Kay Cheung

Yin Yongli

Fan Qingwu

Company Secretary

Ng Kui Kwan

Registered Office

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Office in Hong Kong

Room 3503, 35th Floor

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

公司資料

董事會

非執行董事

芮曉武 (*主席*)

趙貴武 (*副主席*)

執行董事

范卿午 (*董事總經理*)

劉晉平

獨立非執行董事

陳棋昌

黃保欣

尹永利

審核委員會

陳棋昌 (*主席*)

黃保欣

尹永利

薪酬委員會

黃保欣 (*主席*)

陳棋昌

尹永利

范卿午

公司秘書

伍舉鈞

註冊辦事處

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35樓3503室

CORPORATE INFORMATION

Investor Relations

Telephone: (852) 2598 9088
Facsimile: (852) 2598 9018
Website: www.cecholding.com
Email: investor@cecholdings.com.hk

Stock Code

00085

Principal Bankers

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai
Banking Corporation Limited
Bank of Beijing Co., Ltd

Principal Share Registrar

Butterfield Fulcrum Group
(Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

Auditors

PricewaterhouseCoopers

Legal Advisors

As to Hong Kong Law
Linklaters

As to Bermuda Law

Conyers Dill & Pearman

公司資料

投資者關係聯絡

電話：(852) 2598 9088
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股份代號

00085

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司
北京銀行股份有限公司

股份登記總處

Butterfield Fulcrum Group
(Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

核數師

羅兵咸永道會計師事務所

法律顧問

香港法律
年利達律師事務所

百慕達法律

Conyers Dill & Pearman

The board of directors (the “Board”) of China Electronics Corporation Holdings Company Limited (the “Company”) hereby presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2011 together with the comparative figures as follows:

中國電子集團控股有限公司（「本公司」）董事會（「董事會」）謹此呈報本公司及其附屬公司（「本集團」）截至2011年6月30日止六個月的未經審核簡明綜合中期業績連同比較數字如下：

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期收益表

截至2011年6月30日止六個月

| | | Unaudited 未經審核 | |
|--|--------------------|---|--|
| | | Six months ended 30 June 截至6月30日止六個月 | |
| | <i>Note 附註</i> | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Revenue | 收入 | | |
| Cost of sales | 銷售成本 | 661,563 | 262,998 |
| | | (455,838) | (171,525) |
| Gross profit | 毛利 | 205,725 | 91,473 |
| Other gains – net | 其他收益—淨額 | 14,819 | 9,787 |
| Research and development costs | 研究及開發成本 | (48,736) | (35,978) |
| Selling and marketing costs | 銷售及市場推廣成本 | (27,283) | (15,915) |
| Administrative expenses | 行政開支 | (33,192) | (19,512) |
| Operating profit | 經營溢利 | 111,333 | 29,855 |
| Finance income – net | 融資收入—淨額 | 182 | 529 |
| Profit before taxation | 除稅前溢利 | 111,515 | 30,384 |
| Taxation | 稅項 | (18,287) | (3,886) |
| Profit for the period | 期內溢利 | 93,228 | 26,498 |
| Attributable to shareholders of the Company | 歸屬於本公司股東 | 93,228 | 26,498 |
| | | HK cents 港仙 | HK cents 港仙 |
| Earnings per share | 每股盈利 | | |
| – Basic | – 基本 | 5.51 | 1.57 |
| – Diluted | – 攤薄 | 5.51 | 1.57 |
| Dividends | 股息 | – | – |

**CONDENSED CONSOLIDATED INTERIM
STATEMENT OF COMPREHENSIVE INCOME**

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期全面收益表

截至2011年6月30日止六個月

| | | Unaudited 未經審核 | |
|---|---------------|---|----------------------------------|
| | | Six months ended 30 June 截至6月30日止六個月 | |
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Profit for the period | 期內溢利 | 93,228 | 26,498 |
| Other comprehensive income for the period: | 期內其他全面收益： | | |
| Exchange differences on translation of financial statements of foreign operations | 換算海外業務賬目的匯兌差額 | 8,604 | 2,017 |
| Total comprehensive income for the period | 期內全面收益總額 | 101,832 | 28,515 |
| Attributable to shareholders of the Company | 歸屬於本公司股東 | 101,832 | 28,515 |

**CONDENSED CONSOLIDATED INTERIM
BALANCE SHEET**

AT 30 JUNE 2011

簡明綜合中期資產負債表

於2011年6月30日

| | | | 30 June 2011 2011年6月30日 (Unaudited) (未經審核) | 31 December 2010 2010年12月31日 (Audited) (經審核) |
|--|--------------------|---------------------|---|--|
| | <i>Note 附註</i> | | HK\$'000 千港元 | HK\$'000 千港元 |
| ASSETS | | 資產 | | |
| Non-current assets | | 非流動資產 | | |
| Property, plant and equipment | 10 | 物業、廠房及設備 | 17,762 | 21,253 |
| Intangible assets | 10 | 無形資產 | 8,530 | 3,955 |
| Deferred tax assets | | 遞延稅項資產 | 28,356 | 20,999 |
| Interests in an associate | | 於聯營公司之權益 | - | 523 |
| Available-for-sale financial assets | | 可供出售金融資產 | 2,405 | 2,361 |
| | | | 57,053 | 49,091 |
| Current assets | | 流動資產 | | |
| Inventories | | 存貨 | 235,972 | 261,312 |
| Trade and other receivables | 11 | 貿易及其他應收款項 | 605,079 | 280,458 |
| Cash and cash equivalents | | 現金及現金等價物 | 304,096 | 267,285 |
| | | | 1,145,147 | 809,055 |
| Total assets | | 資產總額 | 1,202,200 | 858,146 |
| EQUITY | | 權益 | | |
| Capital and reserves attributable to the Company's shareholders | | 本公司股東應佔資本及儲備 | | |
| Issued equity | | 已發行權益 | 889,171 | 889,171 |
| Other reserves | 13 | 其他儲備 | (332,767) | (341,371) |
| Retained earnings/ (accumulated losses) | | 保留溢利 / (累計虧損) | 18,215 | (75,013) |
| Total equity | | 權益總額 | 574,619 | 472,787 |
| LIABILITIES | | 負債 | | |
| Current liabilities | | 流動負債 | | |
| Trade and other payables | 14 | 貿易及其他應付款項 | 603,532 | 361,855 |
| Short term bank loans | | 短期銀行貸款 | 24,049 | 23,504 |
| Total liabilities | | 負債總額 | 627,581 | 385,359 |
| Total equity and liabilities | | 權益及負債總額 | 1,202,200 | 858,146 |
| Net current assets | | 流動資產淨值 | 517,566 | 423,696 |
| Total assets less current liabilities | | 總資產減流動負債 | 574,619 | 472,787 |

