



**SOLOMON  
SYSTECH**  
晶門科技

## Solomon Systech (International) Limited

(Incorporated in 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: 2878

INTERIM REPORT

# 2020

中期報告

# CONTENTS 目錄

- 1** Corporate Profile  
公司簡介
- 2** Financial Highlights  
財務摘要
- 4** Condensed Consolidated Interim Income Statement  
簡明綜合中期損益表
- 5** Condensed Consolidated Interim Statement of Comprehensive Income  
簡明綜合中期全面收入報表
- 6** Condensed Consolidated Interim Statement of Financial Position  
簡明綜合中期財務狀況表
- 7** Condensed Consolidated Interim Statement of Changes in Equity  
簡明綜合中期權益變動表
- 8** Condensed Consolidated Interim Cash Flow Statement  
簡明綜合中期現金流量表
- 9** Notes to the Condensed Consolidated Interim Financial Information  
簡明綜合中期財務資料附註
- 30** Independent Review Report  
獨立審閱報告
- 32** Chief Executive Officer's Message  
行政總裁的話
- 35** Management Discussion and Analysis  
管理層討論及分析
- 44** Directors' Interests  
董事權益
- 46** Substantial Shareholders' Interests  
主要股東權益
- 47** Share Option Scheme  
購股權計劃
- 50** Corporate Governance and Supplementary Information  
企業管治及補充資料
- 52** Definitions and Glossary  
釋義及詞彙
- 54** Corporate and Shareholder Information  
公司及股東資料

Solomon Systech (International) Limited and its subsidiaries as a Group is a leading semiconductor company specializing in the design, development and sales of integrated circuits products and system solutions that enable a wide range of display and touch applications for smartphones, tablets, TVs/monitors, notebooks and other smart devices, including wearables, healthcare devices, smart home devices, as well as industrial appliances, etc.

## VISION

Provide the ultimate silicon solution  
for every display system

Solomon Systech (International) Limited及其附屬公司為一家具領導地位的半導體公司，專門設計、開發及銷售集成電路晶片產品及系統解決方案，能於智能手機、平板電腦、電視／顯示器、筆記本電腦以及其他智能產品，包括可穿戴產品、醫療保健產品、智能家居產品，以及工業用設備等提供廣泛的顯示及觸控應用。

## 願景

為每個顯示系統提供  
最終的晶片解決方案



# FINANCIAL HIGHLIGHTS

## 財務摘要

(A) Results 業績		Unaudited 未經審核		
		Six months ended 30 June 6月30日止6個月		
		2020 US\$ million 百萬美元	2019 US\$ million 百萬美元	Change % 變動百分比
Revenue	銷售額	58.6	56.6	3.5%
Gross profit	毛利	15.1	10.0	51.7%
Gross margin (%)	毛利率(%)	25.8	17.6	8.2% point
Net profit/(loss)	溢利/(虧損)淨額	4.3	(9.6)	N/A
Earnings/(loss) per share (US cent)	每股盈利/(虧損)(美仙)	0.18	(0.39)	
Book-to-bill ratio	訂單出貨比率	1.2	1.1	

  

(B) Financial Position 財務狀況		Unaudited		Audited
		未經審核		經審核
		30 June 6月30日 2020 US\$ million 百萬美元	31 December 12月31日 2019 US\$ million 百萬美元	Change % 變動百分比
Total assets	總資產	84.7	76.9	10.1%
Shareholders' funds	股東權益	55.7	51.3	8.6%

  

(C) Financial Ratios 財務比率			
(i) Current ratio	流動比率	265.9%	273.7%
(ii) Debt to equity ratio	債務權益比率	0.3%	0.3%

### **Interim Dividend**

The Board of Solomon Systech (International) Limited resolved not to declare an interim dividend for the six months ended 30 June 2020.

### **Interim Results**

The Board announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2020 together with the comparative figures for the corresponding period as follows.

### **中期股息**

Solomon Systech (International) Limited的董事會決議不宣派截至2020年6月30日止6個月的中期股息。

### **中期業績**

董事會宣佈，本公司及其附屬公司（統稱「本集團」）截至2020年6月30日止6個月的未經審核簡明綜合中期業績連同上年度同期的比較數字列載如下。

# CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

## 簡明綜合中期損益表

For the six months ended 30 June 2020  
截至2020年6月30日止6個月

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2020	2019
		US\$'000	US\$'000
		千美元	千美元
	Notes 附註		
<b>Revenue</b>	5	<b>58,574</b>	56,599
Cost of sales		<b>(43,442)</b>	(46,626)
Gross profit		<b>15,132</b>	9,973
Research and development costs		<b>(7,865)</b>	(14,015)
Selling and distribution expenses		<b>(1,286)</b>	(1,819)
Administrative expenses		<b>(4,598)</b>	(6,430)
Other income and gains – net		<b>2,753</b>	2,272
Finance income – net	7	<b>4,136</b>	(10,019)
		<b>38</b>	327
Share of profits of associates		<b>4,174</b>	(9,692)
		<b>165</b>	43
Profit/(loss) before tax	6	<b>4,339</b>	(9,649)
Income tax credit/(expense)	8	<b>(7)</b>	23
<b>Profit/(loss) for the period</b>		<b>4,332</b>	(9,626)
Attributable to:			
– Owners of the parent		<b>4,406</b>	(9,569)
– Non-controlling interests		<b>(74)</b>	(57)
		<b>4,332</b>	(9,626)
Earnings/(loss) per share attributable to ordinary equity holders of the parent: (expressed in US cent(s) per share)	9		
– Basic		<b>0.18</b>	(0.39)
– Diluted		<b>0.18</b>	(0.39)

