

The logo for CEC, consisting of the letters 'CEC' in a bold, blue, sans-serif font.

华大科技

HUADA TECHNOLOGY

China Electronics

Huada Technology Company Limited

中國電子華大科技有限公司

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

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

(Stock Code 股份代號: 00085)

Interim Report 中期報告

2019

CONTENTS 目錄

		Pages 頁次
Corporate Information	公司資料	2
Consolidated Statement of Profit or Loss	綜合損益表	4
Consolidated Statement of Comprehensive Income	綜合全面收益表	5
Consolidated Statement of Financial Position	綜合財務狀況表	6
Condensed Consolidated Statement of Changes in Equity	簡明綜合權益變動表	8
Consolidated Statement of Cash Flows	綜合現金流量表	9
Notes to the Condensed Consolidated Interim Financial Statements	簡明綜合中期財務報表附註	11
Report on Review of Condensed Consolidated Interim Financial Information	簡明綜合中期財務資料 審閱報告	29
Management Discussion and Analysis	管理層討論及分析	31
Other Information	其他資料	37

CORPORATE INFORMATION

Board of Directors

Non-executive Directors

Dong Haoran (*Chairman*)
Liu Jinmei

Executive Directors

Yu Jian (*Deputy Chairman*)
Liu Hongzhou (*Managing Director*)

Independent Non-executive Directors

Chan Kay Cheung
Qiu Hongsheng
Chow Chan Lum

Audit Committee

Chan Kay Cheung (*Chairman*)
Qiu Hongsheng
Chow Chan Lum

Remuneration and Nomination Committee

Qiu Hongsheng (*Chairman*)
Chan Kay Cheung
Chow Chan Lum
Yu Jian

Company Secretary

Ng Kui Kwan

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Office in Hong Kong

Room 3403, 34th Floor
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

公司資料

董事會

非執行董事

董浩然 (*主席*)
劉勁梅

執行董事

虞儉 (*副主席*)
劉紅洲 (*董事總經理*)

獨立非執行董事

陳棋昌
邱洪生
鄒燦林

審核委員會

陳棋昌 (*主席*)
邱洪生
鄒燦林

薪酬及提名委員會

邱洪生 (*主席*)
陳棋昌
鄒燦林
虞儉

公司秘書

伍舉鈞

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港主要辦事處

香港
灣仔
港灣道26號
華潤大廈
34樓3403室

CORPORATE INFORMATION

Investor Relations

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

Stock Code

00085

Principal Bankers

Agricultural Bank of China Limited Hong Kong Branch
Bank of Beijing Co., Ltd
Bank of China (Hong Kong) Limited
China Construction Bank Corporation
China Merchants Bank Co., Ltd
Shanghai Pudong Development Bank Co., Ltd

Principal Share Registrar

MUFG Fund Services (Bermuda)
Limited
4th floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

Independent Auditor

Ernst & Young

Legal Advisor

Freshfields Bruckhaus Deringer

公司資料

投資者關係聯絡

電話：(852) 2598 9088
傳真：(852) 2598 9018
網頁：www.cecht.com.cn
電郵：investor@cecht.com.hk

股份代號

00085

主要往來銀行

中國農業銀行股份有限公司香港分行
北京銀行股份有限公司
中國銀行(香港)有限公司
中國建設銀行股份有限公司
招商銀行股份有限公司
上海浦東發展銀行股份有限公司

股份登記總處

MUFG Fund Services (Bermuda)
Limited
4th floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
皇后大道東183號
合和中心54樓

獨立核數師

安永會計師事務所

法律顧問

富而德律師事務所

The board of directors (the “Board”) of China Electronics Huada Technology Company Limited (the “Company”) hereby presents the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2019 as follows:

中國電子華大科技有限公司(「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2019年6月30日止六個月的未經審核簡明綜合業績如下：

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
	Note 附註		
Revenue	4	908,572	981,034
Cost of sales		(608,522)	(662,451)
Gross profit		300,050	318,583
Other income	5	24,369	19,709
Selling and marketing costs		(43,533)	(50,616)
Administrative expenses		(165,378)	(168,933)
Impairment losses on trade and other receivables		(8,055)	(1,634)
Operating profit		107,453	117,109
Finance income	6	876	2,874
Finance costs	6	(53,054)	(48,919)
Finance costs – net	6	(52,178)	(46,045)
Share of results of associates	12	16,878	13,251
Share of result of a joint venture		–	236
Profit before taxation	7	72,153	84,551
Taxation	8	972	(4,559)
Profit for the period		73,125	79,992
Profit for the period attributable to:			
Owners of the Company		72,231	78,080
Non-controlling interests		894	1,912
		73,125	79,992
		HK cents	HK cents
		港仙	港仙
Basic earnings per share	10	3.56	3.85

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Profit for the period	期內溢利	73,125	79,992
Other comprehensive income for the period, net of taxation:	期內扣除稅項後的其他全面收益：		
Items that may be subsequently reclassified to profit or loss:	期後可能重分類至溢利或虧損的項目：		
Exchange differences on translation of financial statements	換算財務報表的匯兌差額	(14,572)	(107,731)
Total comprehensive income for the period	期內全面收益總額	58,553	(27,739)
Total comprehensive income for the period attributable to:	期內全面收益總額歸屬於：		
Owners of the Company	本公司權益持有者	58,401	(27,366)
Non-controlling interests	非控股權益	152	(373)
		58,553	(27,739)

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

綜合財務狀況表

			30 June 2019	31 December 2018
			2019年6月30日	2018年12月31日
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	84,973	367,599
Right-of-use assets	使用權資產	11	91,437	-
Investment properties	投資物業		48,801	48,847
Land use rights	土地使用權		-	11,302
Intangible assets	無形資產		4,902	2,059
Investment in associates	於聯營公司投資	12	2,646,795	2,665,777
Deferred tax assets	遞延稅項資產		45,599	38,024
			2,922,507	3,133,608
Current assets	流動資產			
Inventories	存貨		520,844	603,679
Trade and other receivables	貿易及其他應收款項	13	1,026,331	722,947
Financial assets at fair value through profit or loss	按公允價值計入損益 金融資產		102,669	42,029
Short-term deposits	短期存款		238,718	91,303
Cash and cash equivalents	現金及現金等價物		230,217	375,525
			2,118,779	1,835,483
Total assets	資產總額		5,041,286	4,969,091

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

綜合財務狀況表

		30 June 2019 2019年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 2018年12月31日 (Audited) (經審核) HK\$'000 千港元
EQUITY AND LIABILITIES	權益及負債		
Equity attributable to owners of the Company	本公司權益持有者應佔權益		
Share capital and premium	股本及溢價	825,454	825,454
Reserves	儲備	(721,196)	(707,366)
Retained earnings	保留溢利	1,879,203	1,804,305
		1,983,461	1,922,393
Non-controlling interests	非控股權益	18,942	18,790
Total equity	權益總額	2,002,403	1,941,183
Liabilities	負債		
Non-current liabilities	非流動負債		
Lease liabilities	租賃負債	68,868	-
Deferred tax liabilities	遞延稅項負債	8,776	24,511
		77,644	24,511
Current liabilities	流動負債		
Deferred government grants	遞延政府補助	40,978	44,083
Contract liabilities	合約負債	4,931	13,377
Trade and other payables	貿易及其他應付款項	594,052	638,480
Bank and other borrowings	銀行及其他借貸	2,286,051	2,295,297
Lease liabilities	租賃負債	22,604	-
Income tax payable	應付所得稅款項	12,623	12,160
		2,961,239	3,003,397
Total liabilities	負債總額	3,038,883	3,027,908
Total equity and liabilities	權益及負債總額	5,041,286	4,969,091