**CONDENSED CONSOLIDATED INTERIM
STATEMENT OF CHANGES IN EQUITY**

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期權益變動表

截至2011年6月30日止六個月

| | | Unaudited 未經審核 | | | |
|--|-------------|--|-------------------------|--|-------------------------|
| | | Attributable to shareholders of the Company 本公司股東應佔 | | | |
| | | Issued equity | Other reserves | Retained earnings/ (accumulated losses) | Total equity |
| | | 已發行權益 HK\$'000 千港元 | 其他儲備 HK\$'000 千港元 | 保留溢利/ (累計虧損) HK\$'000 千港元 | 權益總額 HK\$'000 千港元 |
| At 1 January 2010 | 於2010年1月1日 | 889,171 | (346,842) | (138,000) | 404,329 |
| Total comprehensive income for the period | 期內全面收益總額 | - | 2,017 | 26,498 | 28,515 |
| At 30 June 2010 | 於2010年6月30日 | 889,171 | (344,825) | (111,502) | 432,844 |
| At 1 January 2011 | 於2011年1月1日 | 889,171 | (341,371) | (75,013) | 472,787 |
| Total comprehensive income for the period | 期內全面收益總額 | - | 8,604 | 93,228 | 101,832 |
| At 30 June 2011 | 於2011年6月30日 | 889,171 | (332,767) | 18,215 | 574,619 |

**CONDENSED CONSOLIDATED INTERIM
CASH FLOW STATEMENT**

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期現金流量表

截至2011年6月30日止六個月

| | | Unaudited 未經審核 | |
|---|--------------------------|---|----------------------------------|
| | | Six months ended 30 June 截至6月30日止六個月 | |
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Net cash generated from/(used in) operating activities | 經營活動產生／(所用)之現金淨額 | 42,090 | (56,792) |
| Net cash used in investing activities | 投資活動所用之現金淨額 | (4,300) | (7,635) |
| Net cash generated from financing activities | 融資活動所產生之現金淨額 | - | - |
| Effect of foreign exchange rate changes | 匯率變動之影響 | (979) | 1,298 |
| Net increase/(decrease) in cash and cash equivalents | 現金及現金等價物增加／(減少)淨額 | 36,811 | (63,129) |
| Cash and cash equivalents at 1 January | 於1月1日之現金及現金等價物 | 267,285 | 397,420 |
| Cash and cash equivalents at 30 June | 於6月30日之現金及現金等價物 | 304,096 | 334,291 |
| Analysis of balances of cash and cash equivalents: | 現金及現金等價物之結餘分析: | | |
| Cash and bank balances | 現金及銀行結餘 | 304,096 | 334,291 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

1 Basis of preparation

The condensed consolidated interim financial information have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

The condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2010, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

2 Principal accounting policies

Except as described below, the accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the annual financial statements of the Group for the year ended 31 December 2010. In 2011, the Group has adopted the following new or revised HKAS and HKFRS, amendments and interpretation to existing HKAS and HKFRS that are relevant to its operations and effective for the accounting period beginning on 1 January 2011:

| | |
|-----------------------------|---|
| HK(IFRIC) – Int 19 | Extinguishing Financial Liabilities with Equity Instruments |
| Annual Improvements Project | Improvements to HKFRSs 2010 |

1 編製基準

簡明綜合中期財務資料乃根據香港聯合交易所有限公司證券上市規則附錄16所載之適用披露規定及香港會計師公會頒布之香港會計準則（「香港會計準則」）第34號「中期財務報告」之規定而編製。

本簡明綜合中期財務資料應連同本集團根據香港財務報告準則（「香港財務報告準則」）編製之截至2010年12月31日止年度之年度財務報表一併閱讀。

2 主要會計政策

除以下所述外，編製簡明綜合中期財務資料所採用之會計政策與編製本集團截至2010年12月31日止年度之年度財務報表所用者一致。於2011年，本集團已採納下列與其業務有關及於2011年1月1日起之會計期間生效之新訂或經修訂之香港會計準則及香港財務報告準則，對現有香港會計準則及香港財務報告準則之修訂及詮釋：

| | |
|-------------------------|-----------------|
| 香港（國際財務報告詮釋委員會）— 詮釋第19號 | 以權益工具撤銷金融負債 |
| 年度改進項目 | 香港財務報告準則之改進2010 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

2 Principal accounting policies (Continued)

Adoption of such amendments and interpretation to existing standards did not have any significant effect on results or financial position of the Group for the current period.

The Group did not early adopt any of the new or revised HKAS and HKFRS, amendments and interpretation to existing HKAS and HKFRS that have been issued by the Hong Kong Institute of Certified Public Accountants but are not yet effective. Management is currently assessing the financial impact of these revisions to the Group's financial position and performance.

2 主要會計政策 (續)

採納該等對現有準則之修訂及詮釋不會對本集團於本期間之業績或財務狀況構成重大影響。

本集團並無提早採納香港會計師公會已頒佈但尚未生效之新訂或經修訂之香港會計準則及香港財務報告準則、對現有香港會計準則及香港財務報告準則之修訂及詮釋。管理層目前正在評估該等修訂對本集團財務狀況及表現之影響。

3 Revenue and segment information

(a) Revenue

| | |
|------------------------------|--------|
| Integrated circuits products | 集成電路產品 |
|------------------------------|--------|

3 收入及分部資料

(a) 收入

Unaudited
未經審核
Six months ended 30 June
截至6月30日止六個月

| 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 661,563 | 262,998 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

3 Revenue and segment information (Continued)

(b) Operating segments

Management has determined the operating segments based on the reports reviewed by the directors (the chief operating decision maker) that are used to assess performance and allocate resources.