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

## 簡明綜合中期全面收入報表

For the six months ended 30 June 2020  
截至2020年6月30日止6個月

		<b>Unaudited</b>	
		未經審核	
		<b>Six months ended 30 June</b>	
		6月30日止6個月	
		<b>2020</b>	2019
		<b>US\$'000</b>	US\$'000
		千美元	千美元
Profit/(loss) for the period	期內溢利／(虧損)	<b>4,332</b>	(9,626)
Other comprehensive loss	其他全面虧損		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:	於往後期間，其他全面虧損將重新分類至損益表：		
– Exchange differences arising on translation of foreign operations	– 換算海外業務時產生之匯兌差額	<b>(19)</b>	(37)
Total comprehensive income/(loss) for the period	期內全面收益／(虧損)總計	<b>4,313</b>	(9,663)
Attributable to:	應佔：		
– Owners of the parent	– 本公司擁有人	<b>4,387</b>	(9,606)
– Non-controlling interests	– 非控股權益	<b>(74)</b>	(57)
		<b>4,313</b>	(9,663)

The notes on pages 9 to 29 form an integral part of this condensed consolidated interim financial information.  
第9至29頁的附註為本簡明綜合中期財務資料的組成部份。

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

## 簡明綜合中期財務狀況表

As at 30 June 2020  
於2020年6月30日

		Notes 附註	Unaudited 未經審核 30 June 於6月30日 2020 US\$'000 千美元	Audited 經審核 31 December 於12月31日 2019 US\$'000 千美元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Intangible assets	無形資產		1,200	1,453
Property, plant and equipment	物業、廠房及設備		3,545	3,650
Right-of-use assets	使用權資產		1,247	1,697
Investments in associates	於聯營公司的投資		1,057	892
Equity investment designated at fair value through other comprehensive income	按公平價值計入其他全面收益的股權投資		929	929
Prepayments and deposits	預付款項及訂金	11	50	333
Financial assets at fair value through profit or loss	通過損益以反映公平價值的財務資產		-	-
<b>Total non-current assets</b>	<b>非流動資產總計</b>		<b>8,028</b>	8,954
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨		19,091	26,791
Trade and other receivables, prepayments and deposits	應收款及其他應收款、預付款項及訂金	11	24,055	22,968
Pledged bank deposit	已抵押的銀行存款		130	130
Cash and cash equivalents	現金及現金等價物		33,418	18,078
<b>Total current assets</b>	<b>流動資產總計</b>		<b>76,694</b>	67,967
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	應付款及其他應付款	12	27,072	23,196
Lease liabilities	租賃負債		1,251	1,292
Deferred income	遞延收入		434	258
Tax payables	應付稅款		88	91
<b>Total current liabilities</b>	<b>流動負債總計</b>		<b>28,845</b>	24,837
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>47,849</b>	43,130
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>55,877</b>	52,084
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Interest-bearing bank borrowings	銀行計息貸款		169	169
Lease liabilities	租賃負債		86	606
<b>Total non-current liabilities</b>	<b>非流動負債總計</b>		<b>255</b>	775
<b>Net assets</b>	<b>資產淨值</b>		<b>55,622</b>	51,309
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the parent</b>	<b>本公司擁有人應佔權益</b>			
Issued capital	已發行股本	13	31,967	31,967
Reserves	儲備		23,693	19,306
			<b>55,660</b>	51,273
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>(38)</b>	36
<b>Total equity</b>	<b>總權益</b>		<b>55,622</b>	51,309

The notes on pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

第9至29頁的附註為本簡明綜合中期財務資料的組成部份。



# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

## 簡明綜合中期權益變動表

For the six months ended 30 June 2020  
截至2020年6月30日止6個月

		Unaudited 未經審核										
		Attributable to owners of the parent 本公司擁有人應佔										
		Equity										
		Issued	Share	Merger	Exchange	Equity	Fair value	Other	Accumu-	Non-		Total
		capital	premium	reserve	reserve	reserve	reserve	reserve	lated	controlling	interests	equity
		已發行	股份溢價	合併儲備	匯兌儲備	股本權益	公平值儲備	其他儲備	累計虧損	總計	非控股權益	總權益
		股本	股份溢價	合併儲備	匯兌儲備	報酬儲備	公平值儲備	其他儲備	累計虧損	總計	非控股權益	總權益
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
At 1 January 2019	於2019年1月1日	31,967	83,489	2,082	91	17,704	697	230	(57,800)	78,460	570	79,030
Loss for the period	期內虧損	-	-	-	-	-	-	-	(9,569)	(9,569)	(57)	(9,626)
Other comprehensive loss for the period	期內其他全面虧損											
- Exchange differences arising on translation of foreign operations	- 換算海外業務時產生之匯兌差額	-	-	-	(37)	-	-	-	-	(37)	-	(37)
<b>Total comprehensive loss</b>	<b>全面虧損總計</b>	-	-	-	(37)	-	-	-	(9,569)	(9,606)	(57)	(9,663)
Equity-settled share option arrangements	股本權益報酬	-	-	-	-	11	-	-	-	11	-	11
At 30 June 2019	於2019年6月30日	31,967	83,489	2,082	54	17,715	697	230	(67,369)	68,865	513	69,378
At 1 January 2020	於2020年1月1日	<b>31,967</b>	<b>83,489</b>	<b>2,082</b>	<b>39</b>	<b>17,751</b>	<b>787</b>	<b>230</b>	<b>(85,072)</b>	<b>51,273</b>	<b>36</b>	<b>51,309</b>
Profit for the period	期內溢利	-	-	-	-	-	-	-	4,406	4,406	(74)	4,332
Other comprehensive loss for the period	期內其他全面虧損											
- Exchange differences arising on translation of foreign operations	- 換算海外業務時產生之匯兌差額	-	-	-	(19)	-	-	-	-	(19)	-	(19)
<b>Total comprehensive income</b>	<b>全面收益總計</b>	-	-	-	(19)	-	-	-	4,406	4,387	(74)	4,313
At 30 June 2020	於2020年6月30日	<b>31,967</b>	<b>83,489</b>	<b>2,082</b>	<b>20</b>	<b>17,751</b>	<b>787</b>	<b>230</b>	<b>(80,666)</b>	<b>55,660</b>	<b>(38)</b>	<b>55,622</b>

