

Sprocomm Intelligence Limited

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立的有限公司)
(Stock Code 股份代號 :1401)

2020 中報
INTERIM REPORT





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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Li Chengjun (*Chairman and Chief Executive Officer*)
Mr. Xiong Bin (*Vice Chairman*)
Mr. Li Hongxing
Mr. Guo Qinglin

Independent Non-executive Directors

Mr. Hung Wai Man
Mr. Wong Kwan Kit
Mr. Lu Brian Yong Chen
Ms. Tseng Chin I

Committees of the Board

Audit Committee

Mr. Wong Kwan Kit (*Chairman*)
Mr. Lu Brian Yong Chen
Mr. Hung Wai Man

Remuneration Committee

Mr. Hung Wai Man (*Chairman*)
Mr. Wong Kwan Kit
Mr. Lu Brian Yong Chen
Ms. Tseng Chin I

Nomination Committee

Mr. Li Chengjun (*Chairman*)
Mr. Wong Kwan Kit
Mr. Lu Brian Yong Chen
Ms. Tseng Chin I

Company Secretary

Ms. Jian Xuegen

Authorised Representatives

Mr. Xiong Bin
Ms. Jian Xuegen

公司資料

董事會

執行董事

李承軍先生 (*主席兼行政總裁*)
熊彬先生 (*副主席*)
李紅星先生
郭慶林先生

獨立非執行董事

洪為民先生
黃昆杰先生
呂永琛先生
曾瀾漪女士

董事會委員會

審核委員會

黃昆杰先生 (*主席*)
呂永琛先生
洪為民先生

薪酬委員會

洪為民先生 (*主席*)
黃昆杰先生
呂永琛先生
曾瀾漪女士

提名委員會

李承軍先生 (*主席*)
黃昆杰先生
呂永琛先生
曾瀾漪女士

公司秘書

簡雪良女士

授權代表

熊彬先生
簡雪良女士

Compliance Adviser

Dakin Capital Limited
Suites 4505–06, 45/F
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Hong Kong

Auditor

SHINEWING (HK) CPA Limited
Certified Public Accountants
43/F, Lee Garden One
33 Hysan Avenue, Causeway Bay
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Cayman Islands

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Principal Place of Business in Hong Kong

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Kowloon, Hong Kong

Principal Banks

Citibank
ICICI Bank Limited

合規顧問

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金鐘道89號
力寶中心第一座
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核數師

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執業會計師
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香港主要營業地點

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主要銀行

花旗銀行
ICICI Bank Limited

Share Registrars and Transfer Offices

Hong Kong

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Hong Kong

Cayman Islands

Tricor Services (Cayman Islands) Limited
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Grand Cayman, KY1-1103
Cayman Islands

Stock Name

SPROCOMM INTEL

Stock Code

1401

Website

www.sprocomm.com

股份過戶登記處

香港

卓佳證券登記有限公司
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Cayman Islands

股份名稱

SPROCOMM INTEL

股份代號

1401

公司網站

www.sprocomm.com

BUSINESS REVIEW AND PROSPECTS

The board (the “Board”) of directors (the “Directors”) of Sprocomm Intelligence Limited (the “Company”) announces the unaudited interim consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2020 to the shareholders of the Company.

Business Review

During the six months ended 30 June 2020, the outbreak of the novel coronavirus (the “COVID-19”) caused significant adverse impact on the global economy and consumer confidence. The worldwide smartphone market was also affected as the production capacities and schedules of the mobile phone manufacturers were interrupted by lockdown measures and consumers were more conscious on their spending.

The Group, as one of the leading ODM mobile phone suppliers based in China, continues to focus on the research and development, designing, manufacturing and sale of mobile phones, printed circuit board assembly (“PCBA”) for mobile phones and internet of things (“IoT”) related products, targeting emerging markets. Since the outbreak of COVID-19, a number of provinces and municipalities in China have taken emergency public health measures and various actions to prevent the spread of the COVID-19, including imposing restriction on resumption date of production after the Chinese New Year Holidays. Under these public health measures, the Group experienced delays in the supply of raw materials from its suppliers and certain workers had difficulties to return to work as usual. The Group halted production at its production plants in Shenzhen and Luzhou for a few weeks and production was gradually resumed by end of February. As a result of the aforesaid, the Group’s original production plans and production capacity were significantly affected, leading to late delivery of products in the six months ended 30 June 2020. The Group has taken corresponding actions to mitigate the adverse impact arising from COVID-19, including prioritisation of sales orders, regular communications with customers to secure the sales orders, close monitoring and follow up on the delivery schedule of raw materials and rescheduling production plans to speed up the production process and meet the customer demand. Amid the outbreak of COVID-19, the Group’s revenue for the six months ended 30 June 2020 decreased by 23.8% to RMB857.6 million from RMB1,125.9 million for the six months ended 30 June 2019, primarily attributed to the decrease in sales of mobile phones. The Group’s net profit for the six months ended 30 June 2020 also decreased by 40.6% to RMB12.6 million from RMB21.2 million (excluding one-off listing expenses of RMB8.6 million) for the six months ended 30 June 2019.

業務回顧及前景

Sprocomm Intelligence Limited (「本公司」) 董事(「董事」)會(「董事會」)向本公司股東公佈本公司及其附屬公司(統稱「本集團」)截至二零二零年六月三十日止六個月的未經審核中期綜合業績。

業務回顧

截至二零二零年六月三十日止六個月，新型冠狀病毒(「COVID-19」)爆發對全球經濟及消費者信心有顯著負面影響。由於手機生產商的產能以及計劃受到封鎖措施影響，而消費者在消費時更為謹慎，因此全球智能手機市場亦受到影響。

本集團作為中國領先的ODM手機供應商之一，一直致力於研發、設計、生產以及銷售手機、手機的印刷電路板組裝(「印刷電路板組裝」)以及物聯網(「物聯網」)相關產品，著力開拓新興市場。自爆發COVID-19疫情以來，中國多個省市採取緊急公共衛生措施及多項行動(包括對農曆新年假期後復產日期作出限制)，防止COVID-19散播。因採取有關公共衛生措施，本集團供應商延遲供應原材料，而若干員工難以如常返回崗位。本集團於深圳及瀘州的生產工廠停產數週，直至二月下旬方逐漸恢復正常。基於上述原因，本集團原有生產計劃及產能大受影響，導致截至二零二零年六月三十日止六個月延遲交付產品。本集團已採取相應行動減低COVID-19引起的負面影響，包括訂單排序、與客戶保持溝通以保障訂單、密切監察及跟進原材料交付時間表，以及重新編排生產安排以加快生產程序及滿足客戶需求。COVID-19疫情爆發後，本集團的收益由截至二零一九年六月三十日止六個月的人民幣1,125.9百萬元下降23.8%至截至二零二零年六月三十日止六個月的人民幣857.6百萬元，主要是由於手機銷售減少所致。本集團的純利亦由截至二零一九年六月三十日止六個月的人民幣21.2百萬元(不包括一次過上市開支人民幣8.6百萬元)下降40.6%至截至二零二零年六月三十日止六個月的人民幣12.6百萬元。

Going forward, China's ODM mobile phone market will be filled with challenges and opportunities. While the global economy still requires some time to recover, the Group will take this opportunity to solidify its leading market position. Further, the Directors consider that the rapid roll-out of 5G telecommunication network in different parts of the world will drive the demand for smartphones and IoT products.

Leveraging on strong research and development ability, the Group successfully entered into framework sales agreement with Ant Financial (Hainan) Digital Technology Limited Company* (螞蟻金服(海南)數字技術有限公司, "Ant Financial") for product validation and supply of Ali-POS (point of sales) devices supported with facial recognition feature (face ID) in 2019. The cooperation with Ant Financial stimulated the Group's revenue from IoT related products for the six months ended 30 June 2020, which significantly increased by 8.9 times to RMB237.0 million from RMB24.0 million for the six months ended 30 June 2019.

In order to capture the potential market opportunities and maximise the interests of the Company and its shareholders, the Group will continue to strengthen its cooperation with Ant Financial and it will adopt a prudent approach to develop its business and gradually expand its production capacity, enhance its research and development capability, enrich its product portfolio and increase its sales and marketing effort to diversify its geographical locations.

Highlights of the unaudited results of the Group for the six months ended 30 June 2020, as compared to the corresponding period in 2019, are shown in the following table:

展望未來，中國的ODM手機市場將會充滿挑戰及機遇。全球經濟回復需時，本集團將把握機會鞏固市場領先地位。此外，董事認為全球各地迅速推出5G電訊網絡，將帶動智能手機以及物聯網產品的需求。

憑著強勁研發實力，本集團已於二零一九年成功與螞蟻金服(海南)數字技術有限公司(「螞蟻金服」)就產品認證及具人臉識別功能的阿里銷售終端(POS)訂立框架銷售協議。截至二零二零年六月三十日止六個月，與螞蟻金服的合作刺激本集團的物聯網相關產品收益增長，由截至二零一九年六月三十日止六個月的人民幣24.0百萬元大幅增加8.9倍至人民幣237.0百萬元。

為把握潛在市場機遇及增加本公司及其附屬公司的利益，本集團會繼續加強與螞蟻金服的合作，並會審慎發展業務以及逐步增加產能，提升研發能力，豐富產品組合及加大銷售及營銷力度，達致地域多元化。

本集團於截至二零二零年六月三十日止六個月的未經審核業績摘要(與二零一九年同期相比)載於下表：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Revenue (RMB'000)	收益(人民幣千元)	857,580	1,125,896
Net profit for the period (RMB'000)	期內純利(人民幣千元)	12,596	12,668
Earnings per share	每股盈利		
– Basic and diluted (RMB cents)	– 基本及攤薄(人民幣分)	1.27	1.80

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenue

Revenue by product categories

The Group's product portfolio includes smartphones, feature phones, PCBAs for mobile phones and IoT related products. During the six months ended 30 June 2020, the Group mainly derives its revenue from the sales of smartphones and IoT products. Set out below is a breakdown of the Group's total revenue by product categories and the revenue generated from each product category as a percentage of total revenue for the six months ended 30 June 2020 and 2019:

管理層討論及分析

財務回顧

收益


按產品類別劃分的收益

本集團的產品組合包括智能手機、功能型手機、手機的印刷電路板組裝及物聯網相關產品。截至二零二零年六月三十日止六個月，本集團的收益主要來自銷售智能手機及物聯網產品。下表載列截至二零二零年及二零一九年六月三十日止六個月按產品類別劃分的總收益及各產品類別產生的收益佔本集團總收益的百分比：

		Six months ended 30 June 截至六月三十日止六個月			
		2020 二零二零年		2019 二零一九年	
		RMB'000 人民幣千元	% of total revenue 佔總收益的%	RMB'000 人民幣千元	% of total revenue 佔總收益的%
Mobile phones	手機				
- Smartphones	- 智能手機	407,425	47.5	960,162	85.3
- Feature phones	- 功能型手機	131,144	15.3	99,670	8.8
Sub-total:	小計：	538,569	62.8	1,059,832	94.1
PCBAs	印刷電路板組裝	58,401	6.8	13,394	1.2
IoT related products	物聯網相關產品	236,975	27.6	23,981	2.1
Others (Note)	其他(附註)	23,635	2.8	28,689	2.6
Total	合計	857,580	100.0	1,125,896	100.0

Note: Others mainly include revenue from the sales of mobile device components used for after sales-services and the provision of research and development and technical services for mobile phones, PCBAs and cloud related products.

附註：其他主要包括銷售用於售後服務的移動設備組件的收益以及提供手機、印刷電路板組裝及雲相關產品的研發及技術服務。



The Group's total revenue decreased by 23.8% to RMB857.6 million for the six months ended 30 June 2020 from RMB1,125.9 million for the six months ended 30 June 2019, primarily attributed to the decreased sales of mobile phones amid the outbreak of COVID-19, but partially offset by the increased sales of IoT related products.

Revenue from mobiles phones decreased by 49.2% to RMB538.6 million for the six months ended 30 June 2020 from RMB1,059.8 million for the six months ended 30 June 2019, primarily attributed to the decrease in sales of smartphones to India, Algeria and the PRC amid the outbreak of the COVID-19.

Revenue from PCBAs increased by 3.4 times to RMB58.4 million for the six months ended 30 June 2020 from RMB13.4 million for the six months ended 30 June 2019, primarily attributed to the increase in demand on PCBAs for mobile phones from the PRC customers.

Revenue from IoT related products increased by 8.9 times to RMB237.0 million for the six months ended 30 June 2020 from RMB24.0 million for the six months ended 30 June 2019, primarily attributed to the increase in sales of (i) Ali-POS (point of sales) devices supported with facial recognition feature (face ID); and (ii) smart locks.

本集團的總收益由截至二零一九年六月三十日止六個月的人民幣1,125.9百萬元減少23.8%至截至二零二零年六月三十日止六個月的人民幣857.6百萬元，主要是由於爆發COVID-19疫情導致手機銷售下降所致，惟部分被物聯網相關產品的銷售額增加所抵銷。

手機的收益由截至二零一九年六月三十日止六個月的人民幣1,059.8百萬元減少49.2%至截至二零二零年六月三十日止六個月的人民幣538.6百萬元，主要是由於爆發COVID-19疫情導致印度、阿爾及利亞及中國的智能手機銷售下降所致。

印刷電路板組裝的收益由截至二零一九年六月三十日止六個月的人民幣13.4百萬元增加3.4倍至截至二零二零年六月三十日止六個月的人民幣58.4百萬元，主要是由於中國客戶對手機的印刷電路板組裝的需求增加所致。

物聯網相關產品的收益由截至二零一九年六月三十日止六個月的人民幣24.0百萬元增加8.9倍至截至二零二零年六月三十日止六個月的人民幣237.0百萬元，主要是由於(i)具人臉識別功能的阿里銷售終端(POS)；及(ii)智能門鎖的銷售增加所致。

Revenue by geographical regions

The Group's products are mainly sold to emerging markets which have high population and growing demands on mobile phones. Set out below is a breakdown of the Group's total revenue by geographical region and the revenue generated from each region as a percentage of total revenue for the six months ended 30 June 2020 and 2019:

按地理位置劃分的收益

本集團主要向人口眾多且手機需求不斷增長的新興市場銷售產品。下表列載截至二零二零年及二零一九年六月三十日止六個月本集團按地區劃分的總收益明細及各地區產生的收益佔本集團總收益的百分比：


		Six months ended 30 June 截至六月三十日止六個月			
		2020 二零二零年		2019 二零一九年	
		RMB'000 人民幣千元	% of total revenue 佔總收益的%	RMB'000 人民幣千元	% of total revenue 佔總收益的%
Emerging Asia	亞洲新興國家				
India	印度	280,104	32.7	436,401	38.8
Pakistan	巴基斯坦	13,819	1.6	29,544	2.6
Bangladesh	孟加拉國	107,387	12.5	23,390	2.1
The PRC	中國	449,006	52.4	397,902	35.3
Sub-total:	小計：	850,316	99.2	887,237	78.8
Other regions	其他地區				
Algeria	阿爾及利亞	7,003	0.8	189,629	16.8
Others	其他	261	-	49,030	4.4
Sub-total:	小計：	7,264	0.8	238,659	21.2
Total	合計	857,580	100.0	1,125,896	100.0

Revenue from India decreased by 35.8% to RMB280.1 million for the six months ended 30 June 2020 from RMB436.4 million for the six months ended 30 June 2019 as the outbreak of COVID-19 caused delays in the Group's production schedules and delivery of products to customers.