The directors consider that the Group's operations are operated and managed as a single segment, accordingly no operating segment information is presented.

In terms of geographical location, 100% of the Group's revenue is attributable to the market in Mainland China and over 90% of the Group's non-current assets are located in Mainland China.

3 收入及分部資料 (續)

(b) 營運分部

管理層已根據董事(主要營運決策者)已審閱作評估業績表現及分配資源用的報告, 確定營運分部。

董事認為本集團之業務以單一分部經營及管理, 故無披露營運分部資料。

按地區分佈而言, 本集團100%之收入來自於中國大陸且超過90%之非流動資產位於中國大陸。

4 Other gains – net

| | |
|--|---------------|
| Government grants | 政府補助 |
| Share of (loss)/profit of an associate | 分佔聯營公司(虧損)/溢利 |
| Gain on disposal of an associate | 出售聯營公司收益 |
| Exchange gains | 匯兌收益 |
| Others | 其他 |

4 其他收益—淨額

Unaudited
未經審核
Six months ended 30 June
截至6月30日止六個月

| 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 12,088 | 8,954 |
| (253) | 7 |
| 1,053 | - |
| 1,124 | 807 |
| 807 | 19 |
| 14,819 | 9,787 |

During the period, the Group disposed of its entire interest in an associate to an independent third party at a consideration of RMB1,100,000 (equivalent to approximately HK\$1,323,000).

於本期本集團以人民幣1,100,000元(相當於約1,323,000港元)之代價將其持有該聯營公司之全部權益出售予獨立第三方。

**NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION**

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

5 Finance income – net

| | | Unaudited 未經審核 | |
|--|----------|---|----------------------------------|
| | | Six months ended 30 June 截至6月30日止六個月 | |
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Interest income on short term deposits | 短期存款利息收入 | 931 | 1,150 |
| Interest on bank loans | 銀行貸款利息 | (749) | (621) |
| | | 182 | 529 |

6 Profit before taxation

The Group's profit before taxation has been arrived at after charging:

6 除稅前溢利

本集團之除稅前溢利已扣除：

| | | Unaudited 未經審核 | |
|---|-------------------|---|----------------------------------|
| | | Six months ended 30 June 截至6月30日止六個月 | |
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Depreciation of property, plant and equipment (Note 10) | 物業、廠房及設備折舊 (附註10) | 2,775 | 3,882 |
| Amortisation of intangible assets (Note 10) | 無形資產攤銷 (附註10) | 3,628 | 2,033 |
| Written down of inventories to net realisable value | 撇減存貨至可變現淨值 | 17,067 | 514 |
| Impairment provision for trade receivables | 貿易應收款項之減值撥備 | 6,587 | 904 |
| Auditor's remuneration | 核數師酬金 | 432 | 344 |
| Operating lease expenses on property and equipment | 物業及設備之經營租賃支出 | 3,838 | 3,838 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

7 Taxation

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

7 稅項

| | | Unaudited 未經審核 | |
|-----------------------------|-----------|---|----------------------------------|
| | | Six months ended 30 June 截至6月30日止六個月 | |
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Current taxation | 本期間稅項 | | |
| – PRC enterprise income tax | – 中國企業所得稅 | 25,114 | 4,852 |
| Deferred taxation | 遞延稅項 | (6,827) | (966) |
| | | 18,287 | 3,886 |

(a) No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profit in Hong Kong for the six months ended 30 June 2011 (2010: nil).

(b) In accordance with the enterprise income tax laws in the PRC, CEC Huada Electronic Design Co., Ltd (“Huada Electronics”)’s applicable statutory tax rate is 25% from 1 January 2008. However, Huada Electronics qualified as a “High/New Technology Enterprise” (“HNTE”) and thus was granted a 15% preferential tax rate from 1 January 2008 to 31 December 2010.

Huada Electronics has filed the application documents for HNTE qualification re-assessment with the local government authorities. The Board is of the view that Huada Electronics will pass the re-assessment and therefore the preferential tax rate of 15% has been used to calculate the income tax expense for the six months ended 30 June 2011 and the deferred tax assets at 30 June 2011.

(a) 由於本集團於截至2011年6月30日止六個月於香港並無產生任何應課稅溢利，故並無就香港利得稅作出撥備（2010年：無）。

(b) 根據中國企業所得稅法，北京中華大電子設計有限責任公司（「華大電子」）自2008年1月1日起之適用法定稅率為25%。然而，由於華大電子被確定為「高新科技企業」，因此自2008年1月1日起至2010年12月31日華大電子享受15%之優惠稅率。

華大電子已經就高新科技企業資格之覆審向當地政府部門報批。董事會認為華大電子將會通過覆審，因此已採用15%之優惠稅率對截至2011年6月30日止六個月之所得稅開支和於2011年6月30日之遞延稅項資產進行計量。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

8 Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

8 每股盈利

每股基本及攤薄盈利乃根據下列數據計算：

| | | Unaudited 未經審核 | |
|---|-------------------------|---|----------------------------------|
| | | Six months ended 30 June 截至6月30日止六個月 | |
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Profit for the period attributable to shareholders of the Company | 本公司股東應佔期內溢利 | 93,228 | 26,498 |
| Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share | 用以計算每股基本及攤薄盈利之普通股加權平均數目 | 1,691,560,000 | 1,691,560,000 |
| Earnings per share (HK cents) | 每股盈利 (港仙) | | |
| – Basic | – 基本 | 5.51 | 1.57 |
| – Diluted (Notes a and b) | – 攤薄 (附註a和b) | 5.51 | 1.57 |

(a) The Company did not have any potential ordinary shares outstanding for the six months ended 30 June 2011. Diluted earnings per share is therefore equal to basic earnings per share.

(b) Impact of exercise of share options were not included in the calculation of diluted earnings per share for the six months ended 30 June 2010 because their exercise would result in an increase in earnings per share and were anti-dilutive.