The notes on pages 9 to 29 form an integral part of this condensed consolidated interim financial information.  
第9至29頁的附註為本簡明綜合中期財務資料的組成部份。

# CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

## 簡明綜合中期現金流量表

For the six months ended 30 June 2020  
截至2020年6月30日止6個月

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2020	2019
		US\$'000	US\$'000
		千美元	千美元
<b>Net cash flows from operating activities</b>	經營活動產生的現金流量淨額	<b>16,290</b>	3,739
<b>Cash flows from investing activities</b>	投資活動之現金流量		
Purchases of items of property, plant and equipment	購置物業、廠房及設備	<b>(626)</b>	(59)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備	<b>153</b>	8,178
Interest received	已收利息	<b>89</b>	57
Dividends received	已收股息	-	24
<b>Net cash flows from/(used in) investing activities</b>	投資活動產生/(使用)的現金流量淨額	<b>(384)</b>	8,200
<b>Cash flows from financing activities</b>	融資活動之現金流量		
Repayment of interest-bearing bank borrowing	償還銀行計息貸款	-	(23)
Principal portion of lease payments	租賃付款的本金部分	<b>(547)</b>	(719)
<b>Net cash flows used in financing activities</b>	融資活動使用的現金流量淨額	<b>(547)</b>	(742)
<b>Net increase in cash and cash equivalents</b>	現金及現金等價物增加	<b>15,359</b>	11,197
<b>Cash and cash equivalents at beginning of period</b>	期初現金及現金等價物	<b>18,078</b>	13,395
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額	<b>(19)</b>	(36)
<b>Cash and cash equivalents at end of period</b>	期末現金及現金等價物	<b>33,418</b>	24,556
<b>Analysis of balance of cash and cash equivalents:</b>	現金及現金等價物之結餘分析：		
<b>- Bank balances and cash</b>	- 銀行結餘及現金	<b>33,418</b>	24,556

The notes on pages 9 to 29 form an integral part of this condensed consolidated interim financial information.  
第9至29頁的附註為本簡明綜合中期財務資料的組成部份。

## 1. General information

Solomon Systech (International) Limited and its subsidiaries are fabless semiconductor companies specializing in the design, development and sales of proprietary integrated circuits products and system solutions that enable a wide range of display and touch applications for smartphones, tablets, TVs/monitors, notebooks and other smart devices, including wearables, healthcare devices, smart home devices, as well as industrial appliances, etc.

The Company was incorporated in the Cayman Islands on 21 November 2003 as an exempted company with limited liability under Cap. 22, the Cayman Islands Companies Law (Law 3 of 1961, as consolidated and revised). The address of its registered office is 2/F., Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands (with effect from 1 April 2020) and the address of its principal office in Hong Kong is 6/F., No. 3 Science Park East Avenue, Hong Kong Science Park, Shatin, New Territories, Hong Kong.

The Company has been listed on the main board of The Stock Exchange of Hong Kong Limited since 8 April 2004. This condensed consolidated interim financial information is presented in US dollars, unless otherwise stated.

This condensed consolidated interim financial information has been reviewed but not audited, and it was approved for issue on 18 August 2020.

## 2. Basis of preparation

This unaudited condensed consolidated interim financial information for the six months ended 30 June 2020 of the Group has been prepared in accordance with HKAS 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The unaudited condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's consolidated financial statements for the year ended 31 December 2019.

## 1. 一般資料

Solomon Systech (International) Limited及其附屬公司為無晶圓廠半導體公司，專門設計、開發及銷售專有集成電路晶片產品及系統解決方案，能廣泛應用於智能手機、平板電腦、電視／顯示器、筆記本電腦以及其他智能產品，包括可穿戴產品、醫療保健設備、智能家居設備，以及工業用設備等作各類顯示及觸控應用。

本公司於2003年11月21日根據開曼群島公司法(1961年法律3，經綜合及修訂)第22章在開曼群島註冊成立為一間獲豁免有限公司。本公司註冊辦事處的地址為2/F., Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103，開曼群島(於2020年4月1日生效)，而其香港總辦事處的地址為香港新界沙田香港科學園科技大道東3號6樓。

本公司自2004年4月8日起，在香港聯合交易所有限公司主板上市。除另有列明外，本簡明綜合中期財務資料均以美元作呈列單位。

本簡明綜合中期財務資料乃經審閱但未經審核，並於2020年8月18日獲批准刊發。

## 2. 編製基準

本集團截至2020年6月30日止6個月的未經審核簡明綜合中期財務資料已根據香港會計師公會頒佈的香港會計準則第34號「中期財務報告」編製。未經審核簡明綜合中期財務資料並沒有載有一般收錄於年度綜合財務報表之所有資料及附註，故此，應與本公司截至2019年12月31日止年度的綜合財務報表一併閱讀。

### 3. Significant accounting policies

The accounting policies adopted in the preparation of the unaudited condensed consolidated interim financial information are consistent with those applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2019, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

#### Changes in accounting policies and disclosures

The Group has adopted the following revised HKFRSs for the first time for the current period's financial information.

Amendments to HKFRS 3  
香港財務報告準則第3號之修訂

Amendments to HKFRS 9,  
HKAS 39 and HKFRS 7  
香港財務報告準則第9號、  
香港會計準則39號及  
香港財務報告準則第7號之修訂

Amendment to HKFRS 16  
香港財務報告準則第16號之修訂

Amendments to HKAS 1 and HKAS 8  
香港會計準則第1號及第8號之修訂

Other than as explained below regarding the impact of the Amendment to HKFRS 16, the adoption of the above revised HKFRSs has had no significant financial effect on this financial information.