來自印度的收益由截至二零一九年六月三十日止六個月的人民幣436.4百萬元減少35.8%至截至二零二零年六月三十日止六個月的人民幣280.1百萬元，是由於爆發COVID-19疫情導致本集團生產時間表及向客戶交付產品延誤所致。

Revenue from Bangladesh increased by 3.6 times to RMB107.4 million for the six months ended 30 June 2020 from RMB23.4 million for the six months ended 30 June 2019, primarily attributed to increase in demand for smartphones.

來自孟加拉國的收入由截至二零一九年六月三十日止六個月的人民幣23.4百萬元增加3.6倍至截至二零二零年六月三十日止六個月的人民幣107.4百萬元，主要是由於智能手機的需求增加所致。



Revenue from the PRC increased by 12.8% to RMB449.0 million for the six months ended 30 June 2020 from RMB397.9 million for the six months ended 30 June 2019, primarily attributed to increase in sales of PCBAs and IoT-related products, but partially offset by the decrease in sales of smartphones.

Revenue from Algeria decreased by 96.3% to RMB7.0 million for the six months ended 30 June 2020 from RMB189.6 million for the six months ended 30 June 2019, primarily attributed to the decrease in purchase orders for smartphones from one of the Group's major customers.

Gross profit and gross profit margin

Gross profit decreased by 11.0% to RMB86.8 million for the six months ended 30 June 2020 from RMB97.5 million for the six months ended 30 June 2019, primarily due to the decreased sales of mobile phones. Gross profit margin improved to 10.1% for the six months ended 30 June 2020 from 8.7% for the six months ended 30 June 2019. The increase in gross profit margin was primarily attributed to the increase in proportion of sales of IoT related products which had a higher gross profit margin than other products.

Other gains and income

Other gains and income mainly include comprises government subsidies and amortisation of government subsidies, net exchange gain, gain arising from change in fair value of financial assets at fair value through profit and loss, bank interest income and sundry income. The Group's other gains and income remained relatively stable at RMB29.1 million for the six months ended 30 June 2020 as compared with RMB29.0 million for the six months ended 30 June 2019.

Selling expenses

Selling expenses mainly represent transportation and custom declaration expenses, salaries and employee benefits of our sales and marketing staff, business-related travelling and entertainment expenses. Selling expenses for the six months ended 30 June 2020 decreased by 10.6% to RMB14.4 million from RMB16.1 million for the six months ended 30 June 2019 because the higher proportion of sales to the PRC for the six months ended 30 June 2020 reduced the transportation and custom declaration expenses incurred by the Group.

來自中國收益由截至二零一九年六月三十日止六個月的人民幣397.9百萬元增加12.8%至截至二零二零年六月三十日止六個月的人民幣449.0百萬元，主要是由於印刷電路板組裝及物聯網相關產品的銷售增加所致，惟部分被智能手機銷售減少抵銷。

來自阿爾及利亞收益由截至二零一九年六月三十日止六個月的人民幣189.6百萬元減少96.3%至截至二零二零年六月三十日止六個月的人民幣7.0百萬元，主要是由於本集團其中一名主要客戶的智能手機訂單減少所致。

毛利及毛利率

毛利由截至二零一九年六月三十日止六個月的人民幣97.5百萬元減少11.0%至截至二零二零年六月三十日止六個月的人民幣86.8百萬元，主要是由於手機銷售減少所致。毛利率由截至二零一九年六月三十日止六個月的8.7%增至截至二零二零年六月三十日止六個月的10.1%。毛利率增加主要是由於較其他產品有較高毛利率的物聯網相關產品的銷售比例增加所致。

其他收益及收入

其他收益及收入主要包括政府補貼及政府補助攤銷、匯兌收益淨額、按公平值計入損益的金融資產的公平值變動產生的收益、銀行利息收入及雜項收入。本集團截至二零二零年六月三十日止六個月的其他收益及收入為人民幣29.1百萬元，維持相對穩定，截至二零一九年六月三十日止六個月的其他收益及收入則為人民幣29.0百萬元。

銷售開支

銷售開支主要為運輸及清關費用、我們銷售及市場營銷員工的新金及僱員福利以及業務相關差旅及酬酢開支。銷售開支由截至二零一九年六月三十日止六個月的人民幣16.1百萬元減少10.6%至截至二零二零年六月三十日止六個月的人民幣14.4百萬元，是由於截至二零二零年六月三十日止六個月來自中國的銷售佔比較高導致本集團產生的運輸及清關費用減少。

Administrative and other expenses

Administrative and other expenses mainly represent salaries and benefits of our administrative and management staff, depreciation, amortisation of intangible assets, general office expenses, legal and professional fees, rental expenses, insurance expenses, bank charges, exchange losses, listing expenses and other miscellaneous administrative expenses. Administrative and other expenses for six months ended 30 June 2020 increased by 34.0% to RMB35.1 million from RMB26.2 million for the six months ended 30 June 2019 (excluding one-off listing expenses of RMB8.6 million). The increase in administrative and other expenses was primarily attributed to the increase in impairment loss on trade and bills receivables and net exchange losses.

Research and development expenses

Research and development expenses for the six months ended 30 June 2020 decreased by 6.3% to RMB50.8 million from RMB54.2 million for the six months ended 30 June 2019, along with the Group's decreased sales.

Finance costs

Finance costs mainly represent interests on discounted bills, interest portion of lease liabilities, bank borrowings and factoring loans. The Group's finance costs decreased by 59.1% to RMB2.7 million for the six months ended 30 June 2020 from RMB6.6 million for the six months ended 30 June 2019, primarily attributed to the repayment of borrowings.

Income tax expenses

For the six months ended 30 June 2020, the Group's income tax expenses decreased by 86.4% to RMB0.3 million from RMB2.2 million for the six months ended 30 June 2019, primarily attributed to over provision of income tax expenses in prior years.

Profit for the period

As a result of the above factors, the Group's net profit for six months ended 30 June 2020 was RMB12.6 million, representing a decrease of 40.6% as compared with RMB21.2 million (excluding one-off listing expenses of RMB8.6 million) for the six months ended 30 June 2019. Net profit margin for the six months ended 30 June 2020 also decreased to 1.5% from 1.9% (excluding listing expenses) for the six months ended 30 June 2019.

行政及其他開支

行政及其他開支主要為我們行政及管理員工的薪金及福利、折舊、無形資產攤銷、一般辦公室開支、法律及專業費用、租金開支、保險開支、銀行費用、匯兌虧損、上市開支及其他雜項行政開支。行政及其他開支由截至二零一九年六月三十日止六個月的人民幣26.2百萬元增加34.0%至截至二零二零年六月三十日止六個月的人民幣35.1百萬元（不包括人民幣8.6百萬元的一次過上市開支）。行政及其他開支的增加主要是由於貿易應收款項及應收票據的減值虧損及匯兌虧損淨額所致。

研發開支

隨著本集團的銷售減少，研發開支由截至二零一九年六月三十日止六個月的人民幣54.2百萬元減少6.3%至截至二零二零年六月三十日止六個月的人民幣50.8百萬元。

融資成本

融資成本主要為貼現票據、租賃負債的利息部分、銀行借貸及保理貸款利息。本集團的融資成本由截至二零一九年六月三十日止六個月的人民幣6.6百萬元減少59.1%至截至二零二零年六月三十日止六個月的人民幣2.7百萬元，主要是由於償還借款所致。

所得稅（開支）

本集團的所得稅開支由截至二零一九年六月三十日止六個月的人民幣2.2百萬元減少86.4%至截至二零二零年六月三十日止六個月的人民幣0.3百萬元，主要是由於過往年度就所得稅開支超額撥備所致。

期內溢利

由於上述各項因素，本集團截至二零二零年六月三十日止六個月的純利為人民幣12.6百萬元，較截至二零一九年六月三十日止六個月的人民幣21.2百萬元（不包括一次過上市開支人民幣8.6百萬元）減少40.6%。純利率亦由截至二零一九年六月三十日止六個月的1.9%減少至截至二零二零年六月三十日止六個月的1.5%（不包括上市開支）。

Dividend

The Board does not recommend the payment of dividend for the six months ended 30 June 2020 (2019: nil).

Trade and bills receivables

As at 30 June 2020, the Group's trade and bills receivables amounted to RMB407.8 million (31 December 2019: RMB622.2 million). The Group generally grants credit period ranging from 30 to 90 days to its customers and allows its PRC customers to settle their purchases by way of bills with maturity period ranging from three to six months.

In order to minimise credit risk, the Group carefully assesses the background information and credit worthiness of its customers before it decides to grant them credit periods. Further, the Group also closely monitors the payment record of its customers and regularly reviews the credit terms granted to them. The Group's credit assessment is based on various factors, including but not limited to the financial strength, size of the business and payment history of customers and length of their business relationship with the Group.

The decrease in the Group's trade and bills receivables as at 30 June 2020 was primarily attributed to (i) the decrease in sales during the six months ended 30 June 2020; and (ii) the settlement from customers. Based on the dates of the relevant sales invoices, 78.2% of the Group's trade and bills receivables as at 30 June 2020 aged within 90 days and the Group did not notice any substantial long outstanding balances.

Trade and bills payables

As at 30 June 2020, the Group's trade and bills payables amounted to RMB614.7 million (31 December 2019: RMB876.7 million). Suppliers generally grant the Group credit period ranging from 30 to 60 days, with certain suppliers require the Group to make advance payment before product delivery. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe. Certain suppliers allow the Group to settle its purchases by way of bank acceptance bills and the Group may also endorse certain bills receivables to its suppliers in order to settle the trade payable due to them.

股息

董事會不建議派付截至二零二零年六月三十日止六個月的股息(二零一九年:零)。

貿易應收款項及應收票據

於二零二零年六月三十日，本集團的貿易應收款項及應收票據為人民幣407.8百萬元(二零一九年十二月三十一日：人民幣622.2百萬元)。本集團通常向客戶授出介乎30至90天的信貸期，並容許中國客戶以到期期限介乎三至六個月的票據結付彼等之採購款。

為盡量降低我們的信貸風險，本集團於決定向客戶授出信貸期前謹慎評估其背景資料及信譽。此外，本集團亦密切監測客戶的支付紀錄，定期審閱我們向彼等授出的信貸期。本集團的信貸評估乃基於多項因素，包括但不限於客戶的財務實力、業務規模及支付紀錄以及彼等與本集團業務關係的年期。

本集團於二零二零年六月三十日的貿易應收款項及應收票據減少主要是由於(i)截至二零二零年六月三十日止六個月的銷售減少；及(ii)客戶結算所致。根據相關銷售發票日期，截至二零二零年六月三十日，本集團78.2%的貿易應收款項及應收票據於90日內到期，本集團並未發現任何重大長期未付結餘。

貿易應付款項及應付票據

於二零二零年六月三十日，本集團的貿易應付款項及應付票據為人民幣614.7百萬元(二零一九年十二月三十一日：人民幣876.7百萬元)。供應商通常授予本集團介乎30至60日的信貸期，其中若干供應商要求本集團於交付產品前提前付款。本集團訂有金融風險管理政策以確保所有應付款項於信貸期限內結清。若干供應商允許本集團以銀行承兌票據的方式結算採購款。本集團亦可向若干供應商背書若干應收票據，以償付結欠彼等之貿易應付款項。

Capital Structure, Liquidity, Financial Resources and Gearing

The Company's shares were successfully listed on the Main Board of the Stock Exchange on 13 November 2019. There has been no change in the capital structure of the Group since then. The Group mainly funds its business and working capital requirements by using a balanced mix of internal resources, borrowings and funds from the global offering.

The funding mix will be adjusted depending on the costs of funding and the actual needs of the Group. As at 30 June 2020, the Group had net current assets of RMB229.0 million (31 December 2019: RMB211.4 million), bank balances and cash amounted to RMB123.7 million (31 December 2019: RMB126.7 million) and borrowings amounted to RMB68.8 million (31 December 2019: RMB206.3 million). The Group's bank balances and cash and borrowings as at 30 June 2020 were mainly denominated in RMB and USD. The weighted average effective interest rate of the Group's borrowings for the six months ended 30 June 2020 was 4% per annum (six months ended 30 June 2019: 4% per annum) and the borrowings are repayable installments over a period of three months to 10 years. As at 30 June 2020, the Group had a current ratio of 1.3 times (31 December 2019: 1.2 times) and gearing ratio of 0.2 (calculated by dividing total debt by total equity) (31 December 2019: 0.7). As at 30 June 2020 and 31 December 2019, the Group's borrowing facilities were fully utilised.

Capital Commitments

As at 30 June 2020, the Group had capital commitments of RMB2.5 million in relation to capital contribution to an associate (31 December 2019: nil).

Contingent Liabilities

As at 30 June 2020, the Group did not have any material contingent liabilities or guarantees (31 December 2019: nil).

資本架構、流動資金、財務資源及資本負債

本公司股份於二零一九年十一月十三日成功於聯交所主板上市。本集團的資本架構自此並無變動。本集團主要透過平衡地動用內部資源、借款及全球發售所得資金撥付業務及營運資金需求。

資金組合將根據資金成本及本集團實際需求進行調整。於二零二零年六月三十日，本集團的流動資產淨值為人民幣229.0百萬元（二零一九年十二月三十一日：人民幣211.4百萬元），銀行結餘及現金為人民幣123.7百萬元（二零一九年十二月三十一日：人民幣126.7百萬元），而借款為人民幣68.8百萬元（二零一九年十二月三十一日：人民幣206.3百萬元）。本集團於二零二零年六月三十日的銀行結餘及現金和借款主要以人民幣及美元計值。截至二零二零年六月三十日止六個月，本集團貸款的加權平均實際利率為每年4%（截至二零一九年六月三十日止六個月：每年4%），貸款可分期償還，還款期介乎三個月至十年。於二零二零年六月三十日，本集團流動比率為1.3倍（二零一九年十二月三十一日：1.2倍），而資本負債比率（按總債務除以總權益計算得出）為0.2（二零一九年十二月三十一日：0.7）。於二零二零年六月三十日及二零一九年十二月三十一日，本集團已悉數動用借款融資。

資本承擔

於二零二零年六月三十日，本集團有關聯營公司注資的資本承擔為人民幣2.5百萬元（二零一九年十二月三十一日：零）。

或然負債

於二零二零年六月三十日，本集團並無任何重大或然負債或擔保（二零一九年十二月三十一日：零）。

Pledge of Assets and Restricted Deposit

As at 30 June 2020, the Group pledged trade and bills receivables with carrying amount of RMB45.2 million (31 December 2019: RMB30.0 million), bank deposits with carrying amount of RMB114.4 million (31 December 2019: RMB81.2 million) and land and building with carrying amount of RMB58.3 million (31 December 2019: RMB59.9 million) to secure its borrowings and banking facilities.