(a) 截至2011年6月30日止六個月，本公司並無任何未發行潛在普通股。因此，每股攤薄盈利與每股基本盈利相等。

(b) 由於行使購股權會增加每股盈利，故此行使購股權具有反攤薄效應，故在計算截至2010年6月30日止六個月每股攤薄盈利時，並無將行使購股權之影響計算在內。

9 Dividends

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2011 (2010: nil).

9 股息

董事會不建議派付截至2011年6月30日止六個月之中期股息。(2010：無)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

10 Property, plant and equipment and intangible assets

10 物業、廠房及設備和無形資產

| | | Property, plant and equipment 物業、廠房 及設備 (Unaudited) (未經審核) HK\$'000 千港元 | Intangible assets 無形資產 (Unaudited) (未經審核) HK\$'000 千港元 | Total 合計 (Unaudited) (未經審核) HK\$'000 千港元 |
|--|------------------------|---|--|---|
| Opening net book amount at 1 January 2010 | 於2010年1月1日之 期初賬面淨值 | 22,334 | 3,984 | 26,318 |
| Exchange differences | 匯兌差額 | 198 | 58 | 256 |
| Additions | 添置 | 3,069 | 5,716 | 8,785 |
| Depreciation/amortisation charge | 折舊／攤銷開支 | (3,882) | (2,033) | (5,915) |
| Closing net book amount at 30 June 2010 | 於2010年6月30日之 期末賬面淨值 | 21,719 | 7,725 | 29,444 |
| Opening net book amount at 1 January 2011 | 於2011年1月1日之 期初賬面淨值 | 21,253 | 3,955 | 25,208 |
| Exchange differences | 匯兌差額 | 549 | 59 | 608 |
| Additions | 添置 | 4,213 | 8,144 | 12,357 |
| Disposals | 出售 | (5,478) | - | (5,478) |
| Depreciation/amortisation charge | 折舊／攤銷開支 | (2,775) | (3,628) | (6,403) |
| Closing net book amount at 30 June 2011 | 於2011年6月30日之 期末賬面淨值 | 17,762 | 8,530 | 26,292 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

11 Trade and other receivables

The majority of the Group's sales are with credit terms of 30 days to 135 days. Included in trade and other receivables are trade receivables of HK\$592,019,000 (31 December 2010: HK\$263,620,000) and their ageing analysis is as follows:

| | | 30 June 2011 2011年6月30日 (Unaudited) (未經審核) HK\$'000 千港元 | 31 December 2010 2010年12月31日 (Audited) (經審核) HK\$'000 千港元 |
|--------------------------------|-----------|--|---|
| Current to 30 days | 30日內 | 279,787 | 113,678 |
| 31-60 days | 31日至60日 | 85,658 | 56,515 |
| Over 60 days and within 1 year | 60日以上及1年內 | 225,142 | 92,936 |
| Over 1 year | 1年以上 | 1,432 | 491 |
| | | 592,019 | 263,620 |

11 貿易及其他應收款項

本集團之銷售大部份之信貸期為30日至135日。貿易及其他應收款項包括貿易應收款項592,019,000港元(2010年12月31日:263,620,000港元)，其賬齡分析如下:

12 Issued equity

| | | 30 June 2011 2011年6月30日 (Unaudited) (未經審核) HK\$'000 千港元 | 31 December 2010 2010年12月31日 (Audited) (經審核) HK\$'000 千港元 |
|--|----------------------------------|--|---|
| 1,691,560,000 ordinary shares of HK\$0.01 each | 1,691,560,000股 每股面值0.01港元之普通股 | 889,171 | 889,171 |

12 已發行權益

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

13 Other reserves

13 其他儲備

| | | Capital reserve | Surplus reserve | Share option reserve | Translation reserve | Merger reserve | Other reserve | Total |
|----------------------------------|-----------------------|-----------------|-----------------|-------------------------------|---------------------|----------------|---------------|-----------|
| | | 資本儲備 | 盈餘儲備 | 購股權儲備 | 匯兌儲備 | 合併儲備 | 其他儲備 | 合計 |
| | | HK\$'000 | HK\$'000 | (Note a) (附註a) HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2010 | 於2010年1月1日 | 930 | 16,309 | 3,046 | 29,608 | (327,605) | (69,130) | (346,842) |
| Share option lapsed | 已失效購股權 | - | - | (3,046) | - | - | - | (3,046) |
| Currency translation differences | 貨幣換算差額 | - | - | - | 8,517 | - | - | 8,517 |
| At 31 December 2010 (Audited) | 於2010年12月31日 (經審核) | 930 | 16,309 | - | 38,125 | (327,605) | (69,130) | (341,371) |
| At 1 January 2011 | 於2011年1月1日 | 930 | 16,309 | - | 38,125 | (327,605) | (69,130) | (341,371) |
| Currency translation differences | 貨幣換算差額 | - | - | - | 8,604 | - | - | 8,604 |
| At 30 June 2011 (Unaudited) | 於2011年6月30日 (未經審核) | 930 | 16,309 | - | 46,729 | (327,605) | (69,130) | (332,767) |

(a) Share option reserve

For the year ended 31 December 2010, 4,350,000 share options lapsed and an amount of HK\$3,046,000 was transferred from share option reserve to retained earnings.

(a) 購股權儲備

於截至2010年12月31日止年度，4,350,000份購股權已失效，3,046,000港元由購股權儲備轉撥至保留溢利。

14 Trade and other payables

Included in trade and other payables are trade payables of HK\$361,571,000 (31 December 2010: HK\$201,830,000) and their ageing analysis is as follows:

14 貿易及其他應付款項

貿易及其他應付款項包括貿易應付款項 361,571,000港元 (2010年12月31日：201,830,000港元)，其賬齡分析如下：

| | | 30 June 2011 (Unaudited) (未經審核) HK\$'000 千港元 | 31 December 2010 (Audited) (經審核) HK\$'000 千港元 |
|--------------------|---------|--|---|
| Current to 30 days | 30日內 | 149,487 | 100,480 |
| 31-60 days | 31日至60日 | 50,329 | 20,836 |
| Over 60 days | 60日以上 | 161,755 | 80,514 |
| | | 361,571 | 201,830 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