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

		Unaudited 未經審核						
		Attributable to owners of the Company 本公司權益持有者應佔						
		Share capital	Share premium	Reserves	Retained earnings	Total	Non- controlling interests	Total equity
		股本	股份溢價	儲備	保留溢利	總額	權益	權益總額
		HK\$'000	HK\$'000	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 2018	於2018年1月1日	20,299	805,155	(551,812)	1,751,880	2,025,522	16,388	2,041,910
Total comprehensive income	全面收益總額	-	-	(105,446)	78,080	(27,366)	(373)	(27,739)
Dividend	股息	-	-	-	(60,896)	(60,896)	-	(60,896)
At 30 June 2018	於2018年6月30日	20,299	805,155	(657,258)	1,769,064	1,937,260	16,015	1,953,275
At 31 December 2018, as previously reported	於2018年12月31日 (如以往所報告)	20,299	805,155	(707,366)	1,804,305	1,922,393	18,790	1,941,183
Effect of adoption of HKFRS16	採納香港財務報告準則第16號的影響	-	-	-	43,264	43,264	-	43,264
At 1 January 2019, as restated	於2019年1月1日 (重列)	20,299	805,155	(707,366)	1,847,569	1,965,657	18,790	1,984,447
Total comprehensive income	全面收益總額	-	-	(13,830)	72,231	58,401	152	58,553
Dividend	股息	-	-	-	(40,597)	(40,597)	-	(40,597)
At 30 June 2019	於2019年6月30日	20,299	805,155	(721,196)	1,879,203	1,983,461	18,942	2,002,403

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from operating activities	經營活動之現金流量		
Cash flows used in operations	經營所用之現金流量	(141,202)	(65,001)
Interest paid	支付利息	(55,265)	(53,607)
Income tax paid	支付所得稅	(22,493)	(24,212)
Net cash flows used in operating activities	經營活動所用之現金流量淨額	(218,960)	(142,820)
Cash flows from investing activities	投資活動之現金流量		
Interest received	收取利息	6,679	7,716
Purchase of property, plant and equipment and intangible assets	購置物業、廠房及設備和無形資產	(14,888)	(14,560)
Payment for financial assets at fair value through profit or loss	支付按公允值計入損益金融資產款項	(63,687)	(284,664)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公允值計入損益金融資產所得款項	3,474	307,793
(Increase)/decrease in short-term deposits	短期存款(增加)/減少	(147,415)	11,000
Proceeds from disposal of property, plant and equipment	處置物業、廠房及設備所得款項	280,832	35
Proceeds from disposal of land use rights	處置土地使用權所得款項	11,467	-
Net cash flows generated from investing activities	投資活動產生之現金流量淨額	76,462	27,320

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Cash flows from financing activities	融資活動之現金流量		
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	115,794	143,067
Repayment of bank and other borrowings	償還銀行及其他借貸	(115,910)	(100,000)
Principal portion of lease payments	租賃付款本金部份	(1,245)	-
Net cash flows (used in)/ generated from financing activities	融資活動(所用)/產生之現金流量淨額	(1,361)	43,067
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(143,859)	(72,433)
Effect of exchange rate changes	匯率變動之影響	(1,449)	(2,031)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	375,525	373,831
Cash and cash equivalents at end of the period	期末之現金及現金等價物	230,217	299,367

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

1 Basis of preparation

(a) Compliance with HKFRS and Listing Rules

The condensed consolidated interim financial statements 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 (the "Listing Rules") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2018, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The condensed consolidated interim financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and certain financial assets at fair value through profit or loss which are carried at fair value.

(b) Going concern

At 30 June 2019, the Group's current liabilities exceeded its current assets by HK\$842,460,000 primarily due to the fact that the Group has liabilities under short-term bank and other borrowings (the "Short-term Borrowings") of HK\$2,286,051,000.

The Board has reviewed the Group's cash flow projections which covers a period of not less than twelve months from 30 June 2019. Given that the Short-term Borrowings of HK\$2,160.4 million are guaranteed by China Electronics Corporation Limited ("CEC"), and taking into account the financial resources available to the Group, including the internally generated funds, expected renewal and extension of borrowings upon their maturities and the available committed borrowing facilities, the Board considers that there are sufficient financial resources available to the Group to meet its financial liabilities as and when they fall due in the coming twelve months from 30 June 2019. Accordingly, the Board has prepared the condensed consolidated interim financial statements on a going concern basis.

1 編製基準

(a) 符合香港財務報告準則及上市規則

簡明綜合中期財務報表乃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16所載之適用披露規定及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」之規定而編製。

簡明綜合中期財務報表應與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2018年12月31日止年度之綜合財務報表一併閱讀。

簡明綜合中期財務報表是按歷史成本常規法編製，並就投資物業及若干按公允值計入損益金融資產（按公允值列賬）的重估而作出修訂。

(b) 持續經營

於2019年6月30日，本集團之流動負債高於其流動資產842,460,000港元；主要由於本集團項下擁有2,286,051,000港元短期銀行及其他借貸（「短期借貸」）。

董事會已審閱本集團涵蓋自2019年6月30日起計不少於十二個月期間之現金流量預測。鑒於為數2,160.4百萬港元之短期借貸由中國電子信息產業集團有限公司（「中國電子集團」）擔保及經考慮本集團可動用之財務資源，包括內部產生之資金、預期到期借貸可續期和延長及可動用之已承諾借貸備用額，董事會認為本集團有足夠可動用之財務資源以應付其自2019年6月30日起計未來十二個月到期之財務負債。因此，董事會以持續經營基準編製簡明綜合中期財務報表。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

2 Principal accounting policies

Except for the adoption for the first time of all the new and amended HKFRSs issued by the Hong Kong Institute of Certified Public Accountants that are relevant to the Group's operations and effective for the accounting period beginning on 1 January 2019, the accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those adopted in the consolidated financial statements of the Group for the year ended 31 December 2018.

Except as disclosed below, the adoption of these new and amended standards had no material effect on the results and financial position of the Group and/or disclosures set out in the condensed consolidated interim financial statements.

HKFRS16 "Leases"

In the current period, the Group has adopted HKFRS16 "Leases". HKFRS16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The Group has applied HKFRS16 retrospectively with the cumulative effect of initial adoption as an adjustment to the retained earnings at 1 January 2019, and the comparative information of the condensed consolidated interim financial statements continues to be reported under the accounting policies and disclosure requirements prevailing prior to 1 January 2019.

Under HKFRS16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Upon adoption of HKFRS16, the Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for leases with terms of 12 months or less ("short-term leases") and leases of low-value assets. Right-of-use assets are initially measured at cost and subsequently carried at cost less accumulated depreciation and impairment losses. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and less any lease incentives received. Lease liabilities are initially measured at the present value of the remaining lease payments discounted using the incremental borrowing rate of the lessee. Subsequently, lease liabilities are adjusted by interest accretion and lease payments. For short-term leases and leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

2 主要會計政策

除首次採納香港會計師公會所頒佈之所有與本集團業務相關及於2019年1月1日開始之會計期間生效之新訂及經修訂之香港財務報告準則外，編製簡明綜合中期財務報表所採納之會計政策與編製本集團截至2018年12月31日止年度綜合財務報表所採納者一致。

除以下所述外，採納該等新訂及經修訂之準則，對本集團之業績及財務狀況及／或於簡明綜合中期財務報表所載之披露並無重大影響。

香港財務報告準則第16號「租賃」

本集團於本期間已採納香港財務報告準則第16號「租賃」。香港財務報告準則第16號載列確認、計量、列報及披露租賃的原則。香港財務報告準則第16號已被本集團追溯應用，並將首次採納的累計影響確認為對於2019年1月1日的保留溢利的調整，而簡明綜合中期財務報表的比較資料繼續根據於2019年1月1日前生效的會計政策及披露要求呈報。