As at 30 June 2020, the Group's financial assets at fair value through profit or loss ("financial assets at FVTPL") amounted to RMB20.9 million (31 December 2019: RMB285.7 million) and they have been pledged to certain banks for the issuance of bank acceptance bills to the Group's suppliers for the settlement of purchases of raw materials and components.

As at 30 June 2020, the Group had restricted deposit of RMB1.7 million (31 December 2019: nil), representing bank balances frozen by banks that had received notice from court with regard to the litigation claim detailed in note 27 of this interim report.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the six months ended 30 June 2020 and 2019, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures.

資產抵押及受限制存款

於二零二零年六月三十日，為取得借款及銀行融資，本集團已抵押賬面值為人民幣45.2百萬元的貿易應收款項及應收票據（二零一九年十二月三十一日：人民幣30.0百萬元）、賬面值為人民幣114.4百萬元的銀行存款（二零一九年十二月三十一日：人民幣81.2百萬元）及賬面值為人民幣58.3百萬元的土地及樓宇（二零一九年十二月三十一日：人民幣59.9百萬元）。

於二零二零年六月三十日，本集團按公平值計入損益的金融資產（「按公平值計入損益的金融資產」）為人民幣20.9百萬元（二零一九年十二月三十一日：人民幣285.7百萬元），就發行銀行承兌票據予本集團供應商以償付採購原材料及元件的款項質押予若干銀行。

於二零二零年六月三十日，本集團的受限制存款為人民幣1.7百萬元（二零一九年十二月三十一日：零），屬於已收到法院關於訴訟請求的通知（詳述於本中期報告附註27）的銀行所凍結的銀行結餘。

重大收購及出售附屬公司、聯營公司及合資企業

截至二零二零年及二零一九年六月三十日止六個月，本集團並無任何重大收購及出售附屬公司、聯營公司或合資企業。

Significant Investments Held by the Group

During the six months ended 30 June 2020, the Group invested some of its funds in the structured deposits of PRC licensed commercial banks, which were principal guaranteed and carried interest at a variable rate per annum with reference to the performance of foreign currency or interest rate during the investment period. These structured deposits were classified as financial assets at FVTPL in the Group's consolidated financial statements. As at 30 June 2020, the Group's financial assets at FVTPL amounted to RMB20.9 million (31 December 2019: RMB285.7 million), representing 1.7% (31 December 2019: 17.5%) of the Group's total assets, and they have been pledged to certain banks for the issuance of bank acceptance bills to the Group's suppliers for the settlement of purchases of raw materials and components. During the six months ended 30 June 2020, the realised gain arising from change in fair value of financial assets at FVTPL amounted to RMB5.5 million (2019: RMB5.4 million) and no interest income and dividend (2019: nil) were derived from these financial assets.

The following sets forth the fair value of the Group's financial assets at FVTPL by the respective issuing bank as at 30 June 2020 and 31 December 2019:

Issuing Bank

發行銀行

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元	31 December 2019 二零一九年 十二月 三十一日 RMB'000 人民幣千元
The Bank of East Asia (China) Limited	東亞銀行(中國) 有限公司	-	245,460
Bank of Ningbo	寧波銀行	13,890	24,790
China Merchants Bank	招商銀行	7,020	15,400
		20,910	285,650

本集團持有的重大投資

截至二零二零年六月三十日止六個月，本集團將若干基金投資於中國持牌商業銀行發行的結構性存款，該等存款為保本型且參考投資期間的外幣表現或利率按浮動年利率計息。該等結構性存款於本集團綜合財務報表分類為按公平值計入損益的金融資產。於二零二零年六月三十日，本集團按公平值計入損益的金融資產為人民幣20.9百萬元(二零一九年十二月三十一日：人民幣285.7百萬元)，佔本集團總資產的1.7%(二零一九年十二月三十一日：17.5%)，就發行銀行承兌票據予本集團供應商以償付採購原材料及元件的款項質押予若干銀行。截至二零二零年六月三十日止六個月，按公平值計入損益的金融資產的公平值變動產生的已變現收益為人民幣5.5百萬元(二零一九年：人民幣5.4百萬元)，且該等金融資產並無利息收入及股息(二零一九年：無)。

下表載列於二零二零年六月三十日及二零一九年十二月三十一日按各發行銀行劃分的本集團按公平值計入損益的金融資產之公平值：

The principal terms of the Group's financial assets at FVTPL as at 30 June 2020 are set out below:

於二零二零年六月三十日，本集團按公平值計入損益的金融資產主要條款如下：

Term and/or early termination:	Bank of Ningbo:	three months (can only be withdrawn at maturity)
期限及／或提前終止：	寧波銀行：	三個月（僅可於到期時提取）
	China Merchants Bank:	six months (can only be withdrawn at maturity)
	招商銀行：	六個月（僅可於到期時提取）
Expected or actual rate of return:	Bank of Ningbo:	3.4% per annum 每年3.4%
預期或實際回報率：	寧波銀行：	
	China Merchants Bank:	2.53% per annum 每年2.53%
	招商銀行：	

The Group adopts prudent and pragmatic investment strategies. The Group purchases principal guaranteed financial assets at FVTPL from sizable PRC licensed commercial banks with good credit ratings. Further, the Group has implemented the following internal controls to minimise the potential risks for investing in financial assets:

本集團採取審慎務實的投資策略。本集團向信貸評級良好的大型中國持牌商業銀行購買按公平值計入損益的保本型金融資產。此外，本集團已實施以下內控措施盡量減少投資金融資產的潛在風險：

- all the existing financial assets shall be closely monitored by the Group's finance controller;
- no new investments can be made unless it is principal guaranteed;
- all investments shall be assessed by the Group's finance controller after taking into account the maturity term, expected rate of return and features of proposed investments and analysis on impact on working capital and cashflow, identification of any legal risks from reviewing the terms with the assistance of any external legal advisers as the Group's finance controller considers appropriate;
- 本集團財務總監將密切監控所有現有金融資產；
- 不會作出新投資，惟保本型除外；
- 所有投資須由本集團財務總監進行評估，當中考慮因素包括建議投資的屆滿期、預期回報率及特徵、對營運資金及現金流量影響的分析以及於本集團財務總監認為適當時藉助任何外聘法律顧問透過檢討相關條款識別的任何法律風險；

- the Group's finance controller shall prepare an assessment report stating the factors considered as stated above to be submitted to the Group's chief executive officer for approval shall he considers appropriate; and
 - single investment with principal amount exceeding RMB50 million or any new investments which would result in the outstanding principal sum of the financial assets exceeding RMB100 million which are endorsed by the Group's chief executive officer shall be further approved by the audit committee who would re-assess the risks involved.
- 本集團財務總監須編製載有上述考慮因素之評估報告以提呈予本集團行政總裁，供其酌情批准；及
 - 本金額超過人民幣50百萬元之單項投資或任何可能導致金融資產在外本金超過人民幣100百萬元的新投資（已獲本集團行政總裁批准）須進一步取得審核委員會的批准，而審核委員會將重新評估當中風險。

Saved as disclosed herein, the Group did not make any other significant investments during the six months ended 30 June 2020.

除本文所披露者外，截至二零二零六月三十日止六個月，本集團並無任何其他重大投資。

Future Plan For Material Investments and Capital Assets

The Group set out its future plans in its prospectus dated 30 October 2019 (the "Prospectus"). As part of its future plans, the Group will acquire new SMT lines to expand its SMT production capacity. The Group will also devote more resources into research and development to enrich its product offering on both mobile phone related products and IoT related products. These future plans will be funded by a balanced mix of internal resources, borrowings and proceeds from the global offering. To further enhance the value the Group and its shareholders, the Group will also consider potential investment opportunities when they arise.

重大投資及資本資產的未來計劃

本集團的未來計劃載於本集團日期為二零一九年十月三十日的招股章程（「招股章程」）。根據未來計劃，本集團將購買新貼片線以擴充貼片的產能。本集團亦將會投入更多資源進行研發，以豐富手機相關產品及物聯網相關產品的產品供應。本集團將透過平衡地動用內部資源、借款及全球發售所得資金撥付該等未來計劃。為進一步提高本集團及其股東的價值，本集團亦將會在潛在的投資機會出現時考慮有關投資機會。

Foreign Exchange Risks

For the six months ended 30 June 2020, the Group derived 47.6% (2019: 64.7%) of its total revenue from export sales and these export sales were principally denominated in USD. As at 30 June 2020, the Group had USD-denominated monetary assets with carrying amount of RMB199.0 million (31 December 2019: RMB269.4 million) and USD-denominated monetary liabilities of RMB212.6 million (31 December 2019: RMB188.0 million). The Group is exposed to foreign exchange risk arising from its export sales, monetary assets and liabilities denominated in foreign currencies. The Group did not enter into any foreign exchange hedging instruments during the six months ended 30 June 2020. Management of the Group regularly reviews the impact of exchange risk exposure on the Group's financial performance and may use foreign exchange hedging instruments to reduce the Group's exchange risk exposure if appropriate.

Employees, Remuneration Policy and Training

As at 30 June 2020, the Group had approximately 1,250 employees (31 December 2019: approximately 1,400 employees), whose remunerations and benefits are determined based on market rates, government policies and individual performance. For the six months ended 30 June 2020, the Group's total staff costs amounted to RMB37.9 million (2019: RMB41.7 million). The Group provides comprehensive training and development opportunities to its employees on a regular basis. The trainings are arranged according to needs of employees, which are identified annually by individual departments.

外匯風險

截至二零二零年六月三十日止六個月，本集團總收益的47.6%（二零一九年：64.7%）乃來自出口銷售，而該等出口銷售主要以美元計值。於二零二零年六月三十日，本集團有賬面值為人民幣199.0百萬元的貨幣資產以美元計值（二零一九年十二月三十一日：人民幣269.4百萬元）及賬面值為人民幣212.6百萬元的貨幣負債以美元計值（二零一九年十二月三十一日：人民幣188.0百萬元）。本集團因出口銷售以及以外幣計值的貨幣資產及負債而面臨外匯風險。截至二零二零年六月三十日止六個月，本集團並無訂立任何外匯對沖工具。本集團管理層定期檢討外匯風險敞口對本集團財務表現的影響，並在適當的情況下使用外匯對沖工具降低本集團的外匯風險敞口。

僱員、薪酬政策及培訓

於二零二零年六月三十日，本集團有約1,250名僱員（二零一九年十二月三十一日：約1,400名僱員）。僱員的薪酬及福利乃按市場水平、政府政策及個人表現釐定。截至二零二零年六月三十日止六個月，本集團的總員工成本為人民幣37.9百萬元（二零一九年：人民幣41.7百萬元）。本集團定期為僱員提供全面的培訓及發展機會。本集團按僱員需求安排培訓，僱員需求每年由各部門確定。

Use Of Proceeds From IPO

Shares of the Company were listed on the Main Board of the Stock Exchange on 13 November 2019. The net proceeds from the IPO, net of underwriting commissions and other relevant expenses, amounted to approximately HK\$84.4 million. The Group will apply such proceeds in accordance with the section headed "Future plans and use of proceeds" set out in the Prospectus.

The use of the net proceeds from the Listing Date up to the date of this report had been applied as follows:

	Planned use of net proceeds (approximately)	Utilised net proceeds from IPO as at the date of this report (approximately) 截至本報告日期 已動用之首次 公開發售所得 款項淨額 (概約)	Unutilised net proceeds from IPO as at the date of this report (approximately) 截至本報告日期 未動用之首次 公開發售所得 款項淨額 (概約)	Expected timeline for unutilised net proceeds from IPO 動用首次公開發售未動用 所得款項淨額的預期時間
Enhance SMT production capacity	HK\$38.8 million	HK\$19.9 million	HK\$18.9 million	HK\$4.1 million to be utilised during the six months ending 31 December 2020, HK\$13.4 million to be utilised during the six months ending 30 June 2021 and HK\$1.4 million to be utilised during the six months ending 31 December 2021
提升貼片產能	38.8百萬港元	19.9百萬港元	18.9百萬港元	截至二零二零年十二月三十一日止六個月、截至二零二一年六月三十日止六個月及截至二零二一年十二月三十一日止六個月，將分別動用4.1百萬港元、13.4百萬港元及1.4百萬港元

首次公開發售所得款項用途

本公司股份於二零一九年十一月十三日於聯交所主板上市。經扣除包銷佣金及其他相關開支，首次公開發售所得款項淨額約為84.4百萬港元。本集團將按招股章程「未來計劃及所得款項用途」一節所述動用該等所得款項。

自上市日期至本報告日期，所得款項淨額的使用情況如下：

	Planned use of net proceeds (approximately)	Utilised net proceeds from IPO as at the date of this report (approximately) 截至本報告日期已動用之首次 公開發售所得 款項淨額 (概約)	Unutilised net proceeds from IPO as at the date of this report (approximately) 截至本報告日期未動用之首次 公開發售所得 款項淨額 (概約)	Expected timeline for unutilised net proceeds from IPO 動用首次公開發售未動用 所得款項淨額的預期時間
Enhance research and development capabilities	HK\$14.2 million	HK\$3.2 million	HK\$11.0 million	HK\$3.6 million to be utilised during the six months ending 31 December 2020, HK\$4.1 million to be utilised during the six months ending 30 June 2021 and HK\$3.3 million to be utilised during the six months ending 31 December 2021
增強研發能力	14.2百萬港元	3.2百萬港元	11.0百萬港元	截至二零二零年十二月三十一日止六個月、截至二零二一年六月三十日止六個月及截至二零二一年十二月三十一日止六個月，將分別動用3.6百萬港元、4.1百萬港元及3.3百萬港元
Enhance sales and marketing force to diversify customer base	HK\$8.6 million	HK\$2.5 million	HK\$6.1 million	HK\$2.5 million to be utilised during the six months ending 31 December 2020, HK\$2.5 million to be utilised during the six months ending 30 June 2021 and HK\$1.1 million to be utilised during the six months ending 31 December 2021
加大銷售及市場推廣力度以 多樣化客戶基礎	8.6百萬港元	2.5百萬港元	6.1百萬港元	截至二零二零年十二月三十一日止六個月、截至二零二一年六月三十日止六個月及截至二零二一年十二月三十一日止六個月，將分別動用2.5百萬港元、2.5百萬港元及1.1百萬港元

	Planned use of net proceeds (approximately)	Utilised net proceeds from IPO as at the date of this report (approximately) 截至本報告日期已動用之首次 公開發售所得 款項淨額 (概約)	Unutilised net proceeds from IPO as at the date of this report (approximately) 截至本報告日期未動用之首次 公開發售所得 款項淨額 (概約)	Expected timeline for unutilised net proceeds from IPO 動用首次公開發售未動用 所得款項淨額的預期時間
Upgrade enterprise planning resource system	HK\$5.7 million	HK\$1.1 million	HK\$4.6 million	HK\$2.3 million to be utilised during the six months ending 31 December 2020, and HK\$2.3 million to be utilised during the six months ending 30 June 2021
升級企業計劃資源系統	5.7 百萬港元	1.1 百萬港元	4.6 百萬港元	截至二零二零年十二月三十一日止六個月及截至二零二一年六月三十日止六個月，將分別動用2.3百萬港元及2.3百萬港元
Repayment of bank loans	HK\$8.8 million	HK\$4.4 million	HK\$4.4 million	HK\$2.2 million to be utilised during the six months ending 31 December 2020, and HK\$2.2 million to be utilised during the six months ending 30 June 2021
償還銀行貸款	8.8 百萬港元	4.4 百萬港元	4.4 百萬港元	截至二零二零年十二月三十一日止六個月及截至二零二一年六月三十日止六個月，將分別動用2.2百萬港元及2.2百萬港元
General working capital 一般營運資金	HK\$8.3 million 8.3 百萬港元	HK\$8.3 million 8.3 百萬港元	- -	N/A 不適用
Total 總計	HK\$84.4 million 84.4 百萬港元	HK\$39.4 million 39.4 百萬港元	HK\$45.0 million 45.0 百萬港元	

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF SPROCComm INTELLIGENCE LIMITED

(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of SprocComm Intelligence Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 24 to 57, which comprise the condensed consolidated statement of financial position as of 30 June 2020 and the related condensed consolidated statement of profit or loss, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and other explanatory notes. The Main Board Listing 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 (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements 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.