15 Operating lease commitments

The Group's future aggregate minimum lease payments under non-cancellable operating leases for factories and office premises are as follows:

| | |
|-----------------------------|----------|
| Not later than one year | 1年內 |
| In the second to fifth year | 第2年至第5年內 |

15 經營租賃承擔

本集團根據不可解除之廠房及辦公室物業之經營租賃而須於未來支付之最低租賃款項總額如下：

| | | Group 本集團 | |
|-----------------------------|----------|---|---|
| | | 30 June 2011 2011年6月30日 (Unaudited) (未經審核) HK\$'000 千港元 | 31 December 2010 2010年12月31日 (Audited) (經審核) HK\$'000 千港元 |
| Not later than one year | 1年內 | 7,149 | 6,931 |
| In the second to fifth year | 第2年至第5年內 | 1,096 | 4,333 |
| | | 8,245 | 11,264 |

16 Contingent liabilities

The Group did not have any material contingent liabilities at 30 June 2011 (31 December 2010: nil).

16 或有負債

於2011年6月30日，本集團並無任何重大或有負債（2010年12月31日：無）。

17 Related party transactions and balances

The Group entered into the following material transactions with related parties during the period:

17 關聯人士交易及結餘

於期內本集團與關聯人士進行了下列各項重大交易：

(a) Significant transactions with companies under common control of China Electronics Corporation Limited ("CEC")

(a) 與受中國電子信息產業集團有限公司（「中國電子集團」）共同控制之公司之重大交易

| | | Unaudited 未經審核 | |
|---------------------------------|---------|---|----------------------------------|
| | | Six months ended 30 June 截至6月30日止六個月 | |
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Sales of products | 銷售產品 | 40,513 | 33,206 |
| Purchases of goods and services | 採購貨品及服務 | 269,323 | 148,752 |
| Interest received | 收取利息 | 466 | 10 |
| Rental paid | 支付租金 | 247 | 180 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

17 Related party transactions and balances

(Continued)

17 關聯人士交易及結餘 (續)

(b) Significant balances with companies under common control of CEC

(b) 與受中國電子集團共同控制之公司之重大結餘

| | | 30 June 2011 2011年6月30日 (Unaudited) (未經審核) HK\$'000 千港元 | 31 December 2010 2010年12月31日 (Audited) (經審核) HK\$'000 千港元 |
|-------------------|--------|--|---|
| Trade receivables | 貿易應收款項 | 40,706 | 6,742 |
| Deposits | 存款 | 94,713 | 94,015 |
| Trade payables | 貿易應付款項 | 333,956 | 136,436 |
| Other payables | 其他應付款項 | 3,607 | 3,526 |

At 30 June 2011, deposits with companies under common control of CEC yielded interest at prevailing deposit interest rates, other balances with related parties were unsecured and non-interest bearing.

於2011年6月30日，存款於受中國電子集團共同控制之公司按現行存款利率收取利息，其他與關聯人士結餘為無抵押及免息。

(c) Transactions and balances with an associate

(c) 與聯營公司之交易及結餘

| | | Unaudited 未經審核 Six months ended 30 June 截至6月30日止六個月 | |
|-------------------|------|--|----------------------------------|
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Sales of products | 銷售產品 | 29,904 | 12,684 |

**NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION**

FOR THE SIX MONTHS ENDED 30 JUNE 2011

簡明綜合中期財務資料附註

截至2011年6月30日止六個月

17 Related party transactions and balances

(Continued)

17 關聯人士交易及結餘 (續)

(c) Transactions and balances with an associate

(Continued)

(c) 與聯營公司之交易及結餘 (續)

| | | 30 June 2011 2011年6月30日 (Unaudited) (未經審核) HK\$'000 千港元 | 31 December 2010 2010年12月31日 (Audited) (經審核) HK\$'000 千港元 |
|-------------------|--------|--|---|
| Trade receivables | 貿易應收款項 | - | 13,376 |
| Other payables | 其他應付款項 | - | 3,142 |

(d) Key management compensation

(d) 主要管理人員酬金

| | | Unaudited 未經審核 Six months ended 30 June 截至6月30日止六個月 | |
|---|------------|--|----------------------------------|
| | | 2011 2011年 HK\$'000 千港元 | 2010 2010年 HK\$'000 千港元 |
| Salaries, allowances and benefits in kind | 薪金、津貼及實物福利 | 1,701 | 1,625 |
| Contributions to retirement schemes | 退休計劃供款 | 52 | 42 |
| | | 1,753 | 1,667 |



羅兵咸永道

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
TO THE BOARD OF DIRECTORS OF
CHINA ELECTRONICS CORPORATION
HOLDINGS COMPANY LIMITED**

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 4 to 20, which comprises the condensed consolidated interim balance sheet of China Electronics Corporation Holdings Company Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2011 and the related condensed consolidated interim statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

中期財務資料審閱報告

致中國電子集團控股有限公司董事會

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

引言

本核數師(以下簡稱「我們」)已審閱列載於第4至20頁的中期財務資料,此中期財務資料包括中國電子集團控股有限公司(「貴公司」)及其子公司(合稱「貴集團」)於2011年6月30日的簡明綜合中期資產負債表與截至該日止六個月期間的相關簡明綜合中期收益表、全面收益表、權益變動表和現金流量表,以及主要會計政策概要及其他附註解釋。香港聯合交易所有限公司證券上市規則規定,就中期財務資料編製的報告必須符合以上規則的有關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計準則第34號「中期財務報告」編製及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論,並按照委聘之條款僅向整體董事會報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 August 2011

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱的範圍遠較根據香港審計準則進行審核的範圍為小，故不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

結論

按照我們的審閱，我們並無發現任何事項，令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號「中期財務報告」編製。

羅兵咸永道會計師事務所
執業會計師

香港，2011年8月26日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

The Group's integrated circuits design business comprises the design of integrated circuits chips and the development of application system. Currently, our products are widely used in smart cards such as identity cards, social security cards, telecommunications cards and electronic payment cards. Our products are also applied in wireless local area networks ("WLAN") and application specific integrated circuits. For the six months ended 30 June 2011, the Group has obtained 5 patents and registered 5 integrated circuits layout designs.