根據香港財務報告準則第16號，倘合約為換取對價而給予在一段時間內控制可識別資產使用的權利，則該合約是租賃或包含租賃。在採納香港財務報告準則第16號時，就所有先前分類為經營租賃的租賃，本集團確認使用權資產及租賃負債，但租期為十二個月或以下的租賃（「短期租賃」）及低價值資產租賃除外。使用權資產始初按成本計量，其後以成本減累計折舊及減值虧損計量。使用權資產的成本包括已確認的租賃負債金額，已發生的始初直接成本，以及扣除已收取的任何租賃優惠。租賃負債始初按承租人的增量借貸利率折現剩餘租賃付款的現值計量。其後，租賃負債根據利息增長及租賃付款進行調整。就短期租賃及低價值資產租賃而言，租賃付款按租賃期以直線法確認為開支。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

2 Principal accounting policies (Continued)

HKFRS16 "Leases" (Continued)

The effects of adoption of HKFRS16 at 1 January 2019 are as follows:

		Increase
		增加
		HK\$'000
		千港元
Right-of-use assets	使用權資產	2,614
Investment in associates	於聯營公司投資	43,322
Lease liabilities	租賃負債	2,672
Retained earnings	保留溢利	43,264

The reconciliation from operating lease commitments at 31 December 2018 to lease liabilities at 1 January 2019 is as follows:

於2019年1月1日採納香港財務報告準則第16號的影響如下：

		Increase
		增加
		HK\$'000
		千港元
Operating lease commitments at 31 December 2018	於2018年12月31日的經營租賃承擔	17,193
Weighted average incremental borrowing rate at 1 January 2019	於2019年1月1日的加權平均增量借貸利率	4.89%
Discounted operating lease commitments at 1 January 2019	於2019年1月1日的折現經營租賃承擔	16,511
Less: Commitments relating to short-term leases and leases of low-value assets	減：涉及短期租賃及低價值資產租賃的承擔	(13,839)
Lease liabilities at 1 January 2019	於2019年1月1日的租賃負債	2,672

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management

3.1 Financial risk factors

The Group's operating activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements does not include all financial risk management information and disclosures required in a complete set of financial statements which have been prepared in accordance with HKFRSs, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2018.

There have been no significant changes in the risk management policies since 31 December 2018.

3.2 Liquidity risk

The maturity profile of the Group's financial liabilities at the end of the reporting period, based on the contractual undiscounted cash flows, is as follows:

3 財務風險管理

3.1 財務風險因素

本集團之經營活動承受各種不同財務風險：市場風險（包括外匯風險、公允值利率風險及現金流量利率風險）、信貸風險及流動資金風險。

本簡明綜合中期財務報表並不包括一份根據香港財務報告準則編製之完整財務報表應有的所有財務風險管理資料及披露，並應與本集團截至2018年12月31日止年度之綜合財務報表一併閱讀。

自2018年12月31日以來，風險管理政策並無重大變動。

3.2 流動資金風險

本集團於報告期末的金融負債到期情況（根據合約的未折現現金流量計算）如下：

		30 June 2019 2019年6月30日		
		More than 1 year but less than 5 years		Total 總額
		Within 1 year 一年內	1 year but less than 5 years 但不超過五年 一年以上	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Bank and other borrowings	銀行及其他借貸	2,323,910	-	2,323,910
Lease liabilities	租賃負債	29,780	71,449	101,229
Trade and other payables (excluding salary and welfare payables and other taxes payables)	貿易及其他應付款項 (不包括應付薪酬 和福利及其他 應付稅項)	524,705	1,001	525,706
		2,878,395	72,450	2,950,845

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3.2 Liquidity risk (Continued)

		31 December 2018		
		2018年12月31日		
		Within 1 year	More than 1 year but less than 2 years	Total
		一年內	一年以上 但不超過兩年	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Bank and other borrowings	銀行及其他借貸	2,378,339	-	2,378,339
Trade and other payables (excluding salary and welfare payables and other taxes payables)	貿易及其他應付款項 (不包括應付薪酬 和福利及其他 應付稅項)	571,789	-	571,789
		2,950,128	-	2,950,128

3 財務風險管理 (續)

3.2 流動資金風險 (續)

		31 December 2018		
		2018年12月31日		
		Within 1 year	More than 1 year but less than 2 years	Total
		一年內	一年以上 但不超過兩年	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元

Bank and other borrowings	銀行及其他借貸	2,378,339	-	2,378,339
Trade and other payables (excluding salary and welfare payables and other taxes payables)	貿易及其他應付款項 (不包括應付薪酬 和福利及其他 應付稅項)	571,789	-	571,789
		2,950,128	-	2,950,128

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3 財務風險管理 (續)

3.3 Fair value estimation

3.3 公允價值估計

Movements in the financial assets that are measured at fair value during the period are as follows:

期內以公允價值計量之金融資產之變動如下：

Wealth management products	財富管理產品	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Unaudited	未經審核				
At 1 January 2019	於2019年1月1日	-	37,358	4,671	42,029
Exchange differences	匯兌差額	-	(1,281)	(20)	(1,301)
Additions	增加	-	65,355	60	65,415
Disposals	出售	-	(3,474)	-	(3,474)
At 30 June 2019	於2019年6月30日	-	97,958	4,711	102,669
Audited	經審核				
At 1 January 2018	於2018年1月1日	-	-	202,485	202,485
Transfer between levels	級別間轉撥	-	142,360	(142,360)	-
Exchange differences	匯兌差額	-	(3,081)	(844)	(3,925)
Additions	增加	-	180,720	370,835	551,555
Disposals	出售	-	(282,641)	(425,445)	(708,086)
At 31 December 2018	於2018年12月31日	-	37,358	4,671	42,029

The investments at 30 June 2019 represent investments in certain wealth management products issued by commercial banks in the People's Republic of China (the "PRC"). These wealth management products are principal protected and with non-guaranteed return. They are denominated in Renminbi ("RMB") and can be redeemed either at any time or at certain time within three months. The fair values of these investments were determined with reference to either the statements provided by the commercial banks or discounted cash flow method.

於2019年6月30日的投資乃指投資於中華人民共和國(「中國」)商業銀行發行的若干財富管理產品。該等財富管理產品乃為保本及非保證回報，並以人民幣(「人民幣」)計值及可於任何時間或三個月內的若干時間贖回。該等投資的公允價值乃經參考商業銀行所提供的對賬單或折現現金流量法而釐定。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3 財務風險管理 (續)

3.3 Fair value estimation (Continued)

3.3 公允價值估計 (續)

Movements in the investment properties that are measured at fair value during the period are as follows:

期內以公允價值計量之投資物業之變動如下：

Investment properties	投資物業	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Unaudited	未經審核				
At 1 January 2019	於2019年1月1日	-	-	48,847	48,847
Exchange differences	匯兌差額	-	-	(197)	(197)
Changes in fair value	公允價值變動	-	-	151	151
At 30 June 2019	於2019年6月30日	-	-	48,801	48,801
Audited	經審核				
At 1 January 2018	於2018年1月1日	-	-	51,202	51,202
Exchange differences	匯兌差額	-	-	(2,355)	(2,355)
At 31 December 2018	於2018年12月31日	-	-	48,847	48,847

Information about fair value measurements using significant unobservable inputs (Level 3) is as follows:

使用重大的難以觀察之數據作公允價值計量(第三級)的有關資料如下：

Description 詳情	Fair value at 30 June 2019 於2019年 6月30日 之公允價值 HK\$'000 千港元	Valuation technique(s) 估值方法	Unobservable inputs 難以觀察 之數據	Range of unobservable inputs/weighted average 難以觀察之 數據範圍/ 加權平均值	Relationship of unobservable inputs to fair value 難以觀察之數據 與公允價值 的關係
Office building and carparks – Beijing 寫字樓及車位 – 北京	48,801	Direct comparison method 直接比較法	Market price 市場價格	RMB30,903 per square metre 每平方米 人民幣 30,903 元	The higher the market price, the higher the fair value 市場價格越高， 公允價值越高
Wealth management products 財富管理產品	102,669	Discounted cash flow method 折現現金流量法	Discount rate 折現率	2.6% to 3.6%	The higher the discounted rate, the lower the fair value 折現率越高， 公允價值越低

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

4 Revenue and segment information

(a) Revenue

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Sale of integrated circuit products	銷售集成電路產品	908,572	981,034

All the revenue of the Group are from sale of goods, which is recognised when the control of goods is transferred at a point in time.