簡明綜合財務報表審閱報告

致 SPROCComm INTELLIGENCE LIMITED 董事會

(於開曼群島註冊成立之有限公司)

引言

吾等已審閱載於第24至57頁SprocComm Intelligence Limited (「貴公司」，連同其附屬公司稱為「貴集團」)的簡明綜合財務報表，此簡明綜合財務報表包括於二零二零年六月三十日的簡明綜合財務狀況表及截至該日止六個月的簡明綜合損益表、簡明綜合損益及其他全面收益表、簡明綜合權益變動表和簡明綜合現金流量表以及其他附註。根據香港聯合交易所有限公司主板證券上市規則規定，編製中期財務資料報告須按照其相關條文規定及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34條「中期財務報告」。貴公司董事負責根據香港會計準則第34號編製及呈報該等簡明綜合財務報表。吾等之責任為根據約定的委聘條款基於我們的審閱就該等簡明綜合財務報表發表結論，並僅向全體股東報告有關結論，除此之外別無其他目的。吾等不會就本報告的內容對任何其他人士負責或承擔責任。

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 HKICPA. A review of these condensed consolidated financial statements 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 financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Without qualifying our review conclusion, we draw attention to the fact that the comparative condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period ended 30 June 2019 and the relevant explanatory notes included in these condensed consolidated financial statements have not been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Chuen Fai

Practising Certificate Number: P05589

Hong Kong
25 August 2020

審閱範圍

吾等已根據香港會計師公會頒佈的香港審閱聘用準則第2410號「公司獨立核數師審閱中期財務資料」進行審閱。該等簡明綜合財務報表的審閱工作包括主要向負責財務會計事項的人員作出查詢，並進行分析及其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，所以不能保證吾等會注意到在審核中可能會被發現的所有重大事項。因此，吾等不會發表任何審核意見。

結論

我們審閱後並無發現任何事項，令我們認為簡明綜合財務報表在各重大方面未有根據香港會計準則第34號編製。

在並無對我們的審閱結論作出保留之情況下，謹請注意該等簡明綜合財務報表所披露，截至二零一九年六月三十日止六個月的比較簡明綜合損益及其他全面收益表、權益變動表及現金流量表以及相關說明附註並無根據香港審閱聘用準則第2410號「公司獨立核數師審閱中期財務資料」進行審閱。

信永中和(香港)會計師事務所有限公司

執業會計師

黃銓輝

執業證書編號：P05589

香港
二零二零年八月二十五日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Note 附註		
Revenue	4	857,580	1,125,896
Cost of sales		(770,740)	(1,028,349)
Gross profit		86,840	97,547
Other gains and income	6	29,110	29,041
Selling expenses		(14,396)	(16,149)
Administrative and other expenses		(35,110)	(34,743)
Research and development expenses		(50,804)	(54,231)
Finance costs	7	(2,740)	(6,610)
Profit before tax		12,900	14,855
Income tax expenses	8	(304)	(2,187)
Profit for the period	9	12,596	12,668
Other comprehensive expenses for the period:			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange difference arising on translating foreign operations		(1,278)	(1,262)
Total comprehensive income for the period		11,318	11,406

**CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
(CONTINUED)**

**簡明綜合損益及其他全面收益表
(續)**

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
Note		RMB'000	RMB'000
附註		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Profit (loss) attributable to:	以下各方應佔溢利 (虧損)：		
Owners of the Company	本公司擁有人	12,655	13,511
Non-controlling interests	非控股權益	(59)	(843)
		12,596	12,668
Total comprehensive income (expenses) attributable to:	以下各方應佔全面收益 (開支)總額：		
Owners of the Company	本公司擁有人	11,377	12,249
Non-controlling interests	非控股權益	(59)	(843)
		11,318	11,406
Earnings per share	每股盈利		
Basic and diluted (RMB cents)	基本及攤薄(人民幣分)	1.27	1.80

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2020

簡明綜合財務狀況表

於二零二零年六月三十日

			30 June 2020	31 December 2019
			二零二零年 六月三十日	二零一九年 十二月 三十一日
			RMB'000	RMB'000
			人民幣千元	人民幣千元
	Note 附註		(Unaudited) (未經審核)	(Audited) (經審核)
Non-current Assets		非流動資產		
Property, plant and equipment	12	物業、廠房及設備	122,387	127,913
Right-of-use assets		使用權資產	11,651	17,345
Intangible assets	13	無形資產	6,706	6,391
Deferred tax assets		遞延稅項資產	708	707
			141,452	152,356
Current Assets		流動資產		
Inventories		存貨	280,782	283,956
Trade and bills receivables		貿易應收款項及 應收票據	407,842	622,161
Financial assets at fair value through profit or loss	14	按公平值計入損益的 金融資產	20,910	285,650
Prepayments and other receivables	15	預付款項及其他 應收款項	103,531	73,995
Pledged bank deposits	17	已質押銀行存款	114,387	81,165
Restricted deposits	18	受限制存款	1,723	-
Time deposits	19	定期存款	49,278	-
Bank balances and cash		銀行結餘及現金	123,718	126,682
			1,102,171	1,473,609
Current Liabilities		流動負債		
Trade and bills payables	20	貿易應付款項及 應付票據	614,650	876,707
Accruals and other payables		應計費用及其他 應付款項	96,455	115,641
Contract liabilities	21	合約負債	96,125	63,331
Borrowings	22	借款	48,266	184,153
Lease liabilities		租賃負債	9,861	11,962
Deferred income		遞延收入	5,534	5,228
Income tax payable		應付所得稅	2,262	5,151
			873,153	1,262,173
Net current assets		流動資產淨值	229,018	211,436
Total assets less current liabilities		總資產減流動負債	370,470	363,792

**CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
(CONTINUED)**

簡明綜合財務狀況表 (續)

At 30 June 2020

於二零二零年六月三十日

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note 附註	(Unaudited)	(Audited)
		(未經審核)	(經審核)
Capital and Reserves	資本及儲備		
Share capital	股本	8,945	8,945
Reserves	儲備	304,119	292,042
Equity attributable to owners of the Company	本公司擁有人應佔權益	313,064	300,987
Non-controlling interests	非控股權益	1,947	2,006
Total Equity	權益總額	315,011	302,993
Non-current liabilities	非流動負債		
Deferred income	遞延收入	20,198	22,167
Deferred tax liabilities	遞延稅項負債	12,702	10,846
Lease liabilities	租賃負債	1,980	5,682
Borrowings	借款	20,579	22,104
		55,459	60,799
		370,470	363,792

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

Attributable to owners of the Company

本公司擁有人應佔

		Share capital	Share premium	Statutory reserve	Translation reserve	Merger reserve	Other reserves	Retained profits	Sub-total	Non-controlling interests	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2020	於二零二零年一月一日	8,945	89,439	16,226	(4,627)	(26,744)	86,138	131,610	300,987	2,006	302,993
Profit (loss) for the period	期內溢利(虧損)	-	-	-	-	-	-	12,655	12,655	(59)	12,596
Exchange difference arising on translating foreign operations	換算海外業務產生的匯兌差額	-	-	-	(1,278)	-	-	-	(1,278)	-	(1,278)
Total comprehensive (expenses) income for the period	期內全面(開支)收益總額	-	-	-	(1,278)	-	-	12,655	11,377	(59)	11,318
Share-based payment (note 23)	股份支付(附註23)	-	-	-	-	-	700	-	700	-	700
At 30 June 2020 (Unaudited)	於二零二零年六月三十日(未經審核)	8,945	89,439	16,226	(5,905)	(26,744)	86,838	144,265	313,064	1,947	315,011

**CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
(CONTINUED)**

簡明綜合權益變動表(續)

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔							Non- controlling interests	Total
		Share capital 股本	Statutory reserve 法定儲備	Translation reserve 換算儲備	Merger reserve 合併儲備	Other reserves 其他儲備	Retained profits 保留溢利	Sub-total 小計		Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	5	10,921	(8,239)	(26,744)	86,445	97,917	160,305	3,557	163,862
Profit (loss) for the period	期內溢利(虧損)	-	-	-	-	-	13,511	13,511	(843)	12,668
Exchange difference arising on translating foreign operations	換算海外業務產生的 匯兌差額	-	-	(1,262)	-	-	-	(1,262)	-	(1,262)
Total comprehensive (expenses) income for the period	期內全面(開支) 收益總額	-	-	(1,262)	-	-	13,511	12,249	(843)	11,406
At 30 June 2019 (Unaudited)	於二零一九年六月三十日 (未經審核)	5	10,921	(9,501)	(26,744)	86,445	111,428	172,554	2,714	175,268

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2020

簡明綜合現金流量表

截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用現金淨額	(61,867)	(167,584)
INVESTING ACTIVITIES	投資活動		
Purchase of property, plant and equipment	購買物業、廠房及設備	-	972
Payments for intangible assets	就無形資產付款	(774)	-
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益的金融資產	(31,380)	(753,562)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的金融資產所得款項	301,662	817,451
Placement in time deposits	存入定期存款	(49,278)	-
Increase in restricted deposits	受限制存款增加	(1,723)	-
Placement in pledged bank deposits	存入已質押銀行存款	(178,814)	(35,670)
Withdrawal of pledged bank deposits	提取已質押銀行存款	145,796	252
Repayment from a related company	關聯公司還款	-	1,076
Repayment from a former related company	一間前關聯公司還款	-	5,774
Interest received	已收利息	2,907	607
NET CASH GENERATED FROM INVESTING ACTIVITIES	投資活動所得現金淨額	188,396	36,900
FINANCING ACTIVITIES	融資活動		
Government subsidies received	已收政府補貼	16,017	12,891
New borrowings raised	新籌集借款	73,278	254,180
Repayment of borrowings	償還借款	(211,331)	(134,791)
Payments of lease liabilities	租賃負債付款	(5,803)	(3,490)
Interest paid	已付利息	(2,740)	(6,610)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資活動(所用)所得現金淨額	(130,579)	122,180
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(4,050)	(8,504)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初現金及現金等價物	126,682	56,118
Effect of foreign exchange rate changes	匯率變動的影響	1,086	23
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	123,718	47,637

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2020

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands as an exempted company with limited liability on 15 August 2018 and its shares have been listed on Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 13 November 2019 (the “Listing Date”). The ultimate controlling parties are Mr. Li Chengjun and Mr. Xiong Bin (the “Controlling Shareholders”).

The Company is an investment holding company. The principal activities of its subsidiaries are designing, manufacturing and sales of mobile phones and printed circuit board assembly (“PCBA”) and Internet of things (“IoT”) related products and investment holding.

The condensed consolidated financial statements are presented in RMB which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated.

簡明綜合財務報表附註

截至二零二零年六月三十日止六個月

1. 一般資料

本公司於二零一八年八月十五日根據開曼群島法律第22章公司法（一九六一年法例三，經合併及修訂）在開曼群島註冊成立為獲豁免有限公司，其股份於二零一九年十一月十三日（「上市日期」）在香港聯合交易所有限公司（「聯交所」）主板上市。最終控股方為李承軍先生及熊彬先生（「控股股東」）。

本公司為一間投資控股公司。其附屬公司的主要業務活動為設計、製造及銷售手機、印刷電路板組裝（「印刷電路板組裝」）及物聯網（「物聯網」）相關產品以及投資控股。

除另有註明者外，簡明綜合財務報表乃以本公司功能貨幣呈列及所有數值均調整至最接近的千元人民幣。

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2020 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from the application of new amendments to Hong Kong Financial Reporting Standards and application of the accounting policies which become relevant to the Group, the accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2019.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the date of grant is expensed on a straight-line basis over the vesting period.

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

2. 編製基準

本集團截至二零二零年六月三十日止六個月的簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」編製以及香港聯合交易所證券上市規則（「上市規則」）附錄十六的適用披露規定。

3. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製，惟若干按公平值（倘適用）計量之金融工具除外。

除因採用香港財務報告準則的新修訂及採用與本集團相關的會計政策而導致的會計政策變動外，簡明綜合財務報表所採用的會計政策乃與編製本集團截至二零一九年十二月三十一日止年度的年度綜合財務報表所採用者一致。

股份支付交易

以權益結算的股份支付交易

向僱員授出購股權

所獲取服務的公平值乃參照所授出購股權於授出日期的公平值而釐定，於歸屬期按直線法支銷。

於報告期末，本集團會修正其對於預計最終歸屬的購股權數目的估計。於歸屬期修正原先估計產生的影響（如有）於損益中確認，以累計費用反映修正後的估計，購股權儲備亦隨之相應調整。

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Share-based payment transactions (Continued)

Equity-settled share-based payment transactions (Continued)

Share options granted to employees (Continued)

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained earnings.

Application of new and amendments to Hong Kong Financial Reporting Standards

In the current interim period, the Group has applied, for the first time, the Amendments to References to the Conceptual Framework in Hong Kong Financial Reporting Standards ("HKFRSs") and the following amendments to HKFRSs issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2020:

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the Amendments to References to the Conceptual Framework in HKFRS and the above amendments to HKFRSs in the current interim period has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策(續)

股份支付交易(續)

以權益結算的股份支付交易(續)

向僱員授出購股權(續)

當購股權獲行使時，原先於購股權儲備內確認的款項將轉撥至股份溢價。當購股權於歸屬期失效或仍未行使時，原先於購股權儲備內確認之款項將轉撥至保留收益。

採用新訂及經修訂香港財務報告準則

於本中期，本集團首次採納香港會計師公會頒佈的香港財務報告準則（「香港財務報告準則」）中對概念性框架之提述（修訂本）及下列香港財務報告準則之修訂，自本集團二零二零年一月一日開始的財政年度生效：

香港財務報告準則第3號 業務之定義（修訂本）

香港會計準則第1號及 重大之定義
香港會計準則第8號
（修訂本）

香港財務報告準則第9號、利率基準改革
香港會計準則第39號
及香港財務報告準則
第7號

於本中期採納香港財務報告準則中對概念性框架之提述（修訂本）及香港財務報告準則之上述修訂對本集團本期間及過往期間及／或於有關簡明綜合財務報表所披露的財務表現並無任何重大影響。

4. REVENUE

Revenue represents revenue arising on sales of goods in the normal course of business, net of discounts and sales related taxes. The Group's revenue for the year is recognised at a point in time.