Revenue for the six months ended 30 June 2011 amounted to HK\$661.6 million, representing an increase of 152% when comparing with the corresponding period of last year. For the six months ended 30 June 2011, sales of a number of our main products recorded significant increase when comparing with the corresponding period of last year. In particular, sales of telecommunications card chips increased by 280% to HK\$203.5 million, sales of social security card chips increased by 173% to HK\$178.6 million, sales of public utility card chips increased by 207% to HK\$92.3 million and sales of identity card chips increased by 73.2% to HK\$75.6 million. During the period, overall gross profit margin, still maintained at a relatively high level, dropped 3.7% to 31.1% mainly due to faster growth in lower gross profit margin telecommunications card chips business than that of the other smart card chips business.

Selling and marketing costs for the period were HK\$27.3 million. Despite sales volume for the period has more than trebled when comparing with the corresponding period of last year, selling and marketing costs were effectively controlled and recorded a moderate increase of 71.4% when comparing with the corresponding period of last year.

業務回顧

本集團之集成電路設計業務涵蓋集成電路之芯片設計及應用系統開發。目前產品覆蓋身份證卡、社會保障卡、移動通信卡及電子支付卡等智能卡應用領域，同時還有無線局域網絡（「WLAN」）和特殊用途集成電路應用。截至2011年6月30日止六個月，本集團已獲授權專利5項及集成電路版圖設計登記5項。

截至2011年6月30日止六個月的收入為661.6百萬港元，較去年同期增長152%。截至2011年6月30日止六個月，多項主要產品銷售較去年同期大幅增長，其中，移動通信卡芯片的銷售實現增長280%至203.5百萬港元，社會保障卡芯片的銷售實現增長173%至178.6百萬港元，公用事業卡芯片的銷售實現增長207%至92.3百萬港元，而身份證卡芯片的銷售也實現增長73.2%至75.6百萬港元。由於毛利率較低的移動通信卡芯片業務增長較其他智能卡芯片業務快，期內整體毛利率下降3.7%，但仍保持在31.1%的較高水平。

期內銷售及市場推廣成本為27.3百萬港元。儘管銷售量增加至去年同期的三倍多，通過嚴格控制成本，期內銷售及市場推廣成本較去年同期只輕微上升71.4%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

業務回顧 (續)

Administrative expenses increased by 70.1% to HK\$33.2 million for the six months ended 30 June 2011. This was mainly attributable to the rising in daily running costs and an increase of impairment provision for trade receivables. Research and development costs were HK\$48.7 million in 2011 (2010: HK\$36 million), which represented 7.4% of the revenue for the six months ended 30 June 2011 (2010: 13.7%). Research and development during the period primarily focused on the more advanced electronic payment smart card and high frequency RFID ("radio frequency identification") chips products.

截至2011年6月30日止六個月行政開支上升70.1%至33.2百萬港元。上升之主因為日常營運費用上升及增加貿易應收款項之減值撥備。2011年之研究及開發成本為48.7百萬港元(2010年:36百萬港元)，佔截至2011年6月30日止六個月收入之7.4%(2010年:13.7%)。期內研究及開發主要側重於高端電子支付智能卡及高頻RFID(「無線射頻識別」)芯片產品之開發。

Government grants received increased by 35% to HK\$12 million for the six months ended 30 June 2011 resulted from more government subsidies for research and development costs incurred in the period.

由於本集團就截至2011年6月30日止六個月發生研究及開發成本獲得之政府補助增加，期內之政府補助上升35%至12百萬港元。

For the six months ended 30 June 2011, the profit attributable to shareholders of the Company was HK\$93.2 million (2010: HK\$26.5 million), and the basic earnings per share was HK5.51 cents (2010: HK1.57 cents).

截至2011年6月30日止六個月，本公司股東應佔溢利為93.2百萬港元(2010年:26.5百萬港元)，而每股基本盈利為5.51港仙(2010年:1.57港仙)。

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2011 (2010: nil).

董事會不建議派付截至2011年6月30日止六個月之中期股息(2010年:無)。

MANAGEMENT DISCUSSION AND ANALYSIS

Prospects

The PRC smart cards market will continue to sustain a stable and rapid development trend. In telecommunication field, with the popularity of smart handsets and increase of mobile value-added services, the demand for advance telecommunications cards will significantly increase; in financial field, the PRC EMV migration (changeover from magnetic stripe card to smart IC card for PRC banking cards) has entered into the substantive acceleration stage; in governmental field, the social security cards are issued intensively and massively in various provinces and municipalities; in transportation field, with the upgrading and improvement of urban public transportation, the expansion of coverage of high speed railway and the increase in vehicle penetration rate, the demands for all-purpose payment cards, railway tickets and petrol payment cards will also sustain a strong growth. We are full of confidence that the Group can capture the growth opportunities in the smart cards market in the PRC and continue to maintain our leading position in the industry.

Looking forward, the Group will continuously increase the investment in research and development, enhance the design standard of smart card chips, strengthen the efforts in operation management and cost control, explore market application opportunities of smart cards in various industries such as financial industry and transportation industry, while consolidating its dominant position in the social security cards and identity cards market; and will actively seek to initiate development in the related business areas.

管理層討論及分析

展望

中國智能卡市場將繼續保持穩步、快速的發展趨勢。在電信領域，伴隨智能手機的普及和移動增值服務的增多，高端移動通信卡的需求量將會大幅上升；在金融領域，中國EMV遷移（即銀行卡從磁條卡向智能IC卡轉換）已進入實質性加速階段；在政府領域，社會保障卡正在各省市大規模集中發放；在交通領域，伴隨城市公共交通的升級改造、高速鐵路運營範圍的擴大、汽車普及率的提升，城市一卡通、鐵路客票以及加油卡的需求也將保持強勁增長。我們深信，本集團能夠把握中國智能卡市場的增長機遇，繼續保持行業領先地位。

展望未來，本集團將不斷加大研發投入，提升智能卡芯片設計水平，強化運營管理及成本控制能力，鞏固在社會保障卡和身份證卡市場的優勢，拓展金融、交通等行業應用市場，並將積極尋求在相關業務領域展開佈局。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review

The Group finances its operations primarily by internal resources and short term bank loans. At 30 June 2011, the Group had cash and cash equivalents amounted to HK\$304.1 million, 65% of which was denominated in Renminbi, 0.4% in Hong Kong dollars and 34.6% in United States dollars (31 December 2010: HK\$267.3 million, 74% of which was denominated in Renminbi, 22.3% in Hong Kong dollars and 3.7% in United States dollars).