### 3. 重大會計政策

除因採納下列首次生效之經修訂之香港財務報告準則(「香港財務報告準則」)外，編製未經審核簡明綜合中期財務資料所採納之會計政策與編製本集團截至2019年12月31日止年度之年度綜合財務報表所採納者一致。

#### 會計政策及披露之變動

本集團已於本期間之財務資料首次採納以下經修訂之香港財務報告準則：

*Definition of a Business*  
對業務的定義

*Interest Rate Benchmark Reform*

利率基準改革

*Covid-19-Related Rent Concessions* (early adopted)  
與2019冠狀病毒病有關的租金減免(提前採納)

*Definition of Material*  
對重大的定義

除下文所述有關香港財務報告準則第16號之修訂的影響外，採納上述經修訂之準則對本財務資料並沒有重大影響。

### 3. Significant accounting policies (continued) Changes in accounting policies and disclosures (continued)

#### Amendment to HKFRS 16

Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective retrospectively for annual periods beginning on or after 1 June 2020 with earlier application permitted.

During the period ended 30 June 2020, certain monthly leased payments for the leases of the Group's leased properties have been reduced by the lessors as a result of the COVID-19 pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the COVID-19 pandemic during the period ended 30 June 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of approximately US\$203,000 has been accounted for as variable lease payments by derecognising part of the lease liabilities and crediting to profit or loss for the period ended 30 June 2020.

### 3. 重大會計政策(續) 會計政策及披露之變動(續)

#### 香港財務報告準則第16號之修訂

香港財務報告準則第16號之修訂為承租人提供一項實際可行的權宜方法以選擇就2019冠狀病毒病大流行直接引起的租金減免不應用租賃修改會計處理。該實際可行權宜方法僅適用於2019冠狀病毒病大流行直接引起的租金減免，且僅當(i)租賃付款的變動使租賃代價有所修訂，而租賃的經修訂代價與緊接變動前的租賃代價大致相同，或少於緊接變動前的租賃代價；(ii)租賃付款的任何減少僅影響原到期日為2021年6月30日或之前的付款；及(iii)租賃的其他條款及條件並無實質變動。該修訂對於2020年6月1日或之後開始的年度期間追溯有效，允許提前應用。

截至2020年6月30日止期間，本集團租賃物業的若干每月租賃付款已因2019冠狀病毒病大流行而獲出租人減少而租賃條款並無其他變化。本集團已於2020年1月1日提前採納該修訂，並選擇在截至2020年6月30日止期間，不對出租人因2019冠狀病毒病大流行而給予的所有租金減免採用租賃修改會計處理。因此，截至2020年6月30日止期間，因租金減免而減少的租賃付款約203,000美元已通過取消確認部分租賃負債並計入損益而作為可變租賃付款入賬。

#### 4. Fair value and fair value hierarchy of financial instruments

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

		Carrying amounts		Fair values	
		賬面值		公平值	
		30 June	31 December	30 June	31 December
		6月30日	12月31日	6月30日	12月31日
		2020	2019	2020	2019
		US\$'000	US\$'000	US\$'000	US\$'000
		千美元	千美元	千美元	千美元
<b>Financial assets</b>	<b>金融資產</b>				
Financial assets at fair value through profit or loss	通過損益以反映公平價值的財務資產	-	-	-	-
Equity investment designated at fair value through other comprehensive income	按公平價值計入其他全面收入的股權投資	929	929	929	929
		<b>929</b>	<b>929</b>	<b>929</b>	<b>929</b>

Management has assessed that the fair values of cash and cash equivalents, pledged bank deposit, trade receivables, trade payables, the current portion of financial assets included in deposits and other receivables, financial liabilities included in other payables and accruals, and the current portion of lease liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

#### 4. 金融工具之公平值及公平價值級別

除賬面值合理地接近公平值的金融工具外，本集團金融工具的賬面值和公平值如下：

管理層已評估現金及現金等價物、已抵押銀行存款、應收款、應付款、包括在流動部份的訂金及其他應收款中的金融資產、包括在其他應付款及應計項目中的金融負債及流動部份的租賃負債的公平價值與其賬面金額相近，主要是由於這些工具於短時間內到期。

金融資產及負債的公平價值按自願交易方（而非強迫或清盤銷售）於當前交易中交換該工具的金額入賬。

#### 4. Fair value and fair value hierarchy of financial instruments (continued)

The following methods and assumptions were used to estimate the fair values:

The fair value of an unlisted equity investment designated at fair value through other comprehensive income is estimated by observable prices or rates of sale of similar assets. The directors believe that the estimated fair value, which is recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that it was the most appropriate value at the end of the reporting period.

The Group has a call option over non-controlling interest of a subsidiary which is recorded as a financial asset at fair value through profit or loss. The fair value of this call option is based on a valuation technique that is not based on observable market data.