(b) Operating segments

Management has determined the operating segments based on the reports reviewed by the Board (the chief operating decision maker) that are used to assess performance and allocate resources. The Board assesses the performance of an operating segment based on a measure of its operating profit excluding unallocated corporate income and expenses.

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

Nearly 100% of the Group's revenue is attributable to the market in the PRC and over 90% of the Group's non-current assets are located in the PRC. No geographical information is therefore presented.

4 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	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Sale of integrated circuit products	銷售集成電路產品	908,572	981,034

本集團所有的銷售貨品收入，乃按照貨物的控制權轉移客戶的時間點確認。

(b) 營運分部

管理層已根據董事會（主要營運決策者）已審閱作評估表現及分配資源用的報告，確定營運分部。董事會根據營運分部之經營溢利（不包括未分配的公司收入及開支）以評估其表現。

董事會認為本集團之業務以單一分部營運及管理，故並無披露營運分部資料。

鑒於本集團接近100%之收入來自於中國市場且超過90%之非流動資產位於中國，故並無披露地區性資料。

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

5 Other income

5 其他收入

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Government grants	政府補助	6,720	6,733
Exchange gains	匯兌收益	-	4,046
Fair value gains on financial assets at fair value through profit or loss	按公允值計入損益 金融資產公允值收益	1,729	2,994
Gain on disposal of financial assets at fair value through profit or loss	出售按公允值計入損益 金融資產收益	-	4,587
Interest income	利息收入	5,388	-
Rental income	租金收入	1,260	1,349
Gain on disposal of a building in the PRC	處置一棟位於中國的 樓宇收益	9,122	-
Others	其他	150	-
		24,369	19,709

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

6 Finance costs – net

6 融資成本—淨額

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Finance costs	融資成本		
– Interest expense on borrowings	– 借貸利息支出	53,054	48,919
Finance income	融資收入		
– Interest income on cash and cash equivalents	– 現金及現金等價物利息收入	(876)	(2,874)
Finance costs – net	融資成本—淨額	52,178	46,045

7 Profit before taxation

7 除稅前溢利

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

本集團之除稅前溢利已扣除以下各項：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,551	12,015
Depreciation of right-of-use assets	使用權資產折舊	9,779	–
Amortisation of intangible assets	無形資產攤銷	3,339	3,542
Provision for inventories	存貨之撥備	1,050	14,860
Rental expenses from short-term leases and leases of low-value assets	短期租賃及低價值資產租賃租金開支	5,007	–
Operating lease expenses on properties	物業之經營租賃開支	–	6,228

Research and development costs for the six months ended 30 June 2019 were HK\$105,994,000 (2018: HK\$108,762,000), and mainly comprised of employee costs of HK\$53,677,000 (2018: HK\$59,231,000) and material costs of HK\$31,050,000 (2018: HK\$18,111,000). No research and development costs were capitalised during the six months ended 30 June 2019 (2018: nil). For the six months ended 30 June 2019, provision for inventories of HK\$1,050,000 (2018: HK\$14,860,000) has been charged to cost of sales.

截至2019年6月30日止六個月研究及開發成本為105,994,000港元（2018年：108,762,000港元），主要包括僱員成本53,677,000港元（2018年：59,231,000港元）及材料成本31,050,000港元（2018年：18,111,000港元）。於截至2019年6月30日止六個月內，並無研究及開發成本予以資本化（2018年：無）。截至2019年6月30日止六個月，為數1,050,000港元存貨之撥備（2018年：14,860,000港元）已計入銷售成本。

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

8 Taxation

8 稅項

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Current taxation	本期間稅項		
– PRC corporate income tax	– 中國企業所得稅	11,704	10,115
– Withholding tax on distributed profits (Note (c))	– 已分配溢利之預扣所得稅(附註(c))	(5,790)	(5,276)
		5,914	4,839
Deferred taxation	遞延稅項		
– PRC corporate income tax	– 中國企業所得稅	(10,392)	(4,005)
– Withholding tax on undistributed profits (Note (c))	– 未分配溢利之預扣所得稅(附註(c))	3,506	3,725
		(6,886)	(280)
		(972)	4,559

(a) No provision for Hong Kong profits tax had been made as the Group did not generate any assessable profit in Hong Kong for the six months ended 30 June 2019 (2018: nil).

(b) In accordance with the corporate income tax laws of the PRC, the applicable statutory tax rate of CEC Huada Electronic Design Co., Ltd (“Huada Electronics”) and Shanghai Huahong Integrated Circuit Co., Ltd (“Huahong”) is 25%. However, Huada Electronics and Huahong qualify as an “Integrated Circuit Design Enterprises in National Planning Layout” and thus enjoy a 10% preferential tax rate for the six months ended 30 June 2019 (2018: 10% and 15% preferential tax rate, respectively).

(c) According to the relevant regulations of the corporate income tax laws of the PRC, when a foreign investment enterprise distributed dividends out of the profits earned from 1 January 2008 onwards to its overseas investors, such dividends are subject to withholding tax at a rate of 10%.

(a) 由於本集團於截至2019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(2018年：無)。

(b) 根據中國企業所得稅法的規定，北京中電華大電子設計有限責任公司(「華大電子」)及上海華虹集成電路有限責任公司(「華虹」)之適用法定稅率為25%。然而，華大電子及華虹獲得「國家規劃佈局內集成電路設計企業」資格，因此華大電子及華虹於截至2019年6月30日止六個月享受10%之優惠稅率(2018年：分別為10%和15%之優惠稅率)。

(c) 根據中國企業所得稅法的有關規定，中國境內之外商投資企業以股息向其境外投資者分配自2008年1月1日起產生的溢利，該等股息須繳納10%的預扣所得稅。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

9 Dividend

The Board has resolved not to declare any dividend for the six months ended 30 June 2019 (2018: nil).

10 Earnings per share

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

9 股息

董事會已決議就截至2019年6月30日止六個月不派付任何股息(2018年：無)。

10 每股盈利

每股基本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	
		2019 2019年	2018 2018年
Profit for the period attributable to owners of the Company (HK\$'000)	本公司權益持有者應佔之期內溢利(千港元)	72,231	78,080
Weighted average number of ordinary shares for the purposes of basic earnings per share	用以計算每股基本盈利之普通股加權平均數目	2,029,872,000	2,029,872,000
Basic earnings per share (HK cents)	每股基本盈利(港仙)	3.56	3.85

No diluted earnings per share is presented as the Company did not have any potential ordinary shares outstanding.

由於本公司並無擁有任何未發行潛在普通股，故並無披露每股攤薄盈利。

11 Property, plant and equipment and right-of-use assets

During the six months ended 30 June 2019, the Group acquired property, plant and equipment for considerations of HK\$8,486,000 (2018: HK\$8,922,000), and disposed of certain of its property, plant and equipment for considerations of HK\$275,694,000 (2018: HK\$140,000).