An analysis of revenue from contracts with customer disaggregated by major product types is as follows:

4. 收益

收益指於一般業務過程中銷售貨品產生之收益(經扣除折讓及銷售相關稅項)。本集團的年內收益於某一時間點確認。

按主要產品類型分列的客戶合約收益分析如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Mobile phone	手機	538,569	1,059,832
PCBAs	印刷電路板組裝	58,401	13,394
IoT related products	物聯網相關產品	236,975	23,981
Others	其他	23,635	28,689
		857,580	1,125,896

5. SEGMENT INFORMATION

The executive directors of the Company, being the chief operating decision makers, review the Group's internal reporting in order to assess performance and allocate resource. The Group is principally engaged in designing, manufacturing and sales of mobile phones and PCBA and IoT related Products. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Company as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Geographical information

Information about the Group's revenue from external customers presented based on the location of customers is as follows:

5. 分部資料

本公司執行董事(即主要營運決策者)審閱本集團的內部報告以評估表現及分配資源。本集團主要從事設計、製造及銷售手機、印刷電路板組裝及物聯網相關產品。向主要營運決策者呈報以供資源分配及表現評估之資料專注於本公司整體經營業績，因為本集團之資源已作整合，並無獨立之經營分部財務資料。因此，並無呈列經營分部資料。

地域資料

按客戶位置呈列的本集團外部客戶收益資料如下：

		Revenue from external customers	
		外部客戶收益	
		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
India	印度	280,104	436,401
Algeria	阿爾及利亞	7,003	189,629
The PRC	中國	449,006	397,902
Pakistan	巴基斯坦	13,819	29,544
People's Republic of Bangladesh	孟加拉人民共和國	107,387	23,390
Other regions	其他地區	261	49,030
		857,580	1,125,896

6. OTHER GAINS AND INCOME

6. 其他收益及收入

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Bank interest income	銀行利息收入	2,907	607
Exchange gain, net	匯兌收益淨額	-	6,503
Gain arising from change in fair value of financial assets at fair value through profit or loss	按公平值計入損益的金融資產公平值變動產生之收益	5,542	5,416
Government subsidies (Note)	政府補貼(附註)	14,613	12,891
Amortisation of government grants	政府補助攤銷	3,067	2,787
Sundry income	雜項收入	2,981	837
		29,110	29,041

Note: The government subsidies represent the one-off government grants that were received from local government authorities of which the entitlements were unconditional and were therefore immediately recognised as other income.

附註：政府補貼指來自多個地方政府機關的一次性政府補助金，有關補貼為無條件，因此即時確認為其他收入。

7. FINANCE COSTS

7. 融資成本

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Interests on:	下列各項之利息：		
Lease liabilities	租賃負債	400	412
Discounted bills financing and factoring loans	票據融資貼現及保理貸款	1,662	5,414
Borrowings	借款	678	784
		2,740	6,610

8. INCOME TAX EXPENSES

8. 所得稅開支

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
PRC Enterprise Income Tax ("EIT"):	中國企業所得稅 ([「企業所得稅」]):		
– Current income tax	– 即期所得稅	79	1,973
– Over provision in prior year	– 過往年度超額撥備	(1,630)	–
Deferred tax:	遞延稅項：		
Charge to current period	於本期間扣除	1,855	214
Income tax expenses	所得稅開支	304	2,187

8. INCOME TAX EXPENSES (CONTINUED)

The income tax expenses for the period can be reconciled to the profit before tax per the condensed consolidated statement of profit or loss and other comprehensive income as follows:

8. 所得稅開支(續)

本期間的所得稅開支與簡明綜合損益及其他全面收益表的除稅前溢利對賬如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Profit before tax	除稅前溢利	12,900	14,855
Tax at the domestic income tax rate of 25%	按國內所得稅稅率25%計算的稅項	3,225	3,714
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	5,786	6,077
Utilisation of tax loss not recognised	動用未確認的稅項虧損	(1,199)	(1,382)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營的附屬公司的不同稅率影響	(197)	12
Additional deduction arising from research and development expenses	研發開支產生的額外扣減	(3,759)	(4,890)
Tax effect of tax exemption/ deduction from tax authority	稅務機關稅項豁免/扣減的稅務影響	(3,293)	(2,025)
Over provision in prior years	過往年度超額撥備	(1,630)	-
Withholding tax on undistributed earnings of a PRC subsidiary	一間中國附屬公司未分派盈利的預扣稅	1,371	681
Income tax expenses	所得稅開支	304	2,187

9. PROFIT FOR THE PERIOD

9. 期內溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Profit for the period has been arrived at after charging (crediting):	期內溢利經扣除(計入)下列各項後達致:		
Directors' emoluments	董事酬金	1,025	890
Salaries, allowances and other benefits (excluding directors' emoluments)	薪金、津貼及其他福利(不包括董事酬金)	33,745	33,029
Share-based payment expenses granted to employees (Note 23)	向僱員授出股份支付開支(附註23)	573	-
Contributions to retirement benefits scheme (excluding directors' emoluments) (Note)	退休福利計劃供款(不包括董事酬金)(附註)	2,584	7,772
Total staff costs	員工成本總額	37,927	41,691
Auditors' remuneration	核數師薪酬	227	401
Listing expenses	上市開支	-	8,569
Amortisation of intangible assets	無形資產攤銷	459	440
Amount of inventories recognised as an expense	已確認為開支的存貨金額	770,740	1,028,349
Net foreign exchange losses (gains)	匯兌虧損(收益)淨額	3,619	(6,503)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,526	5,783
Depreciation of right-of-use assets	使用權資產折舊	5,694	5,563
Impairment loss recognised in respect of trade and bills receivables	就貿易應收款項及應收票據確認的減值虧損	6,583	2,530
Provision for litigation	法律訴訟之撥備	327	328

Note: According to the policy on reduction of social insurance fees announced by the Ministry of Human Resources and Social Security of Shenzhen (Shen Ren She Gui [2020] No.3), Shenzhen Sprocomm Telecommunication Technology Co., Ltd ("Shenzhen Sprocomm"), an indirect wholly-owned subsidiary of the Company, was entitled to a 50% reduction of the social insurance fees during February to April 2020.

附註：根據深圳市人力資源和社會保障部發佈關於降低社會保險費的政策(深人社規[2020]3號)，本公司間接全資附屬公司深圳禾苗通信科技有限公司(「深圳禾苗」)於二零二零年二月至四月期間的社會保險費可降低50%。

10. DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2020 and 2019, nor has any dividend been proposed since the end of the reporting period.

10. 股息

截至二零二零年及二零一九年六月三十日止六個月，概無支付或建議宣派任何股息，自報告期末起亦無建議宣派任何股息。

11. EARNINGS PER SHARE

The calculation of the basic earnings per share during the periods is based on the profit attributable to the owners of the Company and the weighted average number of ordinary shares in issue.

11. 每股盈利

期內，每股基本盈利之計算乃基於本公司擁有人應佔溢利及已發行普通股加權平均數計算。

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Earnings for the purpose of basic earnings per share (profit for the period attributable to owners of the Company)	用於計算每股基本盈利的盈利(本公司擁有人應佔期內溢利)	12,655	13,511
		'000	'000
		千股	千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利的普通股加權平均數	1,000,000	750,000

For the six months ended 30 June 2019, the weighted average number of ordinary shares for the purpose of basic earnings per share has been adjusted for the capitalisation issue on 13 November 2019.

截至二零一九年六月三十日止六個月，用於計算每股基本盈利的普通股加權平均數已就於二零一九年十一月十三日的資本化發行作出調整。

11. EARNINGS PER SHARE (CONTINUED)

Diluted earnings per share

As at 30 June 2020, none of the performance conditions of the share options were met, and thus the dilutive potential ordinary shares are not included in the calculation of diluted earnings per share. As a result, diluted earnings per share is the same as basic earnings per share for the period ended 30 June 2020.

Diluted earnings per share is same as basic earnings per share for the period ended 30 June 2019 as there were no dilutive potential ordinary shares outstanding during the period.

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2020, the Group has no addition of property, plant and equipment (six months ended 30 June 2019: RMB972,000).

13. MOVEMENTS IN INTANGIBLE ASSETS

During the six months ended 30 June 2020, the Group paid approximately RMB774,000 on addition of intangible assets (six months ended 30 June 2019: Nil).

11. 每股盈利(續)

每股攤薄盈利

於二零二零年六月三十日，並無導致任何購股權的績效條件，故於計算每股攤薄盈利時並無計及潛在攤薄普通股。因此，截至二零二零年六月三十日止期間的每股攤薄盈利與每股基本盈利相同。

截至二零一九年六月三十日止期間的每股攤薄盈利與每股基本盈利一致，原因為該兩年並無發行在外的潛在攤薄普通股。

12. 物業、廠房及設備變動

截至二零二零年六月三十日止六個月，本集團並無添置物業、廠房及設備(截至二零一九年六月三十日止六個月：人民幣972,000元)。

13. 無形資產變動

截至二零二零年六月三十日止六個月，本集團就添置無形資產支付約人民幣774,000元(截至二零一九年六月三十日止六個月：零)。

14. TRADE AND BILLS RECEIVABLES

14. 貿易應收款項及應收票據

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade receivables	貿易應收款項	389,041	604,316
Bills receivables	應收票據	28,213	20,674
Less: Loss allowance for trade and bills receivables	減：貿易應收款項及 應收票據虧損撥備	(9,412)	(2,829)
Trade and bills receivables	貿易應收款項及應收票據	407,842	622,161

The gross amount of trade and bills receivables arising from contracts with customers amounted to approximately RMB417,254,000 as at 30 June 2020 (31 December 2019: RMB624,990,000).

The Group allows credit period of 30-90 days to its trade customers depending on creditability of the customers. The Group does not hold any collateral over its trade and bills receivables. The following is an aged analysis of trade and bills receivables, presented based on invoice dates, which approximates the respective revenue recognition dates, at the end of the reporting period.

於二零二零年六月三十日，客戶合約產生的貿易應收款項及應收票據總額約為人民幣417,254,000元（二零一九年十二月三十一日：人民幣624,990,000元）。

本集團視乎客戶的信用度向其貿易客戶授出30至90天的信貸期。本集團並無就其貿易應收款項及應收票據持有任何抵押品。下表載列於報告期末根據發票日期（與各自收益確認日期相若）呈列的貿易應收款項及應收票據的賬齡分析。

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 30 days	30天以內	270,056	459,100
31 to 60 days	31至60天	34,832	91,441
61 to 90 days	61至90天	14,236	25,784
Over 90 days	90天以上	88,718	45,836
Total	總計	407,842	622,161

No interest is charged on the trade and bills receivables.

概無就貿易應收款項及應收票據收取利息。

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The debtors are grouped under a provision matrix into three internal credit rating buckets (namely: low risk, medium risk and high risk) based on shared credit risk characteristic by reference to past due exposure of the debtor, and an analysis of the debtor's current financial position. There has been no change in the estimation techniques or significant assumptions made during the both periods. The Group recognised lifetime ECL for trade and bills receivables individually and/or collectively as follows:

		Average expected loss rate 平均預期 虧損率 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
As at 30 June 2020	於二零二零年六月三十日			
Low risk (Unaudited)	低風險 (未經審核)	2.26%	417,254	9,412
As at 31 December 2019	於二零一九年十二月三十一日			
Low risk	低風險	0.45%	624,990	2,829

The estimated loss rate are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information (for example, the current and forecasted economic growth rates in PRC, India and other countries, which reflect the general economic conditions of the industry in which the debtors operate) that is available without undue cost or effort. Such forward-looking information is used by the management of the Group to assess both the current as well as the forecast direction of conditions at the reporting date. The grouping is regularly reviewed by the management of the Group to ensure relevant information about specific debtors is updated.

14. 貿易應收款項及應收票據(續)

作為本集團信貸風險管理的一部分，本集團對客戶進行內部信貸評級。我們按共同信貸風險特徵參考債務人過往逾期資料及債務人當前財務狀況分析，根據撥備矩陣將債務人分為三個內部信用等級組別（即：低風險、中風險和高風險）。估計技術或兩個期間作出的重大假設並無變更。本集團個別及／或共同確認貿易應收款項及應收票據的全期預期信貸虧損如下：

估計虧損率乃根據債務人預計年內觀察到的過往違約率估算，並就無需耗費過多成本或精力獲得的前瞻性資料進行調整（例如，反映債務人經營所處行業整體經濟狀況的中國、印度等國家當前及預期經濟增長率）。報告日期，本集團管理層使用該等前瞻性資料分析當前及未來變化趨勢。本集團管理層會定期審查有關組別，確保特定債務人的相關資料為最新。

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

Movements of impairment loss allowance of trade and bills receivables are as follows:

		RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	(1,096)
ECL impairment loss allowance	預期信貸虧損減值虧損撥備	(1,733)
As at 31 December 2019	於二零一九年十二月三十一日	(2,829)
ECL impairment loss allowance	預期信貸虧損減值虧損撥備	(6,583)
As at 30 June 2020 (Unaudited)	於二零二零年六月三十日 (未經審核)	(9,412)

During six months ended 30 June 2020, the increase in ECL impairment loss allowance is due to the decline in the credit environment as a result of the Coronavirus disease pandemic.

As at 30 June 2020, the Group discounted and factored trade and bills receivables in aggregate amounts of approximately RMB45,217,000 (31 December 2019: RMB30,040,000) to banks and factoring company for short term financing.

Transfers of financial assets

The following were the Group's trade and bills receivables as at 30 June 2020 and 31 December 2019 that were transferred to banks and factoring company by discounting those trade and bills receivables on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these trade and bills receivables, it continues to recognise the full carrying amount of the trade and bills receivables and has recognised the cash received on the transfer as secured borrowings. These trade and bills receivables are carried at amortised cost in the condensed consolidated statements of financial position.