Below is a summary of significant unobservable inputs to the valuation of financial instrument together with a quantitative sensitivity analysis:

#### 4. 金融工具之公平值及公平價值級別 (續)

以下方法和假設用於估計公平價值：

以按公允價值計入其他全面收入的非上市股權投資的公允價值乃按可觀察價格或類似資產的銷售率估算。董事認為，綜合財務狀況表中記錄的估計公允價值以及公允價值的相關變動(記入其他全面收益)是合理的，並且它是報告期末最合適的價值。

本集團對子公司的非控股權益認購權，記入為通過損益以反映公平值的財務資產。該認購權的公允價值基於不按觀察市場數據的估值技術。

下文概述就金融工具進行估值採用之重大不可觀察輸入數據連同定量敏感度分析：

Description	Valuation technique	Significant unobservable input 重大不可觀察輸入數據	As at 30 June 2020	As at 31 December 2019	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平價值的關係
Financial asset at fair value through profit or loss - Call option over non-controlling interests 通過損益以反映公平價值的財務資產 - 非控股權益認購權	Monte Carlo simulation method 蒙特卡羅模擬法	Volatility 波幅	<b>60%</b>	50%	The higher the volatility, the higher the fair value 波幅愈大，公平價值愈高
		Risk-free interest rate 無風險利率	<b>0.49%-0.68%</b>	0.67%-2.39%	The higher the risk-free interest rate, the higher the fair value 無風險利率愈高，公平價值愈高
		Price-to-sales ratio 市銷率	<b>1.03</b>	0.98	The higher the price-to-sales ratio, the higher the fair value 市銷率愈高，公平價值愈高

**4. Fair value and fair value hierarchy of financial instruments** (continued)

The following table illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

**4. 金融工具之公平值及公平價值級別** (續)

下表說明了本集團金融工具的公允價值計量級別：

資產按公平值計量：

Fair value measurement categorized into	公平值計量分類為	Equity investment designated at fair value through other comprehensive income	
		按公平價值計入其他全面收入的股權投資	
		Unaudited	Audited
		未經審核	經審核
		30 June	31 December
		6月30日	12月31日
		2020	2019
		US\$'000	US\$'000
		千美元	千美元
Quoted prices in active markets (Level 1)	活躍市場的報價(第1層級)	-	-
Significant observable inputs (Level 2)	重要的可觀察輸入值(第2層級)	929	929
Significant unobservable inputs (Level 3)	重要的不可觀察輸入值(第3層級)	-	-
Total	總計	929	929

The movements in fair value measurements within Level 3 during the period/year are as follows:

期內/年內，第3層級工具的公平值變動如下：

		Unaudited	Audited
		未經審核	經審核
		30 June	31 December
		6月30日	12月31日
		2020	2019
		US\$'000	US\$'000
		千美元	千美元
At beginning of period/year	於期初/年初	-	467
Fair value loss recognised in profit or loss	於損益確認之公平值虧損	-	(467)
At end of period/year	於期末/年末	-	-

During the six months ended 30 June 2020, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (1H 2019: Nil).

截至2020年6月30日止6個月，第1層級及第2層級之間沒有公平值計量轉移，沒有第3層級金融資產轉入或轉出(2019年上半年：無)。

The Group did not have any financial liabilities measured at fair value as at 30 June 2020 and 31 December 2019.

於2020年6月30日及2019年12月31日，本集團沒有金融負債以公平值計量。



## 5. Segment information and disaggregation of revenue

The Group has principally engaged in the design, development and sales of proprietary IC products and system solutions that enable a wide range of display and touch applications for smartphones, tablets, TVs/monitors, notebooks and other smart devices, including wearables, healthcare devices, smart home devices, as well as industrial appliances, etc.

The Group has been operating in one single operating segment, i.e. the design, development and sales of proprietary IC products and system solutions.

The chief operating decision-makers have been identified as the Executive Directors and senior management led by the Chief Executive Officer. The Executive Directors and senior management reviewed the Group's internal reporting to assess performance and allocate resources. A management approach has been used for the operating segment reporting.

Sales amounted to US\$58,574,000 for the six months ended 30 June 2020 (1H2019: US\$56,599,000).

The Company is domiciled in Hong Kong. The Group mainly operates in Hong Kong. During the period under review, the Group's products were mainly sold to customers located in Hong Kong and Taiwan.

## 5. 分部資料及銷售額分類

本集團主要從事設計、開發、銷售專有IC產品及系統解決方案，能廣泛應用於智能手機、平板電腦、電視／顯示器、筆記本電腦以及其他智能產品，包括可穿戴產品、醫療保健設備、智能家居設備，以及工業用設備等作各類顯示及觸控應用。

本集團一直在單一營運分部經營，即設計、開發及銷售專有IC產品及系統解決方案。

本集團最高營運決策層為本集團行政總裁暨領導下的執行董事和高級管理層。執行董事和高級管理層檢討本集團內部報告以評估業績及分配資源。管理層基於該等報告確定營運分部報告。

截至2020年6月30日止六個月，銷售額為58,574,000美元(2019年上半年：56,599,000美元)。

本公司的所在地位於香港。本集團主要於香港經營其業務。於回顧期內，本集團之產品主要銷售予位於香港及台灣的客戶。

5. Segment information and disaggregation of revenue (continued)

(a) Revenue from contracts with customers disaggregated by geographical market

5. 分部資料及銷售額分類(續)

(a) 按地域市場分類的客戶合約收益

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2020	2019
		US\$'000	US\$'000
		千美元	千美元
Hong Kong	香港	31,281	36,887
Mainland China	中國內地	5,658	2,936
Taiwan	台灣	11,539	6,676
Japan	日本	2,650	3,977
Europe	歐洲	6,824	3,538
Korea	韓國	272	1,841
South East Asia	東南亞	102	152
USA	美國	50	254
Others	其他	198	338
		<b>58,574</b>	56,599

Sales are classified based on the places/countries in which customers are located.

銷售額按客戶所在地區/國家分類。

5. Segment information and disaggregation of revenue (continued)

(b) Revenue from contracts with customers disaggregated by product types

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2020	2019
		US\$'000	US\$'000
		千美元	千美元
Advanced Display ICs	先進顯示ICs	29,056	20,272
Large Display ICs	大型顯示ICs	13,430	21,138
Other ICs	其他ICs	16,088	15,189
		<b>58,574</b>	56,599

Other ICs mainly comprises Mobile Touch and Mobile Display products.