During the six months ended 30 June 2019, the Group recognised right-of-use assets for leasing of office buildings of HK\$98,602,000.

11 物業、廠房及設備和使用權資產

於截至2019年6月30日止六個月內，本集團以對價8,486,000港元(2018年：8,922,000港元)添置物業、廠房及設備，及以對價275,694,000港元(2018年：140,000港元)處置其若干物業、廠房及設備。

於截至2019年6月30日止六個月內，本集團就租用辦公樓確認98,602,000港元使用權資產。

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

12 Investment in associates

12 於聯營公司投資

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Beginning of the period	期初結餘	2,665,777	2,782,326
Share of the effect of adoption of HKFRS16	應佔採納香港財務報告準則第16號的影響	43,322	-
Share of results	應佔業績	16,878	13,251
- Post-acquisition profit/(loss)	- 收購後溢利/(虧損)	8,638	(2,613)
- Gain on cancellation of subsidiaries of an associate	- 一間聯營公司的註銷附屬公司收益	-	2,697
- Gain on combination of business under the common control of an associate	- 一間聯營公司的共同控制下的業務合併收益	-	3,079
- Gain on anti-dilution of interest in an associate	- 一間聯營公司的權益反稀釋收益	8,240	10,088
Exchange differences	匯兌差額	(12,261)	(19,101)
Dividend	股息	(63,750)	(51,000)
Share of currency translation differences	應佔貨幣換算差額	(3,171)	(93,970)
End of the period	期末結餘	2,646,795	2,631,506

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

12 Investment in associates (Continued)

12 於聯營公司投資 (續)

Particulars of the associates at 30 June 2019 and 31 December 2018 are as follows:

聯營公司於2019年6月30日及2018年12月31日之詳情如下：

Name 名稱	Place of establishment and type of legal entity 成立地點及公司性質	Principal place of operation and activities 主要經營地點及業務	Paid-in capital 實收資本	Interest held 所持權益	
				30 June 2019 2019年6月30日	31 December 2018 2018年12月31日
China Electronics Optics Valley Union Holding Company Limited ("CEOVU") 中電光谷聯合控股有限公司 (「中電光谷」)	Cayman Islands, limited liability company 開曼群島，有限責任公司	PRC, development and operation of business parks 中國，產業園之發展及運營	HK\$757,435,200 (2018: HK\$761,821,200) 757,435,200港元 (2018年：761,821,200港元)	33.67%	33.47%
Beijing Chipadvanced Technology Inc. 北京確安科技股份有限公司	PRC, limited liability company 中國，有限責任公司	PRC, provision of integrated circuit testing services 中國，提供集成電路測試服務	RMB40,740,000 人民幣40,740,000元	10.36%	10.36%

In the opinion of the Board, CEOVU, an associate of the Group, is material to the Group.

董事會認為本集團的聯營公司中電光谷對本集團而言屬重要。

The Group has not received any dividend from CEOVU during the six months ended 30 June 2019 (2018: nil).

於截至2019年6月30日止六個月內，本集團並無收取任何中電光谷股息(2018年：無)。

The fair value of the Group's interest in CEOVU at 30 June 2019 based on the closing price of HK\$0.59 per CEOVU ordinary share as quoted on The Stock Exchange of Hong Kong Limited on 30 June 2019 was HK\$1,504,500,000.

本集團於中電光谷之權益於2019年6月30日之公允值為1,504,500,000港元，乃根據每股中電光谷普通股於2019年6月30日在香港聯合交易所有限公司所報之收市價0.59港元計算。

There are no contingent liabilities relating to the Group's interest in associates at 30 June 2019 (31 December 2018: nil).

於2019年6月30日本集團於聯營公司的權益並沒有或有負債(2018年12月31日：無)。

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

12 Investment in associates (Continued)

12 於聯營公司投資 (續)

Set out below are the summarised financial information of CEOVU and its subsidiaries:

中電光谷及其附屬公司之財務資料如下：

		30 June 2019	31 December 2018
		2019年6月30日 (Unaudited)	2018年12月31日 (Audited)
		HK\$'000	HK\$'000
		千港元	千港元
Current	流動		
Assets	資產	13,172,924	12,642,138
Liabilities	負債	(6,075,837)	(5,666,477)
Non-current	非流動		
Assets	資產	6,938,612	5,952,458
Liabilities	負債	(5,323,804)	(4,196,408)
Net assets	資產淨值	8,711,895	8,731,711
Net assets attributable to owners of CEOVU	歸屬於中電光谷權益持有者之資產淨值	7,820,350	7,923,344
Investment in an associate	於一間聯營公司投資	2,633,112	2,652,135
		Unaudited	
		未經審核	
		Six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收入	1,346,601	940,544
Profit for the period attributable to owners of CEOVU	期內溢利歸屬於中電光谷權益持有者	25,496	40,172
Other comprehensive income for the period:	期內其他全面收益：		
Currency translation differences	貨幣換算差額	(9,465)	(283,384)
Total comprehensive income for the period attributable to owners of CEOVU	期內全面收益總額歸屬於中電光谷權益持有者	16,031	(243,212)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

13 Trade and other receivables

The majority of the Group's sales are with credit terms of 30 days to 135 days. The remaining amounts are due immediately after the delivery of goods. The ageing analysis of the Group's trade receivables (net of loss allowance for impairment) is as follows:

		30 June 2019 2019年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 2018年12月31日 (Audited) (經審核) HK\$'000 千港元
Current to 30 days	30日內	230,298	330,280
31-60 days	31日至60日	156,092	63,652
61-180 days	61日至180日	395,057	169,427
Over 180 days and within 1 year	180日以上及1年內	98,864	112,669
Over 1 year	1年以上	37,577	16,155
		917,888	692,183

13 貿易及其他應收款項

本集團之銷售大部份的信貨期為30日至135日，其餘銷售於緊隨貨品交付時時期。本集團貿易應收款項(扣除減值虧損撥備)的賬齡分析如下：

14 Trade and other payables

The ageing analysis of the Group's trade payables is as follows:

		30 June 2019 2019年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 2018年12月31日 (Audited) (經審核) HK\$'000 千港元
Current to 30 days	30日內	125,122	258,037
31-60 days	31日至60日	123,186	58,261
Over 60 days	60日以上	59,460	85,674
		307,768	401,972

14 貿易及其他應付款項

本集團貿易應付款項的賬齡分析如下：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

15 Contingent liabilities

The Group did not have any material contingent liability at 30 June 2019 (31 December 2018: nil).

15 或有負債

於2019年6月30日，本集團並無任何重大或有負債(2018年12月31日：無)。

16 Related party transactions and balances

The Group entered into the following material transactions in the ordinary course of business with related parties during the period:

16 關聯人士交易及結餘

於期內本集團於日常業務過程中與關聯人士進行了下列各項重大交易：

(a) Significant transactions with related parties

(a) 與關聯人士之重大交易

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
CEC	中國電子集團		
Interest expenses	利息支出	1,529	1,580
Guarantee fee	擔保費	5,471	5,805
Companies under common control of CEC	受中國電子集團共同控制之公司		
Sale of products	銷售產品	72,968	98,156
Purchase of goods and services	採購貨品及服務	59,050	405,577
Interest income	利息收入	1,605	1,207
Rental income	租金收入	1,260	1,349
Rental expenses	租金支出	575	1,141
Property management fee	物業管理費	1,912	4,041
Additions of right-of-use assets (Note (a))	新增使用權資產 (附註(a))	88,171	-
Associate	聯營公司		
Purchase of goods and services	採購貨品及服務	608	-

(a) The Group recognised these right-of-use assets based on leases with terms ranging from one year to two years, with the intention to renew these leases for further periods.