At 30 June 2011, the Group had unsecured short term bank loans of HK\$24 million, which were denominated in Renminbi (31 December 2010: HK\$23.5 million, which were denominated in Renminbi). The bank loans were borrowed at contracted fixed interest rate. At 30 June 2011, committed banking facilities available to the Group but not drawn amounted to HK\$24 million. At 30 June 2011, the Group did not have any pledged assets or guarantee (31 December 2010: nil). The Group's revenue are mainly denominated in Renminbi and payments are denominated in Renminbi and Hong Kong dollars. The Group will make use of hedging contracts, when appropriate, to hedge the risk of foreign exchange fluctuation arising from its operations.

財務回顧

本集團主要以內部資源及短期銀行貸款為其業務提供資金。於2011年6月30日，本集團持有現金及現金等價物304.1百萬港元，分別有65%以人民幣、0.4%以港元及34.6%以美元持有（2010年12月31日：267.3百萬港元，分別有74%以人民幣、22.3%以港元及3.7%以美元持有）。

於2011年6月30日，本集團的無抵押短期銀行貸款為24百萬港元乃以人民幣計值（2010年12月31日：23.5百萬港元，以人民幣計值）。銀行貸款按已訂約的固定利率借貸。於2011年6月30日，本集團尚未動用之銀行借貸備用額為24百萬港元。於2011年6月30日，本集團並無任何資產抵押或擔保（2010年12月31日：無）。本集團收入主要以人民幣結算而付款以人民幣及港元結算。本集團會於適時利用對沖合約對沖源自其業務的外匯波動風險。

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review (Continued)

At 30 June 2011, the Group had net current assets of HK\$517.6 million (31 December 2010: HK\$423.7 million). The overall gearing ratio, which is calculated as the total liabilities over total assets of the Group, was 52.2% (31 December 2010: 44.9%).

At 30 June 2011, the Group did not have any material capital commitments (31 December 2010: nil) for the acquisition of fixed assets and intangible assets. The Group did not have any material contingent liabilities at 30 June 2011 (31 December 2010: nil).

Employee and Remuneration Policies

At 30 June 2011, the Group had approximately 290 employees, the majority of whom were based in PRC. Employee benefit expenses during the period were HK\$48.3 million.

The Group recognises the importance of high calibre and competent staff and has a strict recruitment policy and performance appraisal scheme. Remuneration policies are largely in line with industry practices, and are formulated on the basis of performance and experience and will be reviewed regularly. Bonus and other merit payments are linked with the performance of the Group and of the individuals as incentive to optimise performance. The Company has in place a share option scheme, pursuant to which share options may be granted to selected personnel of the Group, with a view to encouraging employees to work towards enhancing the value of the Group.

管理層討論及分析

財務回顧 (續)

於2011年6月30日，本集團流動資產淨值為517.6百萬港元(2010年12月31日：423.7百萬港元)。整體資本負債比率(以本集團的總負債除以總資產計算)為52.2%(2010年12月31日：44.9%)。

於2011年6月30日，本集團就購買固定資產及無形資產並無任何重大資本承擔(2010年12月31日：無)。於2011年6月30日，本集團並無任何重大或有負債(2010年12月31日：無)。

僱員及薪酬政策

於2011年6月30日，本集團僱用約290名僱員，大部份於中國內地工作。期內的僱員福利開支為48.3百萬港元。

本集團意識到優秀人才及能幹僱員的重要性，並備有嚴謹的招聘政策及工作表現評估計劃。僱員的薪酬政策與業內慣例大致相符，乃按表現及工作經驗為基準制訂並定期作出檢討。花紅及其他獎賞乃視乎本集團及個別僱員表現而釐定，以鼓勵僱員達致最佳表現。本公司設有購股權計劃，據此可向本集團選定的人士授予購股權，目的是鼓勵僱員致力提升本集團的價值。

OTHER INFORMATION

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

At 30 June 2011, none of the directors nor the chief executive of the Company and their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were 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 of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Share Option Scheme

During the six months ended 30 June 2011, no share option was granted under the share option scheme adopted by the Company pursuant to an ordinary resolution passed on 20 June 2002, nor was any share option exercised, cancelled or lapsed.

The Company had no outstanding share option at 1 January 2011 and 30 June 2011.

其他資料

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於2011年6月30日，概無本公司董事、最高行政人員及彼等各自之聯繫人於本公司或本公司任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中持有任何須記錄於本公司根據證券及期貨條例第352條備存之登記冊內之權益或淡倉，或根據香港聯合交易所有限公司證券上市規則（「上市規則」）附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯合交易所有限公司之權益或淡倉。

購股權計劃

於截至2011年6月30日止六個月內，本公司概無根據於2002年6月20日通過之普通決議案採納之購股權計劃授出購股權，亦無購股權被行使、註銷或失效。

於2011年1月1日及2011年6月30日，本公司並無尚未行使之購股權。

OTHER INFORMATION

Directors' Rights to Acquire Shares or Debentures

At no time during the six months ended 30 June 2011 was the Company, its holding company or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company or their respective associates (as defined under the Listing Rules) to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Substantial Shareholders

At 30 June 2011, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that the following persons had notified the Company that they had an interest of 5% or more in the issued share capital of the Company:

其他資料

董事購買股份或債券之權利

於截至2011年6月30日止六個月內，本公司、其控股公司或其任何附屬公司或同系附屬公司並無訂立任何使本公司董事或彼等各自之聯繫人（定義見上市規則）可藉着購入本公司或任何其他法人團體之股份或債券而獲益之安排。