其他ICs主要為移動觸控和移動顯示產品。

(c) Non-current assets

		Unaudited 未經審核	Audited 經審核
		30 June 6月30日	31 December 12月31日
		2020	2019
		US\$'000	US\$'000
		千美元	千美元
Mainland China	中國內地	4,219	3,956
Hong Kong	香港	1,135	2,095
Taiwan	台灣	1,683	1,877
Korea	韓國	62	87
Others	其他	-	10
		<b>7,099</b>	8,025

Non-current assets are listed based on where the assets are located which exclude financial instruments. Others mainly comprise Japan.

非流動資產(不包含金融工具)乃根據資產的所在地予以列載。其他主要包括日本。

5. 分部資料及銷售額分類(續)

(b) 按產品種類分類的客戶合約收益

(c) 非流動資產

5. Segment information and disaggregation of revenue (continued)

(d) Capital expenditures

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2020 US\$'000 千美元	2019 US\$'000 千美元
<b>Property, plant and equipment</b>	<b>物業、廠房及設備</b>		
Mainland China	中國內地	606	20
Hong Kong	香港	20	-
Taiwan	台灣	-	15
UK	英國	-	15
Korea	韓國	-	9
		<b>626</b>	<b>59</b>

Capital expenditures are listed based on where the assets are located.

資本開支是根據資產的所在地予以列載。

(e) Major customers

For the six months ended 30 June 2020, the largest and the second largest customers were located in Hong Kong. Sales to them were US\$10,281,000 and US\$8,474,000, respectively, which were all over 10% of the Group's total revenue. For the six months ended 30 June 2019, the largest and the second largest customers were located in Hong Kong. Sales to them were US\$20,142,000 and US\$7,196,000, respectively, which were all over 10% of the Group's total revenue.

(e) 主要客戶

截至2020年6月30日止6個月，最大及第二大客戶位於香港。其銷售額分別為10,281,000美元及8,474,000美元，並各佔本集團總銷售額超過10%。截至2019年6月30日止6個月，最大及第二大客戶位於香港。其銷售額分別為20,142,000美元及7,196,000美元，並各佔本集團總銷售額超過10%。

## 6. Profit/(loss) before tax

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

## 6. 除稅前溢利/(虧損)

本集團的除稅前溢利/(虧損)乃扣除/(計入)下列各項後得出：

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2020 US\$'000 千美元	2019 US\$'000 千美元
Cost of goods sold	銷貨成本	43,968	41,944
Provision for obsolete or slow moving inventories/(reversal of provision for slow moving inventories), net	過時或滯銷存貨的撥備/(回撥)，淨額	(763)	4,440
Impairment of/(reversal of impairment of) trade receivables, net	應收款減值撥備/(回撥)，淨額	(10)	80
Amortisation of intangible assets	無形資產攤銷	253	2,062
Depreciation of properties, plant and equipment (note)	物業廠房設備折舊(附註)	701	847
Depreciation of right-of-use assets	使用權資產折舊	639	720
Foreign exchange differences, net	外匯差額，淨額	(76)	208

Note: Depreciation expense of US\$237,000 (1H2019: US\$242,000) has been charged in cost of sales, US\$137,000 (1H2019: US\$172,000) in research and development costs and US\$327,000 (1H2019: US\$433,000) in administrative expenses.

附註：折舊開支237,000美元(2019年上半年：242,000美元)已於銷售成本中支銷，而137,000美元(2019年上半年：172,000美元)則於研究及開發成本中入賬及327,000美元(2019年上半年：433,000美元)於行政開支中入賬。

## 7. Finance income – net

## 7. 投資收入—淨額

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2020 US\$'000 千美元	2019 US\$'000 千美元
Interest income	利息收入	89	57
Interest on bank loans	銀行貸款的利息支出	(1)	(1)
Interest on lease liabilities	租賃負債的利息支出	(50)	(82)
Dividend income	股息收入	–	24
Fair value gains from financial assets at FVTPL, net	通過損益以反映公平價值的公平值收益，淨額	–	329
		38	327

### 8. Income tax

No provision for Hong Kong profits tax has been made as the Group has available tax losses brought forward from prior years to offset the assessable profits generate during the period. In the prior period, no provision for Hong Kong profits tax had been made as the Group had no estimated assessable profits. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/ jurisdictions in which the Group operates.

### 8. 所得稅

本集團因有承前自以往年度之可動用稅務虧損可用以抵銷期內產生之應課稅溢利，因此並無作香港利得稅撥備。於上年同期，本集團無估計應課稅溢利而毋須作香港所得稅撥備。海外所得稅則根據本集團的營運所在國家／司法權區之適用稅率計算。

		<b>Unaudited</b> 未經審核	
		<b>Six months ended 30 June</b> 6月30日止6個月	
		<b>2020</b>	2019
		<b>US\$'000</b>	US\$'000
		千美元	千美元
Current – Elsewhere	即期－其他地區		
– Charge for the period	– 本期支出	<b>7</b>	3
Deferred income tax	遞延所得稅	–	(26)
<b>Total tax charge/(credit) for the period</b>	<b>本期所得稅開支／(抵免)總額</b>	<b>7</b>	(23)

## 9. Earnings/(loss) per share

### (a) Basic earnings/(loss) per share

The basic earnings/(loss) per share is calculated based on the Group's profit/(loss) for the period attributable to owners of the parent and the weighted average number of 2,480,252,351 (1H2019: 2,480,252,351) ordinary shares in issue during the period.

The Group's profit for the period attributable to owners of the parent was US\$4,406,000 (1H2019: loss of US\$9,569,000).

### (b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per share is calculated based on the Group's profit/(loss) attributable to owners of the parent and the weighted average number of ordinary shares in issue after adjusting for the effects of all dilutive potential ordinary shares during the period.