14. 貿易應收款項及應收票據(續)

貿易應收款項及應收票據的減值虧損撥備變動如下：

		RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	(1,096)
ECL impairment loss allowance	預期信貸虧損減值虧損撥備	(1,733)
As at 31 December 2019	於二零一九年十二月三十一日	(2,829)
ECL impairment loss allowance	預期信貸虧損減值虧損撥備	(6,583)
As at 30 June 2020 (Unaudited)	於二零二零年六月三十日 (未經審核)	(9,412)

截至二零二零年六月三十日止六個月內，預期信貸虧損減值虧損撥備增加是由於冠狀病毒疾病大流行導致信貸環境轉差。

於二零二零年六月三十日，本集團就短期融資向銀行及保理公司貼現及保理總額為約人民幣45,217,000元(二零一九年十二月三十一日：人民幣30,040,000元)的貿易應收款項及應收票據。

金融資產轉讓

下文載列本集團於二零二零年六月三十日及二零一九年十二月三十一日的貿易應收款項及應收票據，而該等貿易應收款項及應收票據透過按全面追索權基準貼現已轉讓予銀行及保理公司。由於本集團並無轉讓該等貿易應收款項及應收票據相關的重大風險及回報，其繼續確認該等貿易應收款項及應收票據的賬面總值，並已將因轉讓而收到的現金確認為有抵押借貸。該等貿易應收款項及應收票據於簡明綜合財務狀況表按攤銷成本列賬。

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

The trade and bills receivables discounted and factored to banks and a factoring company with full recourse is as follows:

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Carrying amount of transferred assets	已轉讓資產的賬面值	45,217	30,040
Carrying amount of associated liabilities	相關負債的賬面值	(45,217)	(30,040)
Net position	淨額	-	-

14. 貿易應收款項及應收票據(續)

已向銀行及保理公司貼現及保理且具全面追索權的貿易應收款項及應收票據如下：

15. PREPAYMENTS AND OTHER RECEIVABLES

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Prepayments	預付款項	42,614	38,221
Deposits	按金	1,237	1,255
Other tax recoverable	其他可收回稅項	55,108	29,417
Others	其他	4,572	5,102
		103,531	73,995

15. 預付款項及其他應收款項

Note: Included in prepayments and other receivables are other receivables and refundable deposits of approximately RMB5,809,000 as at 30 June 2020 (31 December 2019: RMB6,357,000). These balances have low risk of default or have not been a significant increase in credit risk since initial recognition and no impairment loss is recognised.

附註：預付款項及其他應收款項之計入款項為於二零二零年六月三十日之其他應收款項及可退還按金約人民幣5,809,000元(二零一九年十二月三十一日：人民幣6,357,000元)。該等結餘違約風險低或自初始確認以來信貸風險並無顯著增加及未確認減值虧損。

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

16. 按公平值計入損益的金融資產

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Structured deposits stated at fair value	按公平值列賬的 結構性存款	20,910	285,650

The financial assets at fair value through profit or loss ("FVTPL") as at 30 June 2020 represented contracts of principal guaranteed structured deposits with banks in the PRC which are presented as current assets since their maturities are within 12 months from the end of the reporting period based on the contract terms.

Pursuant to the relevant agreements, these structured deposits carry interest at a variable rate per annum with reference to the performance of foreign currency or interest rate during the investment period and the principal sums are denominated in RMB. The directors of the Company consider the fair values of the structured deposits, which are based on the prices provided by the counterparty banks representing the prices they would pay to redeem the deposits at 30 June 2020, approximate to their carrying values on the same day.

Management has assessed the credit quality of the financial institution and considered the credit risk to be not significant.

於二零二零年六月三十日，按公平值計入損益（「按公平值計入損益」）的金融資產指與中國之銀行訂立的保本型結構性存款合約，由於根據合約條款其於報告期末起12個月內到期，該等存款呈列為流動資產。

根據相關協議，該等結構性存款參考投資期間外幣表現或利率每年按浮動利率計息，而本金以人民幣計值。本公司董事認為，結構性存款之公平值按對手方銀行提供之價格（即彼等於二零二零年六月三十日為贖回存款而支付的價格）釐定，與同日之賬面值相若。

管理層已評估金融機構的信貸質素並認為信貸風險並不重大。

17. PLEDGED BANK DEPOSITS

As at 30 June 2020, bank deposits of approximately RMB114,387,000 (31 December 2019: RMB81,165,000) were pledged by the Group for the purpose of securing discounted bills loans and general banking facility granted to the Group. The deposits carried fixed interest at 1% to 1.95% per annum (31 December 2019: RMB60,000,000 at fixed rate of 4% per annum and RMB21,165,000 carried floating interest rate).

18. RESTRICTED DEPOSITS

As at 30 June 2020, bank deposits of approximately RMB 1,723,000 in Shenzhen Sprocomm were being frozen by banks as the respective banks had received notice from court with regard to the litigation claim as disclosed in note 27.

19. TIME DEPOSITS

As at 30 June 2020, the Group had fixed-term time deposits in banks in the PRC with maturities of six months. The deposits carry fixed interests rate at 1.95% to 2.9% per annum (31 December 2019: Nil).

17. 已抵押銀行存款

於二零二零年六月三十日，本集團已質押約人民幣114,387,000元（二零一九年十二月三十一日：人民幣81,165,000元）的銀行存款作為本集團獲授貼現票據貸款及一般銀行融資的抵押。存款按固定年利率1%至1.95%計息（二零一九年十二月三十一日：人民幣60,000,000元按固定年利率4%計息，人民幣21,165,000元按浮動利率計息）。

18. 受限制存款

於二零二零年六月三十日，深圳禾苗銀行存款約人民幣1,723,000元被銀行凍結，是由於有關銀行已收到法院關於訴訟請求的通知（如附註27所披露）。

19. 定期存款

於二零二零年六月三十日，本集團於中國銀行存放的定期存款期限為六個月。存款按固定年利率1.95%至2.9%計息（二零一九年十二月三十一日：零）。

20. TRADE AND BILLS PAYABLES

20. 貿易應付款項及應付票據

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade payables	貿易應付款項	364,718	446,297
Bills payables	應付票據	249,932	430,410
Trade and bills payables	貿易應付款項及應付票據	614,650	876,707

The following is an aged analysis of trade and bills payables presented based on invoice date at the end of the reporting period.

於報告期末，貿易應付款項及應付票據按發票日期呈列的賬齡分析如下。

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 30 days	30天內	299,629	496,730
31 to 60 days	31至60天	97,235	78,763
61 to 90 days	61至90天	107,472	58,727
Over 90 days	90天以上	110,314	242,487
Total	總計	614,650	876,707

The average credit period on purchases of goods is ranging from 30 to 60 days.

採購貨品的平均信貸期介乎30至60天。

21. MOVEMENTS IN CONTRACT LIABILITIES

During the current interim period, the Group received approximately RMB79,052,000 advance from customers due to new orders received.

22. MOVEMENTS IN BORROWINGS

During the current interim period, the Group raised borrowings of approximately RMB73,278,000 (six months ended 30 June 2019: approximately RMB254,180,000) and repaid borrowings of approximately RMB211,331,000 (six months ended 30 June 2019: approximately RMB134,791,000).

The weighted average effective interest rate of borrowings for the six months ended 30 June 2020 was 4% per annum (six months ended 30 June 2019: 4% per annum).

23. SHARE-BASED PAYMENT TRANSACTIONS

Share-option scheme

Pursuant to the Share Option Scheme of the Company adopted in 2019, the Company granted share options to subscribe for an aggregate of 69,100,000 shares (the "Share Options") on 14 April 2020 to certain directors and employees. The options have a validity period of five years from the date of grant. The Group has no legal or constructive obligations to repurchase or settle the options in cash. These options vest in tranches over a period of up to 3 years.

21. 合約負債變動

於本中期，由於接獲新訂單，本集團收到來自客戶的墊款約人民幣79,052,000元。

22. 借款變動

於本中期，本集團籌集借款約人民幣73,278,000元（截至二零一九年六月三十日止六個月：人民幣254,180,000元）及償還借款約人民幣211,331,000元（截至二零一九年六月三十日止六個月：人民幣134,791,000元）。

截至二零二零年六月三十日止六個月，借款的加權平均實際利率為每年4%（截至二零一九年六月三十日止六個月：每年4%）。

23. 股份支付交易

購股權計劃

根據本公司於二零一九年採納的購股權計劃，本公司已於二零二零年四月十四日向若干董事及僱員授出可認購合共69,100,000股股份的購股權（「購股權」）。購股權的有效期限自授出日期起計為期五年。本集團並無法定或推定責任以現金購回或結清購股權。該等購股權於不多於三年的期間內分期歸屬。

23. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Share-option scheme (Continued)

The options are to be vested in three tranches, subject to the Group achieving its profit target and the directors and employees meeting their service conditions as well (the "Performance Conditions"). The directors and employees should remain in the Group's employment until those Performance Conditions are satisfied. Subject to the fulfillment of the certain financial performance targets by the Group, the three tranches of options are exercisable in the following manner:

- (i) 30% of the Share Options will be exercisable commencing from 1 July 2021;
- (ii) 30% of the Share Options will be exercisable commencing from 1 July 2022;
- (iii) the remaining 40% of the Share Options will be exercisable commencing from 1 July 2023.

The following table discloses movements of the Company's share options held by directors and employees during the period ended 30 June 2020:

Grantee:		Outstanding at 1 January 2020	Granted during the period	Outstanding at 30 June 2020
		於二零二零年 一月一日 尚未行使	期內已授出	於 二零二零年 六月三十日 尚未行使
Directors	董事			
14 April 2020	二零二零年四月十四日	-	12,500,000	12,500,000
Employees	僱員			
14 April 2020	二零二零年四月十四日	-	56,600,000	56,600,000
		-	69,100,000	69,100,000
Exercisable at the end of the period	期末可行使	-	-	-
Exercise price	行使價	-	HK\$0.51 0.51港元	HK\$0.51 0.51港元

23. 股份支付交易 (續)

購股權計劃 (續)

購股權將分三期歸屬，惟須待本集團達成溢利目標及董事與僱員達成服務條件（「表現條件」）後方可作實。董事及僱員須受僱於本集團直至該等表現條件達成。該三期購股權可以下述方式行使（惟須滿足本集團若干財務表現目標）：

- (i) 30% 的購股權可自二零二一年七月一日起行使；
- (ii) 30% 的購股權可自二零二二年七月一日起行使；
- (iii) 餘下的40%購股權可自二零二三年七月一日起行使；

下表載列截至二零二零年六月三十日止期間董事及僱員持有本公司購股權的變動：

23. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Share-option scheme (Continued)

The total fair value, which was determined by using Binomial option price model, of the options granted under the share-option scheme as at the grant date are approximately RMB13,812,000 on 14 April 2020. The significant inputs into the Binomial Model are as follows:

Date of grant		Tranche 1	Tranche 2	Tranche 3
		第一批	第二批	第三批
授出日期		14 April 2020	14 April 2020	14 April 2020
		二零二零年	二零二零年	二零二零年
		四月十四日	四月十四日	四月十四日
Exercisable period (subject to vesting conditions being fulfilled)	可行使期間 (惟須符合歸屬條件)	1 July 2021 to 13 April 2025 二零二一年七月一日至二零二五年四月十三日	1 July 2022 to 13 April 2025 二零二二年七月一日至二零二五年四月十三日	1 July 2023 to 13 April 2025 二零二三年七月一日至二零二五年四月十三日
Share price at the grant date	授出日期股價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Exercise price per share	每股行使價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Expected volatility	預期波幅	53.00%	53.00%	53.00%
Expected life of options	購股權預計年期	5 years 五年	5 years 五年	5 years 五年
Expected dividend yield	預計股息率	0%	0%	0%
Annual risk-free interest rate	無風險年利率	0.58%	0.58%	0.60%

The expected volatility is determined by calculating the historical volatility of the price of listed companies with businesses similar to the Group. The expected dividend yield is determined by the directors based on the expected future performance and dividend policy of the Group.

23. 股份支付交易 (續)

購股權計劃 (續)

於二零二零年四月十四日，根據購股權計劃於授出日期授出的購股權之公平值(採用二項式期權定價模型釐定)約為人民幣13,812,000元。二項式模型的主要輸入數據如下：

預計波幅乃透過計算與本集團業務相似的上市公司的過往價格波幅釐定。預計股息率乃由董事根據預期未來表現及本集團股息政策釐定。

23. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Share-option scheme (Continued)

The Binomial Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the director's best estimate. The value of an option varies with different variables of certain subjective assumptions.

During the six months ended 30 June 2020, the share-based payment expenses of approximately RMB700,000 was charged to condensed consolidated statement of profit or loss and other comprehensive income.

24. PLEDGE OF ASSETS

At 30 June 2020, the Group had pledged or discounted the following assets to secure banking and borrowing facilities and factoring loan granted to the Group:

23. 股份支付交易(續)

購股權計劃(續)

購股權的公平值乃使用二項式模式估計得出。計算購股權公平值所用的變量及假設乃基於董事的最佳估計。購股權的價值會因若干主觀假設的不同變量而有所不同。

截至二零二零年六月三十日止六個月，股份支付開支約人民幣700,000元計入簡明綜合損益及其他全面收益表。

24. 資產抵押

於二零二零年六月三十日，為取得授予本集團銀行及借款融資以及保理貸款，本集團已抵押或折現以下資產：

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 二零一九年 十二月 三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade and bills receivables	貿易應收款項及應收票據	45,217	30,040
Pledged bank deposits	已抵押銀行存款	114,387	81,165
Ownership interests in land and building	土地及樓宇所有權權益	58,333	59,872
Total	總計	217,937	171,077

25. FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The following table provides an analysis of financial instruments that are measured at fair value at the end of each reporting period for recurring measurement, grouped into Level 2 based on the degree to which the fair value is observable in accordance with the Group's accounting policy.

		As at 30 June 2020	As at 31 December 2019
		二零二零年 六月三十日	二零一九年 十二月 三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial assets at FVTPL	按公平值計入損益的 金融資產		
Structured deposits	結構性存款	20,910	285,650

The valuation method for fair value measurement of structure deposits refers to the price quotation from the issuing banks.

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair value due to their immediate or short-term maturities.

There were no transfers between levels of fair value hierarchy in the current and prior years.

25. 按公平值計入損益的金融資產之公平值計量

下表提供金融工具之分析，乃按就經常性計量於各報告期末之公平值計量，並根據本集團會計政策基於公平值可觀察之程度分類為第二級別。

結構性存款公平值計量使用的估值方法指發行銀行的報價。

本公司董事認為，按攤銷成本於簡明綜合財務報表入賬之其他金融資產及金融負債之賬面值與彼等之公平值相若，乃由於彼等為即時或短期到期。

於本年度及過往年度，公平值層級間並無轉撥。

26. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year was as follows:

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short-term benefits	短期福利	1,309	1,006
Post-employment benefits	離職後福利	101	222
Share-based payment	股份支付	193	-
		1,603	1,228

27. LITIGATIONS

During the reporting period, there were legal claims arising from the normal course of business being lodged against the Group and no specific claim amount has been specified in the applications of these claims except as detailed below. In the opinion of the directors of the Company and after consulting the legal professional advice, the ultimate liability under these claims would not have a material adverse impact on the financial position or results of the Group.