(a) 本集團根據租期為1年至2年並打算予以延長的租賃確認該等使用權資產。

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

16 Related party transactions and balances (Continued)

16 關聯人士交易及結餘(續)

(b) Significant balances with related parties

(b) 與關聯人士之重大結餘

		30 June 2019 2019年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 2018年12月31日 (Audited) (經審核) HK\$'000 千港元
CEC	中國電子集團		
Other payables	其他應付款項	3,410	3,424
Borrowings	借貸	68,205	68,477
Companies under common control of CEC	受中國電子集團 共同控制之公司		
Trade receivables	貿易應收款項	85,777	64,175
Other receivables	其他應收款項	4,064	3,453
Deposits	存款	352,247	302,430
Trade payables	貿易應付款項	31,165	37,425
Other payables	其他應付款項	25,492	6,020
Contract liabilities	合約負債	362	-
Associate	聯營公司		
Trade payables	貿易應付款項	910	1,394

Other than the deposits and the borrowings which are interest bearing, the above balances with related parties were unsecured, interest-free and settled according to the relevant contract terms. The borrowings from related parties are unsecured and with interest rate of 4.35% per annum.

除存款及借貸為附息外，上述關聯人士結餘為無抵押、免息並根據相關的合同條款結算。關聯人士借貸為無抵押及按年利率4.35%計息。

(c) Key management compensation

(c) 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	
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	4,326	3,522
Contributions to retirement schemes	退休計劃供款	388	297
		4,714	3,819

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料審閱 報告



Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

安永會計師事務所
香港中環添美道1號
中信大廈22樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

TO THE BOARD OF DIRECTORS OF CHINA ELECTRONICS HUADA TECHNOLOGY COMPANY LIMITED

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

致中國電子華大科技有限公司董事會

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

Introduction

We have reviewed the condensed consolidated interim financial information set out on pages 4 to 28, which comprises the consolidated statement of financial position of China Electronics Huada Technology Company Limited (the "Company") and its subsidiaries as at 30 June 2019 and the related consolidated statement of profit or loss, consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and consolidated statement of 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" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

引言

本核數師(以下簡稱「我們」)已審閱列載於第4至28頁的簡明綜合中期財務資料,此簡明綜合中期財務資料包括中國電子華大科技有限公司(「貴公司」)及其子公司(合稱「貴集團」)於2019年6月30日的綜合資產負債表與截至該日止六個月期間的相關綜合收益表、綜合全面收益表、簡明綜合權益變動表和綜合現金流量表,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」編製及列報該等簡明綜合中期財務資料。我們的責任是根據我們的審閱對該等簡明綜合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。

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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young
Certified Public Accountants

Hong Kong, 28 August 2019

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，令我們相信簡明綜合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。

安永會計師事務所
執業會計師

香港，2019年8月28日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

Results overview

Revenue of the Group for the six months ended 30 June 2019 amounted to HK\$908.6 million, representing a decrease of 7.4% when comparing with the corresponding period of last year. Profit attributable to owners of the Company amounted to HK\$72.2 million, representing a decrease of 7.5% when comparing with the corresponding period of last year. The basic earnings per share was HK3.56 cents (2018: HK3.85 cents).

Integrated circuits design operation

The Group's integrated circuits design operation comprises the design of security smart card chips and the development of application system. Currently, the Group's products are mainly used in sectors such as identity authentication, financial payment, government utilities, telecommunication and mobile payment. For the six months ended 30 June 2019, the Group has obtained 13 new patents, registered 1 new software copyright and 3 new integrated circuits layout designs.

業務回顧

業績概述

本集團截至2019年6月30日止六個月之收入為908.6百萬港元，較去年同期下降7.4%。本公司權益持有者應佔溢利為72.2百萬港元，較去年同期下降7.5%。每股基本盈利為3.56港仙（2018年：3.85港仙）。

集成電路設計業務

本集團之集成電路設計業務涵蓋智能卡及安全芯片之設計及應用系統開發。目前，本集團產品主要覆蓋身份識別、金融支付、政府公共事業、電信與移動支付等應用領域。截至2019年6月30日止六個月，本集團新增授權專利13項、新登記1項軟件著作及新註冊3項集成電路佈圖設計。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

During the first half of 2019, as domestic-made bank card chips were increasingly recognised by various banks, the market demand for domestic-made bank card chips continued to increase, and sales volume of bank card chips increased significantly when comparing with the corresponding period of last year. For social security cards, given the population coverage of the second-generation social security cards has reached a fairly high level, demand for the second-generation social security cards gradually declined, whereas issuance of the third-generation social security cards has started in most provinces leading to a growth in demand. During the period, sales volume of social security card chips increased slightly when comparing with the corresponding period of last year. Sales volume of other major products such as identity authentication as well as telecommunication and mobile payment smart card chips remained stable when comparing with the corresponding period of last year. Sales volume of other products such as public transportation card chips decreased when comparing with the corresponding period of last year. For the six months ended 30 June 2019, overall sales volume of the Group decreased by 3.9% when comparing with the corresponding period of last year.

Given that an increase in sales volume of bank card chips and social security card chips was recorded for the six months ended 30 June 2019, the impact of a general decline in the selling price of smart card chips when comparing with the corresponding period of last year as a result of further intensification in market price competition on the revenue during the period was partially offset. Revenue of the Group for the six months ended 30 June 2019 was HK\$908.6 million, representing a decrease of 7.4% when comparing with the corresponding period of last year.

業務回顧(續)

2019年上半年，隨著國產金融卡芯片越來越被各家銀行認可，國產金融卡芯片的市場需求持續增加，金融卡芯片銷售量較去年同期大幅增長。社會保障卡方面，第二代社會保障卡隨著人口覆蓋率的擴大，發卡需求逐漸下降，而第三代社會保障卡全國大部分省份均已開始啟動發卡，需求量增加，期內社會保障卡芯片銷售量較去年同期略有增長。其他主要產品如身份識別及電信與移動支付智能卡芯片的銷售量與去年同期的銷售量相若。公共交通卡芯片等其他產品銷售量較去年同期有所下降。截至2019年6月30日止六個月，本集團總銷售量較去年同期下降了3.9%。

由於截至2019年6月30日止六個月金融卡芯片和社會保障卡芯片銷售量錄得增長，部分抵銷了因市場價格競爭進一步加劇導致智能卡芯片的售價較去年同期普遍下跌對期內收入的影響。本集團截至2019年6月30日止六個月的收入為908.6百萬港元，較去年同期下降7.4%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

For the six months ended 30 June 2019, the overall gross profit margin was 33.0% (2018: 32.5%). During the period, cost reduction and control were achieved to a certain extent through accelerating the launching of and switching to new products, improving efficiency in the production of new products, etc., and had compensated the impact of the increasingly fierce competition in the market of bank card chips and telecommunication and mobile payment smart card chips that led to a fall in the selling price of these products on the overall gross profit margin of the period.

Selling and marketing costs for the six months ended 30 June 2019 amounted to HK\$43.5 million (2018: HK\$50.6 million). The percentage of selling and marketing costs to revenue decreased to 4.8% from 5.2% of the corresponding period of last year. The decrease was mainly attributable to the continuous implementation by the Group of stringent cost control measures during the period.

Administrative expenses for the six months ended 30 June 2019 amounted to HK\$165.4 million, representing a decrease of 2.1% when comparing with the corresponding period of last year. The percentage of administrative expenses to revenue was 18.2% (2018: 17.2%). The Group continued to implement stringent cost control measures during the period.