The information related to the weighted average number of ordinary shares is as follows:

## 9. 每股盈利／(虧損)

### (a) 每股基本盈利／(虧損)

每股基本盈利／(虧損)是根據本公司的擁有人應佔本集團之溢利／(虧損)及本期內已發行普通股加權平均數2,480,252,351股(2019上半年：2,480,252,351股)計算。

本公司的擁有人期內應佔本集團之溢利為4,406,000美元(2019上半年：虧損9,569,000美元)。

### (b) 每股攤薄盈利／(虧損)

每股攤薄盈利／(虧損)乃根據本公司的擁有人應佔本集團之溢利／(虧損)及已就期內所有具潛在攤薄影響的普通股作出調整後之已發行加權平均普通股數計算。

加權平均普通股股數的有關資料列載如下：

		Number of shares 股份數目 Unaudited 未經審核 Six months ended 30 June 6月30日止6個月	
		2020	2019
Weighted average number of ordinary shares in issue	已發行加權平均普通股股數	2,480,252,351	2,480,252,351
Conversion of all dilutive share options outstanding <sup>(i)</sup>	兌換所有可予發行具攤薄影響的流通購股權 <sup>(i)</sup>	-	-
Adjusted weighted average number of ordinary shares for diluted earnings per share calculation	用作計算每股攤薄盈利的調整後加權平均普通股股數	2,480,252,351	2,480,252,351

(i) No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 June 2020 in respect of a dilution as the impact of the 13,300,000 share options outstanding had no dilutive effect on the basic earnings per share amount presented.

No adjustment had been made to the basic loss per share amount presented for the six months ended 30 June 2019 in respect of a dilution as the impact of the 15,660,000 share options outstanding which could potentially have a dilutive impact but were anti-dilutive for the period then ended.

(i) 並無對所呈列的截至2020年6月30日止六個月的每股基本盈利金額作出有關攤薄的調整，原因為尚未行使的13,300,000份購股權對所呈列的每股基本盈利金額並無攤薄影響。

並無對所呈列的截至2019年6月30日止六個月的每股基本虧損金額作出有關攤薄的調整，原因為尚未行使的15,660,000份購股權具有潛在攤薄影響，但對截至該日止期內為反攤薄。

## 10. Dividend

No dividend for the year ended 31 December 2019 was declared or paid by the Company. In addition, the Board resolved not to declare an interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

## 10. 股息

本公司並沒有宣派或派付截至2019年12月31日止年度之股息。董事會亦決議不宣派截至2020年6月30日止6個月的中期股息(截至2019年6月30日止6個月：無)。

## 11. Trade and other receivables, prepayments and deposits

## 11. 應收款及其他應收款、預付款及訂金

		Note	Unaudited 未經審核 30 June 6月30日 2020 US\$'000 千美元	Audited 經審核 31 December 12月31日 2019 US\$'000 千美元
Trade receivables	應收款		19,917	18,158
Trade receivables from related parties	關聯方應收款	16	1,598	1,702
Impairment	減值撥備		(210)	(220)
Trade receivables – net	應收款－淨額		21,305	19,640
Deposits, prepayments and other receivables	訂金、預付款及其他應收款		2,675	3,153
Prepayments to related parties	關聯方預付款	16	75	175
Trade and other receivables, prepayments and deposits – current portion	應收款及其他應收款、預付款及訂金－流動		24,055	22,968
Prepayments and deposits – non-current portion	預付款及訂金－非流動		50	333
			24,105	23,301



## 11. Trade and other receivables, prepayments and deposits (continued)

As at 30 June 2020, the Group's trade receivables from corporate customers were mainly on credit terms of 30 to 90 days. The ageing analysis of trade receivables based on invoice date and net of loss allowance, is as follows:

		<b>Unaudited</b> 未經審核	Audited 經審核
		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2020</b>	2019
		<b>US\$'000</b>	US\$'000
		千美元	千美元
1-30 days	1-30日	<b>10,520</b>	13,841
31-60 days	31-60日	<b>4,601</b>	4,007
61-90 days	61-90日	<b>4,223</b>	1,641
91-180 days	91-180日	<b>1,929</b>	9
181-365 days	181-365日	<b>32</b>	142
		<b>21,305</b>	19,640

The movements in the loss allowance for impairment of trade receivables are as follows:

## 11. 應收款及其他應收款、預付款及訂金(續)

於2020年6月30日，本集團對企業客戶之應收款信貸期主要為30至90日。應收款以發票日期及扣除減值撥備的賬齡分析如下：

應收款減值撥備變動如下：

			<b>Unaudited</b> 未經審核	Audited 經審核
			<b>30 June</b>	31 December
			<b>6月30日</b>	12月31日
			<b>2020</b>	2019
			<b>US\$'000</b>	US\$'000
			千美元	千美元
At beginning of period/year	於期初／年初		<b>220</b>	140
Impairment losses/(reversal of impairment losses)	減值撥備／(回撥)	6	<b>(10)</b>	80
At end of period/year	於期末／年末		<b>210</b>	220

12. Trade and other payables

12. 應付款及其他應付款

		Unaudited 未經審核 30 June 6月30日 2020 US\$'000 千美元	Audited 經審核 31 December 12月31日 2019 US\$'000 千美元
Trade payables	應付款	17,986	15,845
Accrued expenses and other payables	應計開支及其他應付款	6,195	5,585
Contract liabilities	合約負債	1,856	934
Refund liabilities	退款負債	1,035	832
		<b>27,072</b>	23,196

As at 30 June 2020, the ageing analysis of trade payables based on invoice date is as follows:

於2020年6月30日，應付款以發票日期的賬齡分析如下：

		Unaudited 未經審核 30 June 6月30日 2020 US\$'000 千美元	Audited 經審核 31 December 12月31日 2019 US\$'000 千美元
1-30 days	1-30日	7,117	6,850
31-60 days	31-60日	5,962	5,907
61-90 days	61-90日	3,396	3,000
Over 90 days	超過90日	1,511	88
		<b>17,986</b>	15,845

### 13. Issued capital

### 13. 已發行股本

		Unaudited 未經審核 30 June 6月30日 2020		Audited 經審核 31 December 12月31日 2019	
		Number of shares 股份數目	US\$'000 千美元	Number of shares 股份數目	US\$'000 千美元
Authorized:	法定：				
- Ordinary shares of HK\$0.10 each	- 每股面值0.10港元的普通股	5,000,000,000	64,433	5,000,000,000	64,433
Issued and fully paid:	已發行及繳足：				
- At beginning of period/year and end of period/year	- 於期初/年初及 期終/年終	2,480,252,351	31,967	2,480,252,351	31,967

### 14. Equity compensation scheme The Share Option Scheme

The Company adopted a share option scheme ("2013 Share Option Scheme") at the annual general meeting held on 28 May 2013.