26. 關聯方交易

主要管理人員之薪酬

本公司董事及其他主要管理人員於本年度的薪酬如下：

27. 訴訟

於報告期間，本集團於一般業務過程中涉入一項法律索償，除下文詳述者外，該等索償申請中無指明具體索償金額。本公司董事經諮詢法律專業意見後認為，該等索償之最終責任將不會對本集團之財務狀況或業績造成重大不利影響。

27. LITIGATIONS (CONTINUED)

- (i) On 28 November 2018, an independent factoring company filed a joint lawsuit (the "Joint Lawsuit") claim at Beijing First Intermediate People's Court (北京市第一中級人民法院) for an aggregate sum of approximately RMB53,781,000 of outstanding factored loan principal with recourse, interest and related cost against Shenzhen Sprocomm, a customer of Shenzhen Sprocomm for which the factored accounts receivable was due from (the "First Defendant") and a number of other independent third parties, being other suppliers of the First Defendant with factoring agreements signed with the plaintiff (the "Other Defendants").

Pursuant to a factoring agreement signed between Shenzhen Sprocomm and the plaintiff on 22 December 2017, Shenzhen Sprocomm has assigned its then outstanding accounts receivables from the First Defendant, in the amount of approximately RMB53,200,000 (adjusted to RMB40,000,000 pursuant to a supplement agreement) to the plaintiff (as factor) and obtained a factored loan financing with recourse of RMB 40,000,000. After the transfer of the accounts receivables to the plaintiff, the plaintiff owned the right to receive the outstanding amount of the accounts receivables from the First Defendant. Other Defendants who are also suppliers to the First Defendant also factored certain of their respective accounts receivables from the First Defendant with the plaintiff. The First Defendant failed to settle its then outstanding accounts payable due to the plaintiff (which were attributable by the accounts receivables factored by Shenzhen Sprocomm and Other Defendants) in an aggregate sum of RMB53.8 million when they fell due.

27. 訴訟(續)

- (i) 於二零一八年十一月二十八日，一間獨立保理公司就具追索權之未償還保理貸款本金、利息及相關成本合共約人民幣53,781,000元向北京市第一中級人民法院提起共同訴訟(「共同訴訟」)，起訴深圳禾苗、一名欠付保理應收賬款之深圳禾苗客戶(「第一被告」)及數名其他獨立第三方(為與原告簽訂保理協議之第一被告的其他供應商)(「其他被告」)。

根據深圳禾苗與原告於二零一七年十二月二十二日簽訂之保理協議，深圳禾苗已向原告(作為保理人)轉讓當時應收第一被告之未收回應收賬款約人民幣53,200,000元(根據補充協議調整至人民幣40,000,000元)，並獲得具追索權之保理貸款融資人民幣40,000,000元。於向原告轉讓應收賬款後，原告擁有向第一被告收取未收回應收賬款之權利。其他被告(亦為第一被告之供應商)亦向原告保理各自應收第一被告之若干賬款。第一被告於有關款項到期時未能償付當時應付原告之未償還款項(由深圳禾苗及其他被告保理之應收賬款構成)合共人民幣53.8百萬元。

27. LITIGATIONS (CONTINUED)

(i) (continued)

On 8 April 2019, Beijing First Intermediate People's Court dismissed the Joint Lawsuit and no appeal on the ruling has been filed by the plaintiff within the statutory time limitation and the case was closed. On 7 May 2019, the plaintiff separately filed another lawsuit at Beijing Haidian District People's Court against Shenzhen Sprocomm Technology Limited ("Shenzhen Sprocomm") and the First Defendant for the repayment of the outstanding accounts receivable under the factoring agreement in the amount of RMB29.2 million (the "Relevant Sum") and the relevant interests.

After considering the Relevant Sum and previous payments from First Defendant to the Plaintiff, the outstanding liability of Shenzhen Sprocomm amounted to RMB17.1 million (which is included in borrowings in the condensed consolidated statement of financial position) plus the relevant interest, legal costs and court fees of an aggregate of approximately RMB 2.1 million (31 December 2019: RMB1.8 million).

During the six months ended 30 June 2020, the legal proceeding is still in progress and the directors of the Company, with reference to legal opinion obtained and available information, additional provision of RMB327,000 was made and recognised in the administrative expenses in the consolidated statements of profit or loss and other comprehensive income and the other payable in the consolidated statements of financial position.

As at 30 June 2020, the Group had provision for litigation of approximately RMB2.1 million (31 December 2019: 1.8 million) included in other payables in the condensed consolidated statement of financial position.

27. 訴訟(續)

(i) (續)

於二零一九年四月八日，北京市第一中級人民法院駁回共同訴訟且原告於法定期限內未就裁定提起上訴，該案件已結案。於二零一九年五月七日，原告於北京市海淀区人民法院就償還根據保理協議所欠應收賬款人民幣29.2萬元(「相關款項」)及相關利息針對深圳禾苗通信科技有限公司(「深圳禾苗」)及第一被告提起另一起訴訟。

經計及第一被告先前向原告支付的相關款項，深圳禾苗尚欠負債人民幣17.1百萬元(已包括在簡明綜合財務狀況表的借款)，加上相關利息、法律成本及訴訟費總額約人民幣2.1百萬元(二零一九年十二月三十一日：人民幣1.8百萬元)。

於截至二零二零年六月三十日止六個月，法律訴訟程序仍在進行，本公司董事參考所得法律意見及資料，已於綜合損益及其他全面收益表的行政開支以及綜合財務狀況表的其他應付款項確認額外撥備人民幣327,000元。

於二零二零年六月三十日，本集團的訴訟撥備約為人民幣2.1百萬元(二零一九年十二月三十一日：人民幣1.8百萬元)，計入簡明綜合財務狀況表的其他應付款項。

27. LITIGATIONS (CONTINUED)

(i) (continued)

As at 30 June 2020, aggregate bank balances of approximately RMB1,723,000 in Shenzhen Sprocomm were being frozen by banks as the respective banks had received notice from court with regard to the litigation claim. Such bank balances were included in restricted deposits in the condensed consolidated statement of financial position (note 18).

Subsequent to the end of the reporting period on 16 July 2020, another bank account of Shenzhen Sprocomm with bank balance of approximately RMB134,000 was also frozen by bank for the litigation claim.

As at the date of this report, the legal proceeding is still in progress. The Directors with reference to the legal opinion obtained and available information, considered that the provision has adequately covered the maximum exposure including of total claims and legal cost of the case.

28. CAPITAL COMMITMENT

During the six months ended 30 June 2020, the Group had established a company of which the Group has 25% equity interest and agreed to inject capital of RMB2,500,000. The amount is not yet paid as at 30 June 2020 and up to the date of this interim report.

27. 訴訟(續)

(i) (續)

於二零二零年六月三十日，由於相關銀行收到法院有關訴訟索償的通知，因此深圳禾苗合共約人民幣1,723,000元的銀行結餘遭銀行凍結。相關銀行結餘已計入簡明綜合財務狀況表的受限制存款中(附註18)。

報告期間結束後，於二零二零年七月十六日，深圳禾苗的另一銀行賬戶約人民幣134,000元的銀行結餘亦因訴訟索償被銀行凍結。

於本報告日期，法律訴訟程序仍在推進。本公司董事經參考已獲取之法律意見及可用資料認為，撥備已足以覆蓋該案件最高風險(包括總索償及法律成本)。

28. 資本承諾

截至二零二零年六月三十日止六個月，本集團成立一間本集團擁有其25%股權的公司，並同意注資人民幣2,500,000元。於二零二零年六月三十日直至本中期報告日期，該款項尚未支付。

OTHER INFORMATION

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 30 June 2020, interests and short positions of the Directors and chief executive of the Company in the shares and underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transaction By Directors of Listed Issuers (the "Model Code") are as follows:

Interest in the Company

Name of Director	Capacity/nature of interest	Number of shares/underlying shares held	Percentage of shareholding in the Company
董事姓名	身份／權益性質	所持股份／ 相關股份數目 (Note 1) (附註1)	於本公司 持股份百分比 (Approximate) (概約)
Mr. Li Chengjun (Note 2) 李承軍先生(附註2)	Founder of a discretionary trust 全權信託創辦人	369,967,204 (L)	37.0%
Mr. Xiong Bin (Note 3) 熊彬先生(附註3)	Founder of a discretionary trust 全權信託創辦人	305,032,256 (L)	30.5%
Mr. Li Hongxing (Note 4) 李紅星先生(附註4)	Share option 購股權	9,000,000 (L)	0.90%
Mr. Guo Qinglin (Note 5) 郭慶林先生(附註5)	Share option 購股權	3,500,000 (L)	0.35%

其他資料

董事及最高行政人員於本公司或任何相聯法團的股份、相關股份及債券之權益及淡倉

於二零二零年六月三十日，董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉)或根據證券及期貨條例第352條須載入本公司存置的登記冊的權益及淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

於本公司權益

Notes:

1. The letter "L" denotes long position of the shares.
2. Leap Elite Limited is legally owned as to 100% by Mr. Li Chengjun for the benefit of the beneficiaries of the family trust found by himself. Accordingly, Mr. Li Chengjun is deemed to be interested in the shares held by Leap Elite Limited pursuant to the SFO.
3. Beyond Innovation Limited is legally owned as to 100% by Mr. Xiong Bin for the benefit of the beneficiaries of the family trust found by himself. Accordingly, Mr. Xiong Bin is deemed to be interested in the shares held by Beyond Innovation Limited pursuant to the SFO.
4. The personal interest of Mr. Li Hongxing represents the interest in 9,000,000 underlying shares in respect of the share options granted by the Company, the details of which are stated in the section headed "Share option scheme" below.
5. The personal interest of Mr. Guo Qinglin represents the interest in 3,500,000 underlying shares in respect of the share options granted by the Company, the details of which are stated in the section headed "Share option scheme" below.

Save as disclosed above, none of the Directors or chief executive of the Company had registered any interests or short positions in any shares and underlying shares in, and debentures of, the Company or any associated corporations as at 30 June 2020, as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

Arrangement for Directors to Purchase Shares or Debentures

Saved as disclosed in this report, at no time during the six months ended 30 June 2020 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

附註：

1. 字母「L」代表於股份中的好倉。
2. 立堅有限公司由李承軍先生為其建立的家族信託受益人的利益而合法擁有100%權益。因此，根據證券及期貨條例，李承軍先生被視為於立堅有限公司所持股份中擁有權益。
3. 超新有限公司由熊彬先生為其建立的家族信託受益人的利益而合法擁有100%權益。因此，根據證券及期貨條例，熊彬先生被視為於超新有限公司所持股份中擁有權益。
4. 李紅星先生的個人權益為本公司所授出購股權所涉的9,000,000股相關股份，詳情載於下文「購股權計劃」一節。
5. 郭慶林先生的個人權益為本公司所授出購股權所涉的3,500,000股相關股份，詳情載於下文「購股權計劃」一節。

除上文所披露者外，於二零二零年六月三十日，概無本公司董事或最高行政人員於本公司或任何相聯法團的任何股份、相關股份及債券中，擁有記入本公司根據證券及期貨條例第352條須存置的登記冊或根據證券及期貨條例第XV部或標準守則須另行知會本公司及聯交所的任何權益或淡倉。

董事購買股份或債券的安排

除本報告所披露者外，截至二零二零年六月三十日止六個月任何時間，概無向本公司任何董事或彼等各自之配偶或未成年子女授出任何可藉收購本公司股份或債券而獲得利益之權利，彼等亦無行使任何該等權利，且本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使本公司董事可藉收購本公司或任何其他法團股份或債務證券（包括債券）而獲得利益。

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

So far as is known to the Directors, as at 30 June 2020, the following corporation/persons (other than the interests of the Directors or chief executives of the Company as disclosed above) had interests of 5% or more in the issued shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

主要股東及其他人士於本公司股份及相關股份中擁有的權益及淡倉

就董事所知，於二零二零年六月三十日，下列法團／人士（上文所披露之本公司董事或最高行政人員權益除外）擁有本公司已發行股份中5%或以上的權益且根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露或須記入本公司根據證券及期貨條例第336條須存置的登記冊：

Name 名稱	Capacity/nature of interest 身份／權益性質	Number of shares held 持股數目 (Note 1) (附註1)	Percentage of shareholding in the Company 於本公司持股百分比 (Approximate) (概約)
Leap Elite Limited 立堅有限公司	Beneficial owner 實益權益	369,967,204 (L)	37.0%
Beyond Innovation Limited 超新有限公司	Beneficial owner 實益權益	305,032,256 (L)	30.5%
Ms. Sui Rongmei (Note 2) 隋榮梅女士(附註2)	Interest of spouse 配偶權益	369,967,204 (L)	37.0%
Ms. Yan Xue (Note 3) 鄢雪女士(附註3)	Interest of spouse 配偶權益	305,032,256 (L)	30.5%
JZ Capital Limited (Note 4) JZ Capital Limited (附註4)	Beneficial owner 實益權益	75,000,540 (L)	7.5%
Mr. Ko Hin Ting, James (Note 4) 高軒庭先生(附註4)	Interest in a controlled corporation 受控法團權益	75,000,540 (L)	7.5%
Ms. Chu Wing Yee, Vaneese (Note 5) 朱詠儀女士(附註5)	Interest of spouse 配偶權益	75,000,540 (L)	7.5%

Notes:

1. The letter "L" denotes long position of the shares.
2. Ms. Sui Rongmei is the spouse of Mr. Li Chengjun. By virtue of the SFO, she is deemed to be interested in the same number of shares held by Mr. Li Chengjun.
3. Ms. Yan Xue is the spouse of Mr. Xiong Bin. By virtue of the SFO, she is deemed to be interested in the same number of shares held by Mr. Xiong Bin.
4. JZ Capital Limited is owned as to 99% by Mr. Ko Hin Ting, James. As such, Mr. Ko Hin Ting, James is deemed to be interested in the shares held by JZ Capital Limited pursuant to the SFO.
5. Ms. Chu Wing Yee, Vaneese is the spouse of Mr. Ko Hin Ting, James. By virtue of the SFO, she is deemed to be interested in the same number of shares held by Mr. Ko Hin Ting, James.

Save as disclosed above, as at 30 June 2020, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2020.

附註：

1. 字母「L」代表於股份中的好倉。
2. 隋榮梅女士為李承軍先生之配偶。根據證券及期貨條例，彼被視為於李承軍先生所持相同數目股份中擁有權益。
3. 鄒雪女士為熊彬先生之配偶。根據證券及期貨條例，彼被視為於熊彬先生所持相同數目股份中擁有權益。
4. JZ Capital Limited由高軒庭先生擁有99%權益。因此，根據證券及期貨條例，高軒庭先生被視為於JZ Capital Limited所持股份中擁有權益。
5. 朱詠儀女士為高軒庭先生之配偶。根據證券及期貨條例，彼被視為於高軒庭先生所持相同數目股份中擁有權益。

除上文所披露者外，於二零二零年六月三十日，本公司概無獲悉本公司已發行股本中根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之任何相關權益或淡倉，或須記入本公司根據證券及期貨條例第336條須存置的登記冊之任何相關權益或淡倉。

購買、出售或贖回本公司上市證券

截至二零二零年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

Directors' and Controlling Shareholders' Interest in Competing Business

Apart from the Group's business, none of the Directors, the Controlling Shareholders (including Mr. Li Chengjun, Leap Elite Limited, Mr. Xiong Bin and Beyond Innovation Limited) or any of their respective close associates was engaged in or had any interest in any business that competes or may compete with the principal business of the Group, which would require disclosure under Rule 8.10 of the Listing Rules, or has any other conflict of interest with the Group during the six months ended 30 June 2020 and up to the date of this report.