Research and development costs for the six months ended 30 June 2019 amounted to HK\$106.0 million (2018: HK\$108.8 million). The percentage of research and development costs to revenue was 11.7% (2018: 11.1%). During the period, the Group established plans for the development of new Internet of Things security chip products and the upgrading of existing products and continued to invest in the improvement of product safety technology, enhancement of product functions and performance, advanced research of new process, etc.

業務回顧(續)

截至2019年6月30日止六個月的整體毛利率為33.0% (2018年: 32.5%)。期內通過加速新產品上市切換、提高新產品生產效率等方式，在一定程度上實現了成本的降控，並抵銷了金融卡芯片及電信與移動支付智能卡芯片市場競爭的激烈化導致該等產品售價下跌對期內整體毛利率的影響。

截至2019年6月30日止六個月的銷售及市場推廣成本為43.5百萬港元 (2018年: 50.6百萬港元)。銷售及市場推廣成本佔收入的百分比由去年同期的5.2%下降至4.8%。下降的主要原因是期內本集團繼續實施了嚴格的成本控制措施。

截至2019年6月30日止六個月的行政開支為165.4百萬港元，較去年同期下降2.1%。行政開支佔收入的百分比為18.2% (2018年: 17.2%)。期內本集團繼續實施嚴格的成本控制措施。

截至2019年6月30日止六個月的研究及開發成本為106.0百萬港元 (2018年: 108.8百萬港元)，研究及開發成本佔收入的百分比為11.7% (2018年: 11.1%)。期內本集團規劃了物聯網安全芯片新產品的開發及已有產品的升級，並持續在提高產品安全技術、提升產品功能及性能、新工藝預研等方面進行投入。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Other income

For the six months ended 30 June 2019, the Group recognised a gain on disposal of a building in the PRC of HK\$9.1 million following the termination of the agreement to purchase Block C of China Electronics Information Security Technology Research and Development Foundation in the PRC.

Share of result of an associate

CEOVU, the Group's associate listed on The Stock Exchange of Hong Kong Limited, is principally engaged in the business of development and operation of large-scale business parks in the PRC. The Group's share of result from CEOVU for the six months ended 30 June 2019 was HK\$16.8 million (2018: HK\$13.0 million).

Outlook

Looking forward, the market demand for smart card chips is expected to enter a stage of steady development. Application of the domestic-made substitutes and the state cryptographic algorithm will continue to advance in certain sectors of the smart card chips market, and the domestic integrated circuits design industry and the momentum for market development will further improve. However, competition will also be fiercer, and selling price of products will see a more apparent decreasing trend. With opportunities and challenges coexisting, the Group will continue to closely track domestic market demands, seize market opportunities, and actively explore potential customers to ensure its leading position in the field of smart card chips.

On the other hand, based on its smart card chips security and application technology accumulated over the years, the Group, with a market orientated approach, will continue to strengthen its product development in the direction of Internet of Things security chips and promote the application of such products in the industry. At the same time, the Group will focus on expanding the applications for industries such as smart cities, smart home and Internet of Vehicles, continuously striving to enhance its core competitiveness in the market of Internet of Things.

業務回顧 (續)

其他收入

截至2019年6月30日止六個月，在終止購買位於中國的中國電子網絡安全和信息化產業基地C棟樓協議後，本集團確認處置一棟位於中國的樓宇收益9.1百萬港元。

應佔一間聯營公司業績

本集團之香港聯合交易所有限公司上市聯營公司中電光谷之主要業務為於中國從事發展及營運大型產業園。本集團截至2019年6月30日止六個月應佔中電光谷的業績為16.8百萬港元(2018年：13.0百萬港元)。

展望

展望未來，智能卡芯片市場需求將進入平穩發展階段，部分領域的智能卡芯片市場的國產化替代和國密算法應用將繼續推進，國內集成電路設計行業及市場發展勢頭進一步向好。但競爭也更為激烈，產品售價的下跌趨勢更為明顯。在機遇及挑戰並存的情況下，本集團將繼續緊密跟蹤國內市場需求、抓住市場契機，積極挖掘潛在客戶，確保在智能卡芯片領域的領先地位。

另一方面，本集團將基於多年積累的芯片安全和應用技術，以市場為導向，繼續加強物聯網安全芯片方向的產品開發，推動產品在行業的應用。同時，重點拓展智慧城市、智能家居、車聯網等行業的應用，不斷提升本集團在物聯網市場的核心競爭力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Dividend

The Board has resolved not to declare any dividend for the six months ended 30 June 2019 (2018: nil).

Financial Review

The Group generally finances its working capital and funding requirements through internal resources, and bank and other borrowings. At 30 June 2019, the Group had cash and cash equivalents amounted to HK\$230.2 million, of which 97.1% was denominated in Renminbi, 1.8% in United States dollars and 1.1% in Hong Kong dollars (31 December 2018: HK\$375.5 million, of which 90.2% was denominated in Renminbi, 8.0% in Hong Kong dollars and 1.8% in United States dollars).

At 30 June 2019, the Group had bank and other borrowings of HK\$2,286.1 million, of which 97.5% were denominated in Renminbi and 2.5% in Hong Kong dollars (31 December 2018: HK\$2,295.3 million, of which 97.5% were denominated in Renminbi and 2.5% in Hong Kong dollars). Among these borrowings, (i) HK\$57.5 million were secured by deposits of the Group and HK\$2,228.6 million were unsecured (31 December 2018: HK\$57.5 million were secured by deposits of the Group and HK\$2,237.8 million were unsecured), and (ii) HK\$2,228.6 million and HK\$57.5 million were borrowed at fixed and variable interest rates respectively (31 December 2018: HK\$2,237.8 million and HK\$57.5 million were borrowed at fixed and variable interest rates respectively). At 30 June 2019, committed borrowing facilities available to the Group but not drawn amounted to HK\$2,000.8 million.

At 30 June 2019, certain assets of the Group with an aggregate carrying value of HK\$62.5 million were pledged as collateral for borrowings of the Group (31 December 2018: HK\$62.8 million).

業務回顧 (續)

股息

董事會已決議就截至2019年6月30日止六個月不派付任何股息(2018年：無)。

財務回顧

本集團通常通過內部資源和銀行及其他借貸來滿足營運資金的需求。於2019年6月30日，本集團持有現金及現金等價物為230.2百萬港元，分別有97.1%以人民幣、1.8%以美元及1.1%以港元持有(2018年12月31日：375.5百萬港元，分別有90.2%以人民幣、8.0%以港元及1.8%以美元持有)。

於2019年6月30日，本集團的銀行及其他借貸為2,286.1百萬港元，分別有97.5%以人民幣及2.5%以港元計值(2018年12月31日：2,295.3百萬港元，分別有97.5%以人民幣及2.5%以港元計值)。該等借貸中(i)為數57.5百萬港元乃以本集團之存款作抵押及2,228.6百萬港元為無抵押(2018年12月31日：為數57.5百萬港元乃以本集團之存款作抵押及2,237.8百萬港元為無抵押)，及(ii)為數2,228.6百萬港元及57.5百萬港元分別以固定利率及浮動利率借貸(2018年12月31日：為數2,237.8百萬港元及57.5百萬港元分別以固定利率及浮動利率借貸)。於2019年6月30日，本集團尚未動用之已承諾借貸備用額為2,000.8百萬港元。

於2019年6月30日，本集團賬面總值62.5百萬港元的若干資產已作為本集團借貸的抵押品(2018年12月31日：62.8百萬港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review (Continued)

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.

At 30 June 2019, the Group had net current liabilities of HK\$842.5 million (31 December 2018: HK\$1,167.9 million). The gearing ratio, which is calculated as net debt divided by total equity and net debt of the Group, was 47.6% (31 December 2018: 48.5%).