主要股東

於2011年6月30日，根據證券及期貨條例第336條本公司須備存之主要股東登記冊所示，下列人士已知會本公司彼等持有本公司已發行股本5%或以上之權益：

| Name of interested party | 持有權益者名稱 | Number or attributable number of shares interested 持有或應佔股份數目 | Percentage of shareholding 持股百分比 |
|--|--|---|-------------------------------------|
| China Electronics Corporation (BVI) Holdings Company Limited ("CEC (BVI)") | China Electronics Corporation (BVI) Holdings Company Limited ("CEC (BVI)") | 812,500,000 | 48.03% |
| China Integrated Circuit Design Corp., Ltd ("China Huada") | 中國華大集成電路設計集團有限公司 ("中國華大") | 393,680,000 | 23.27% |
| China Electronics Corporation Limited ("CEC") (Notes 1 and 2) | 中國電子信息產業集團有限公司 ("中國電子集團") (附註1及2) | 1,206,180,000 | 71.30% |
| SDIC High-Tech Investment Co., Ltd (Note 1) | 國投高科技投資有限公司 (附註1) | 393,680,000 | 23.27% |
| The State Development and Investment Corporation (Note 1) | 國家開發投資公司 (附註1) | 393,680,000 | 23.27% |

OTHER INFORMATION

Substantial Shareholders (Continued)

Notes:

- (1) The equity interest of China Huada is contributed as to 50% by CEC and as to 50% by SDIC High-Tech Investment Co., Ltd. SDIC High-Tech Investment Co., Ltd is a wholly-owned subsidiary of The State Development and Investment Corporation, which is a state-owned investment holding company established under the laws of the PRC. By virtue of the SFO, CEC, SDIC High-Tech Investment Co., Ltd and The State Development and Investment Corporation are deemed to be interested in the 393,680,000 shares of the Company held by China Huada.
- (2) CEC holds 100% interest in CEC (BVI) and is deemed to be interested in the shares of the Company held by CEC (BVI).

All the interests disclosed above represent long position in the shares of the Company.

Save as disclosed above, at 30 June 2011, the Company had not been notified of any other interest or short position in the shares or underlying shares of the Company which were required to be recorded in the register of substantial shareholders required to be kept under Section 336 of the SFO.

其他資料

主要股東 (續)

附註:

- (1) 中國華大之股本權益分別由中國電子集團及國投高科技投資有限公司各自出資50%。國投高科技投資有限公司為國家開發投資公司之全資附屬公司，而國家開發投資公司為一家根據中國法律成立之國有投資控股公司。根據證券及期貨條例，中國電子集團、國投高科技投資有限公司及國家開發投資公司被視為持有中國華大所持有之本公司393,680,000股股份之權益。
- (2) 中國電子集團持有CEC (BVI)之100%權益，因此被視為持有CEC (BVI)所持有之本公司股份之權益。

所有上述所披露之權益均為本公司股份之好倉。

除上文披露者外，於2011年6月30日，本公司並未獲知會有任何其他人士持有本公司股份或相關股份須記錄於根據證券及期貨條例第336條須備存之主要股東登記冊內之權益或淡倉。

OTHER INFORMATION

Purchase, Sale or Redemption of Securities

Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's shares and the Company had not redeemed any of its shares during the six months ended 30 June 2011.

Corporate Governance Practices

The Company has applied the principles and complied with all the applicable code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2011.

The Model Code for Securities Transactions by Directors

The Company has adopted the Model Code to regulate the directors' securities transactions. All directors have confirmed, following specific enquiry by the Company, that they have fully complied with the Model Code throughout the six months ended 30 June 2011.

Audit Committee

The audit committee comprises three independent non-executive directors, namely Mr. Chan Kay Cheung, Mr. Wong Po Yan and Mr. Yin Yongli. The audit committee has reviewed the accounting principles and policies adopted by the Group and discussed the Group's internal controls and financial reporting matters with the management. The audit committee has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2011.

其他資料

購回、出售或贖回證券

於截至2011年6月30日止六個月內，本公司或其任何附屬公司並無購回或出售任何本公司股份，且本公司亦無贖回其任何股份。

企業管治常規

於截至2011年6月30日止六個月內，本公司已應用上市規則附錄14所載之企業管治常規守則之原則，並已遵守企業管治常規守則之所有適用守則條文。

董事進行證券交易的標準守則

本公司已採納標準守則，以規管董事進行的證券交易。經本公司作出具體查詢後，所有董事均已確認，於截至2011年6月30日止六個月內，彼等均已全面遵守標準守則。

審核委員會

審核委員會由三位獨立非執行董事，分別為陳棋昌先生、黃保欣先生及尹永利先生組成。審核委員會已審閱本集團所採納之會計原則及政策，並與管理層討論本集團內部監控及財務匯報事項。審核委員會已審閱本集團截至2011年6月30日止六個月之未經審核簡明綜合中期財務資料。

OTHER INFORMATION

Directors' Particulars

Changes in particulars of the directors of the Company are set out as follows:

1. Mr. Zhao Guiwu was appointed the vice chairman of Shanghai Huahong (Group) Co., Ltd and a director of Shanghai Huahong NEC Electronics Company Ltd in July 2011. Mr. Zhao Guiwu ceased to be the chairman of Beijing Huahong IC Design Co., Ltd in June 2011.
2. Mr. Yin Yongli ceased to be an independent supervisor of Sinopec Shanghai Petrochemical Company Limited in June 2011.

By Order of the Board

Rui Xiaowu
Chairman

Hong Kong, 26 August 2011

其他資料

董事資料

本公司董事資料更改列述如下：

1. 趙貴武先生已於2011年7月獲委任為上海華虹集團副董事長及上海華虹NEC有限公司董事。趙貴武先生已於2011年6月退任北京華虹集成電路設計有限公司董事長一職。
2. 尹永利先生已於2011年6月退任中國石化上海石油化工股份有限公司獨立監事一職。

承董事會命

主席
芮曉武

香港，2011年8月26日

The background features a series of overlapping, wavy lines in shades of blue and green, creating a sense of motion and depth. The lines are most prominent in the upper right and lower left corners, with a lighter, more ethereal appearance in the center.

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