Share Option Scheme

The Company conditionally adopted a share option scheme (the "Share Option Scheme") on 18 October 2019 ("Adoption Date"), which become effective on the Listing Date. The purpose of which is to motivate the eligible participants to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

The eligible participants include any full-time or part-time employees, executives or officers, directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries; and such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group.

Subject to the terms and conditions of the Share Option Scheme, the maximum numbers of shares in respect of which options may be granted under the Share Option Scheme and any other schemes shall not, in aggregate, exceed 10% of the shares in issue as at the Listing Date (i.e. 100,000,000 shares) unless approved by the shareholders of the Company.

董事及控股股東於競爭業務的權益

除本集團業務外，截至二零二零年六月三十日止六個月內及截至本報告日期，概無董事、控股股東（包括李承軍先生、立堅有限公司、熊彬先生及超新有限公司）或任何彼等各自緊密聯繫人從事根據上市規則第8.10條須予披露與本集團主要業務競爭或可能競爭的任何業務或於其中擁有利益，或與本集團有任何其他利益衝突。

購股權計劃

本公司已於二零一九年十月十八日（「採納日期」）有條件採納購股權計劃（「購股權計劃」），於上市日期生效。購股權計劃的目的為激勵合資格參與者，令其竭力提升對本集團的未來貢獻及／或獎勵彼等過往的貢獻，以吸引及挽留對本集團的表現、成長或成功而言極為重要及／或其貢獻對該等方面有利或將會有利的參與者或與彼等維持持續關係。

合資格參與者包括本公司或其任何附屬公司任何全職或兼職僱員、行政人員或高級職員、董事、顧問、諮詢人、供應商、客戶及代理，及董事會全權認為將會或已對本集團作出貢獻的其他人士。

根據購股權計劃的條款及條件，除非經本公司股東批准，否則根據購股權計劃及任何其他計劃可能授出的購股權所涉的股份數目上限合共不得超過上市日期已發行股份的10%（即100,000,000股股份）。

Unless approved by shareholders of the Company in general meeting in the manner stipulated in The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the maximum entitlement for each eligible participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to the date of grant shall not exceed 1% of the total number of shares in issue as at the date of grant.

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The minimum period for which an option must be held before it can be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted.

The exercise price of share option granted under the Share Option Scheme shall be a price solely determined by the Board and shall be at least highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the option; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the option; and (c) the nominal value of a share.

Subject to earlier termination by the Company in general meeting or by the Directors, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date.

For further details on the principal terms of the Share Option Scheme, please refer to the paragraph headed "Statutory and General Information – Other Information – 1. Share Option Scheme" in Appendix IV to the Prospectus.

除非經本公司股東在股東大會按聯交所證券上市規則（「上市規則」）規定的方式批准，於任何12個月期間直至授出日期，各合資格參與者根據本公司購股權計劃或任何其他購股權計劃獲授的配額上限（包括已行使及尚未行使的購股權）不得超過授出日期已發行股份總數的1%。

本公司於有關接納日期或之前一經收到經承授人正式簽署構成接納購股權的要約文件副本，連同付予本公司1.00港元的款項作為授出購股權的代價後，購股權即被視為已授出及獲承授人接納並已生效。

購股權可根據購股權計劃的條款於購股權被視為已授出並獲接納當日之後及自該日起計十年屆滿前隨時行使。購股權可行使前必須持有的最短期限將由董事會全權酌情釐定，惟於授出購股權起計十年後，不得行使購股權。

根據購股權計劃授出的購股權行使價須由董事會全權酌情釐定，且須至少為下列各項當中的最高者：(a) 股份於授出購股權日期於聯交所每日報價表所報的收市價；(b) 緊接授出日期前五個營業日股份於聯交所每日報價表所報的平均收市價；及(c) 股份面值。

除非本公司經由股東大會或經由董事提前終止，否則購股權計劃自採納日期起十年期間內合法及有效。

有關購股權計劃主要條款的詳情，請參閱招股章程附錄四「法定及一般資料—其他資料—1. 購股權計劃」一段。

(i) Outstanding options

During the six months ended 30 June 2020, the Company granted 69,100,000 share options and no share options were exercised or lapsed. Details of the Company's share options from 1 January 2020 to 30 June 2020 are as follows:

(i) 尚未行使的購股權

截至二零二零年六月三十日止六個月，本公司已授出69,100,000份購股權，概無購股權獲行使或失效。二零二零年一月一日至二零二零年六月三十日的本公司購股權的詳情載列如下：

Date of grant	Exercise price	Vesting period	Exercise period	Outstanding as at 1 January 2020	Number of share options granted	Number of share options exercised	Number of share options lapsed	Outstanding as at 30 June 2020
授出日期	行使價	歸屬期	行使期	於二零二零年一月一日尚未行使	已授出購股權數目	已行使購股權數目	已失效購股權數目	於二零二零年六月三十日尚未行使
Category 1: Directors								
類別 1：董事								
Mr. Li Hongxing								
李紅星先生								
Tranche 1	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2021	1 July 2021 to 13 April 2025	-	2,700,000	-	2,700,000
第一期	二零二零年四月十四日	0.51港元	二零二零年四月十四日至二零二一年六月三十日	二零二一年七月一日至二零二五年四月十三日	-	2,700,000	-	2,700,000
Tranche 2	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2022	1 July 2022 to 13 April 2025	-	2,700,000	-	2,700,000
第二期	二零二零年四月十四日	0.51港元	二零二零年四月十四日至二零二二年六月三十日	二零二二年七月一日至二零二五年四月十三日	-	2,700,000	-	2,700,000
Tranche 3	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2023	1 July 2023 to 13 April 2025	-	3,600,000	-	3,600,000
第三期	二零二零年四月十四日	0.51港元	二零二零年四月十四日至二零二三年六月三十日	二零二三年七月一日至二零二五年四月十三日	-	3,600,000	-	3,600,000
Subtotal					-	9,000,000	-	9,000,000
小計					-	9,000,000	-	9,000,000

	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding as at 1 January 2020 於二零二零年一月一日 尚未行使	Number of share options granted 已授出 購股權數目	Number of share options exercised 已行使 購股權數目	Number of share options lapsed 已失效 購股權數目	Outstanding as at 30 June 2020 於二零二零年六月三十日 尚未行使
Mr. Guo Qinglin 郭慶林先生									
Tranche 1 第一期	14 April 2020 二零二零年 四月十四日	HK\$0.51 0.51港元	14 April 2020 to 30 June 2021 二零二零年 四月十四日至 二零二一年六 月三十日	1 July 2021 to 13 April 2025 二零二一年 七月一日至 二零二五年 四月十三日	-	1,050,000	-	-	1,050,000
Tranche 2 第二期	14 April 2020 二零二零年 四月十四日	HK\$0.51 0.51港元	14 April 2020 to 30 June 2022 二零二零年 四月十四日至 二零二二年 六月三十日	1 July 2022 to 13 April 2025 二零二二年 七月一日至 二零二五年 四月十三日	-	1,050,000	-	-	1,050,000
Tranche 3 第三期	14 April 2020 二零二零年 四月十四日	HK\$0.51 0.51港元	14 April 2020 to 30 June 2023 二零二零年 四月十四日至 二零二三年 六月三十日	1 July 2023 to 13 April 2025 二零二三年 七月一日至 二零二五年 四月十三日	-	1,400,000	-	-	1,400,000
Subtotal 小計					-	3,500,000	-	-	3,500,000
Category 2: Employees									
類別 2：僱員									
Tranche 1 第一期	14 April 2020 二零二零年 四月十四日	HK\$0.51 0.51港元	14 April 2020 to 30 June 2021 二零二零年 四月十四日至 二零二一年 六月三十日	1 July 2021 to 13 April 2025 二零二一年 七月一日至 二零二五年 四月十三日	-	16,980,000	-	-	16,980,000
Tranche 2 第二期	14 April 2020 二零二零年 四月十四日	HK\$0.51 0.51港元	14 April 2020 to 30 June 2022 二零二零年 四月十四日至 二零二二年 六月三十日	1 July 2022 to 13 April 2025 二零二二年 七月一日至 二零二五年 四月十三日	-	16,980,000	-	-	16,980,000
Tranche 3 第三期	14 April 2020 二零二零年 四月十四日	HK\$0.51 0.51港元	14 April 2020 to 30 June 2023 二零二零年 四月十四日至 二零二三年 六月三十日	1 July 2023 to 13 April 2025 二零二三年 七月一日至 二零二五年 四月十三日	-	22,640,000	-	-	22,640,000
Subtotal 小計					-	56,600,000	-	-	56,600,000
Total 總計					-	69,100,000	-	-	69,100,000

(ii) Valuation of share options

- (1) The following significant assumptions were used to derive the fair value using the Binomial Options pricing model of the share options:

	Tranche 1 第一期	Tranche 2 第二期	Tranche 3 第三期
Date of grant 授出日期	14 April 2020 二零二零年 四月十四日	14 April 2020 二零二零年 四月十四日	14 April 2020 二零二零年 四月十四日
Fair value at grant date 於授出日期公平值	HK\$0.211 0.211 港元	HK\$0.220 0.220 港元	HK\$0.227 0.227 港元
Share price 股價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Exercise price 行使價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Expected volatility 預期波幅	53.00%	53.00%	53.00%
Expected life 預計年期	5 years 5 年	5 years 5 年	5 years 5 年
Exercise period 行使期	1 July 2021 to 13 April 2025 二零二一年 七月一日至 二零二五年 四月十三日	1 July 2022 to 13 April 2025 二零二二年 七月一日至 二零二五年 四月十三日	1 July 2023 to 13 April 2025 二零二三年 七月一日至 二零二五年 四月十三日
Risk-free rate 無風險息率	0.58%	0.58%	0.60%
Expected dividend yield 預計股息率	-	-	-

- (2) Expected volatility was determined by calculating the historical volatility of the price of listed companies with businesses similar to the Group. The expected dividend yield is determined by the directors based on the expected future performance and dividend policy of the Group.
- (3) The Group recognised the share-based payment expenses of RMB0.7 million for the six months ended 30 June 2020 (2019: nil) in relation to share options granted by the Company.

(II) 購股權的估值

- (1) 該購股權之公平值乃採用二項式期權定價模式，並使用下列主要假設得出：

- (2) 預計波幅乃透過計算與本集團業務相似的上市公司的過往價格波幅釐定。預計股息率乃由董事根據預期未來表現及本集團股息政策釐定。

- (3) 本集團已就本公司授出之購股權於截至二零二零年六月三十日止六個月確認股份支付開支人民幣0.7百萬元(二零一九年：零)。

Review of Interim Financial Statements

The unaudited interim results for the six months ended 30 June 2020 have been reviewed 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, by the Company's auditor, whose independent review report is included in this interim report. The Company's interim results for the six months ended 30 June 2020 have also been reviewed by the Audit Committee and the Audit Committee have also discussed the related financial matters with the Board.

Model Code for Directors' Securities Transactions

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. All Directors of the Company have confirmed that, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code for the Listing Date up to the date of the report.

Corporate Governance

The Company has adopted a set of corporate governance practices which aligns with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules since the Listing Date. Except for code provision A.2.1, the Company has complied with the code provisions set out in the CG Code for the six months ended 30 June 2020.

Code provision A.2.1 of the CG Code states that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organisation structure of the Company, Mr. Li Chengjun is the Group's chief executive officer, and he also performs as the chairman of the Board as he has considerable experience in the mobile communication industry. The Board believes that vesting the roles of both the chairman of our Board and the chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning of the Group.

審閱中期財務報表

本公司核數師已按照香港會計師公會頒佈的香港審閱聘用準則第2410號「公司獨立核數師審閱中期財務資料」的規定對截至二零二零年六月三十日止六個月的未經審核中期業績進行審閱。本公司截至二零二零年六月三十日止六個月的中期業績亦已經審核委員會審閱，且審核委員會已與董事會討論相關財務事宜。

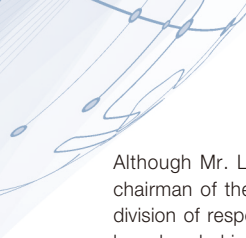
董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則，作為其有關董事進行證券交易之行為守則。經本公司作出具體查詢後，所有本公司董事確認彼等自上市日期起至本報告日期一直遵守標準守則所載之規定準則。

企業管治

自上市日期，本公司已採納一套企業管治常規，符合上市規則附錄十四所載之企業管治守則（「企業管治守則」）的守則條文。除守則條文第A.2.1條外，本公司於截至二零二零年六月三十日止六個月已遵守企業管治守則所載的守則條文。

企業管治守則條文第A.2.1條列明，主席與行政總裁的角色應予區分，不應由同一人兼任。根據本公司目前組織架構，李承軍先生為本集團行政總裁兼董事會主席，彼於移動通信行業擁有大量經驗。董事會相信，由同一人擔任董事會主席和行政總裁的角色，有利於確保本集團內部領導貫徹一致，並為本集團提供更有效及高效的整體戰略規劃。



Although Mr. Li Chengjun performs both the roles of chairman of the board and chief executive officer, the division of responsibilities between the chairman of the board and chief executive officer is clearly established. In general, the chairman of the board is responsible for supervising the functions and performance of the Board, while the chief executive officer is responsible for the management of the Group's businesses. The two roles are performed by Mr. Li Chengjun distinctly. Further, the current structure does not impair the balance of power and authority between the Board and management of the Company given the appropriate delegation of the power of the Board and the effective functions of the independent non-executive Directors.

Public Float

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained a public float of no less than 25% of the issued shares from the Listing Date up to the date of this report.

Event After the Reporting Period

No significant events affecting the Group have occurred after the reporting period.

Publication

This interim report is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sprocomm.com) respectively.

By order of the Board
Sprocomm Intelligence Limited
Mr. Li Chengjun
Chairman

Hong Kong, 25 August 2020

儘管李承軍先生同時擔任董事會主席兼行政總裁，但董事會主席及行政總裁職責的分工已清楚界定。總體而言，董事會主席負責監察董事會職能及表現，而行政總裁則負責管理本集團業務，兩個職位均由李承軍先生分別擔任。再者，由於董事會已有適當的權力分配，且獨立非執行董事亦能有效發揮職能，故目前的架構不會削弱董事會與本公司管理層之間的權力及權限制衡。

公眾持股量

根據本公司經公開可得資料及就董事所知，自上市日期至本報告日期，本公司已維持不少於已發行股份25%的公眾持股量。

報告期後事項

於報告期後，並無發生影響本集團的重大事件。

刊發

本中期報告分別刊載於聯交所網站 (www.hkexnews.hk) 及本公司網站 (www.sprocomm.com)。

承董事會命
Sprocomm Intelligence Limited
主席
李承軍先生

香港，二零二零年八月二十五日

Sprocomm Intelligence Limited