At 30 June 2019, the Group did not have any material outstanding capital commitment (31 December 2018: nil) for the acquisition of fixed assets and intangible assets. The Group did not have any material contingent liability at 30 June 2019 (31 December 2018: nil).

Employee and Remuneration Policies

At 30 June 2019, the Group had approximately 380 employees, the majority of whom were based in the PRC. Employee benefit expenses during the period were HK\$97.3 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. Bonuses and other merit payments are linked with the performance of the Group and of the individuals as incentive to optimise performance.

財務回顧(續)

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。

於2019年6月30日，本集團流動負債淨值為842.5百萬港元（2018年12月31日：1,167.9百萬港元）。資本負債比率（以本集團的債務淨額除以權益總額及債務淨額計算）為47.6%（2018年12月31日：48.5%）。

於2019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尚未履行之資本承擔（2018年12月31日：無）。於2019年6月30日，本集團並無任何重大或有負債（2018年12月31日：無）。

僱員及薪酬政策

於2019年6月30日，本集團僱用約380名僱員，大部份於中國內地工作。期內僱員福利開支為97.3百萬港元。

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。

OTHER INFORMATION

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

At 30 June 2019, Mr. Dong Haoran, a non-executive director of the Company and Chairman of the Board, had personal interest (long position) in 4,672,420 shares of the Company (representing 0.23% of the issued share capital of the Company), and Ms. Liu Jinmei, a non-executive director of the Company, had personal interest (long position) in 197,250 shares of the Company (representing 0.01% of the issued share capital of the Company). Save as disclosed herein, none of the directors nor the chief executive of the Company 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 to the Listing Rules.

Directors' Rights to Acquire Shares or Debentures

At no time during the six months ended 30 June 2019 was the Company, its holding companies or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company or their respective close 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.

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2019年6月30日，董浩然先生（本公司非執行董事及董事會主席）個人持有4,672,420股本公司股份好倉權益（佔本公司已發行股本0.23%之股份），及劉勁梅女士（本公司非執行董事）個人持有197,250股本公司股份好倉權益（佔本公司已發行股本0.01%之股份）。除本文所披露者外，概無本公司董事及最高行政人員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。

董事購買股份或債券之權利

於截至2019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緊密聯繫人（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。

OTHER INFORMATION

其他資料

Shareholders with Notifiable Interests

At 30 June 2019, the register maintained by the Company pursuant to Section 336 of the SFO showed that the following persons (other than the directors or chief executive of the Company) had notified the Company that they had an interest of 5% or more in the issued share capital of the Company:

Name of interested party	持有權益者名稱	Number of shares held or attributable 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	40.03%
Huada Semiconductor Co., Ltd ("Huada Semiconductor") (Note 1)	華大半導體有限公司 (「華大半導體」) (附註1)	1,206,180,000	59.42%
CEC (Note 2)	中國電子集團(附註2)	1,206,180,000	59.42%

Notes:

- (1) Huada Semiconductor holds 100% equity interest in CEC (BVI). Pursuant to the SFO, Huada Semiconductor is deemed to be interested in the 812,500,000 shares of the Company held by CEC (BVI).
- (2) CEC holds 100% equity interest in Huada Semiconductor. Pursuant to the SFO, CEC is deemed to be interested in the shares of the Company held by Huada Semiconductor. The Board regards CEC, a state-owned enterprise established under the laws of the PRC, as being the ultimate holding company of the Company.

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

Save as disclosed above, at 30 June 2019, 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 required to be kept under Section 336 of the SFO.

擁有須申報權益之股東

於2019年6月30日，根據證券及期貨條例第336條本公司須備存之登記冊所示，下列人士(本公司董事或最高行政人員除外)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 of shares held or attributable 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	40.03%
Huada Semiconductor Co., Ltd ("Huada Semiconductor") (Note 1)	華大半導體有限公司 (「華大半導體」) (附註1)	1,206,180,000	59.42%
CEC (Note 2)	中國電子集團(附註2)	1,206,180,000	59.42%

附註：

- (1) 華大半導體持有CEC (BVI)之100%股權。根據證券及期貨條例，華大半導體被視為持有CEC (BVI)所持有之812,500,000股本公司股份之權益。
- (2) 中國電子集團持有華大半導體之100%股權。根據證券及期貨條例，中國電子集團被視為持有華大半導體所持有之本公司股份之權益。董事會視中國電子集團(根據中國法律成立之國有企業)為本公司之最終控股公司。

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2019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條須備存之登記冊內之權益或淡倉。

OTHER INFORMATION

其他資料

Specific Performance Obligation on Controlling Shareholder

According to the terms and conditions of a revolving loan facility in an aggregate amount of up to RMB250 million (the “Facility”), CEC, a controlling shareholder of the Company, is required to maintain not less than 51% of the beneficial shareholding interest (direct or indirect) of the Company. Details of the Facility are set out in the announcement dated 11 December 2018.

控股股東之強制履行責任

根據一項總額上限為人民幣250百萬元循環貸款授信（「授信」）之條款及條件，中國電子集團（本公司控股股東）須維持擁有本公司不少於51%的實益股權權益（直接或間接）。授信詳情載於日期為2018年12月11日之公告內。

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 2019.

購回、出售或贖回證券

於截至2019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。

Corporate Governance Code

The Company is committed to achieving the best corporate governance practices by emphasising its accountability, transparency, independence, responsibility and fairness. The Company is dedicated to exercise corporate governance through regular reviews of its adopted practices with reference to the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules. The Company has complied with all the applicable code provisions in the CG Code throughout the six months ended 30 June 2019.

企業管治守則

本公司努力實踐最高水平的企業管治常規，尤其注重問責、透明、獨立、責任和公平方面。本公司認真執行企業管治，參考上市規則附錄14所載之企業管治守則（「企業管治守則」）定期檢討所採納的常規。本公司於截至2019年6月30日止六個月內已遵守企業管治守則內適用守則條文。

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 2019.

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2019年6月30日止六個月內，彼等均已全面遵守標準守則。

OTHER INFORMATION

Audit Committee

The audit committee of the Board has reviewed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2019.

Directors' Particular

Changes in particulars of the directors of the Company are set out below:

Mr. Chow Chan Lum retired from the precedent partner of Wong Brothers & Co, Certified Public Accountants in April 2019.

Mr. Yu Jian was appointed as the chairman of the supervisory committee of Shanghai Belling Corp., Ltd (a company with its shares listing on the Shanghai Stock Exchange) in April 2019 and a director of Solomon Systech (International) Limited (a company with its shares listing on the Hong Kong Stock Exchange) in June 2019.

By Order of the Board

Dong Haoran
Chairman

Hong Kong, 28 August 2019

其他資料

審核委員會

董事會轄下的審核委員會已審閱本集團截至2019年6月30日止六個月之未經審核簡明綜合中期財務報表。

董事資料

本公司董事資料更改列述如下：

鄒燦林先生已於2019年4月退任民信會計師事務所之首席合夥人。

虞儉先生已於2019年4月獲委任為上海貝嶺股份有限公司(該公司股份於上海證券交易所公開上市)監事長及已於2019年6月獲委任為Solomon Systech (International) Limited (該公司股份於香港聯交所公開上市)董事。

承董事會命

主席
董浩然

香港，2019年8月28日

Room 3403, 34th Floor,
China Resources Building,
26 Harbour Road,
Wanchai, Hong Kong
香港灣仔港灣道26號
華潤大廈34樓3403室
Tel 電話: (852) 2598 9088
Fax 傳真: (852) 2598 9018

www.cecht.com.cn