There was no share options granted or exercised during the period ended 30 June 2020.

As at 30 June 2020, there were in total 13,300,000 (As at 31 December 2019: 15,560,000) valid share options outstanding.

### 14. 股本權益報酬計劃 購股權計劃

本公司於2013年5月28日舉行的股東週年大會已採納一購股權計劃(「2013購股權計劃」)。

截至2020年6月30日止，本公司概無授出或行使購股權。

於2020年6月30日，合共有13,300,000(於2019年12月31日：15,560,000)股有效購股權未經行使。

14. Equity compensation scheme (continued)

The Share Option Scheme (continued)

During the period, movements in the number of share options outstanding under the share option scheme and their related exercise prices are as follows:

14. 股本權益報酬計劃(續)

購股權計劃(續)

期內，關於購股權計劃尚未行使購股權數目的變動及其有關行使價列載如下：

Grant date 授出日期	Exercise price per share HKS 每股行使價 港元	Unaudited 未經審核 Number of share options (in thousand units) 購股權數目(以千位計)			Vesting period 歸屬期	Exercise period 行使期
		Held on 1 January 2020 於2020年1月1日持有	Lapsed/Forfeited during the period 期內已註銷/放棄	Held on 30 June 2020 於2020年6月30日持有		
11 January 2016 2016年1月11日	0.369	1,000	(1,000)	-	11 January 2016 to 31 March 2018 2016年1月11日至2018年3月31日	2 April 2018 to 31 March 2020 2018年4月2日至2020年3月31日
	0.369	1,000	-	1,000	11 January 2016 to 31 December 2018 2016年1月11日至2018年12月31日	2 January 2019 to 31 December 2020 2019年1月2日至2020年12月31日
30 September 2016 2016年9月30日	0.305	1,260	(1,260)	-	30 September 2016 to 30 March 2018 2016年9月30日至2018年3月30日	2 April 2018 to 31 March 2020 2018年4月2日至2020年3月31日
	0.305	3,000	-	3,000	30 September 2016 to 29 March 2019 2016年9月30日至2019年3月29日	1 April 2019 to 31 March 2021 2019年4月1日至2021年3月31日
9 October 2017 2017年10月9日	0.370	2,400	-	2,400	9 October 2017 to 6 June 2018 2017年10月9日至2018年6月6日	2 October 2018 to 30 September 2020 2018年10月2日至2020年9月30日
9 October 2018 2018年10月9日	0.254	2,400	-	2,400	9 October 2018 to 5 June 2019 2018年10月9日至2019年6月5日	2 October 2019 to 30 September 2021 2019年10月2日至2021年9月30日
9 May 2019 2019年5月9日	0.248	2,000	-	2,000	9 May 2019 to 14 December 2019 2019年5月9日至2019年12月14日	2 January 2020 to 31 December 2021 2020年1月2日至2021年12月31日
30 December 2019 2019年12月30日	0.159	2,400	-	2,400	30 December 2019 to 20 May 2020 2019年12月30日至2020年5月20日	2 October 2020 to 30 September 2022 2020年10月2日至2022年9月30日
		50	-	50	30 December 2019 to 29 December 2020 2019年12月30日至2020年12月29日	2 January 2021 to 31 December 2022 2021年1月2日至2022年12月31日
		50	-	50	30 December 2019 to 29 December 2021 2019年12月30日至2021年12月29日	2 January 2022 to 31 December 2023 2022年1月2日至2023年12月31日
Total 總計		15,560	(2,260)	13,300		

#### 14. Equity compensation scheme (continued)

##### The Share Option Scheme (continued)

Subsequent to the end of the reporting period, on 17 July 2020, a total of 2,000,000 share options were granted to certain employees in respect of their services to the Group in prior years. These share options have an exercise price at HK\$0.2454 per share and exercise periods from 19 July 2021 to 18 July 2023 for 1,000,000 share options and from 19 July 2022 to 18 July 2024 for 1,000,000 share options, details of which are included in the announcement of the Company dated 17 July 2020. The closing price of the Company's shares immediately before the date of grant was HK\$0.221 per share.

#### 15. Capital commitments

Capital expenditure contracted but not provided for at the end of the reporting period:

#### 14. 股本權益報酬計劃(續)

##### 購股權計劃(續)

於報告期末後，於2020年7月17日已就若干僱員於過往年度向本集團提供服務而向彼等授出合共2,000,000份購股權。該等購股權的行使價為每股0.2454港元，其中1,000,000份購股權的行使期為2021年7月19日至2023年7月18日，而1,000,000份購股權的有效期為2022年7月19日至2024年7月18日，詳情載於本公司日期為2020年7月17日的公告。本公司股份於緊前授出日期前的收市價為每股0.221港元。

#### 15. 資本承擔

於報告期末已商定合約但未撥備的資本開支列載如下：

		Unaudited 未經審核 30 June 6月30日 2020 US\$'000 千美元	Audited 經審核 31 December 12月31日 2019 US\$'000 千美元
Property, plant and equipment	物業、廠房及設備	544	169

Aside from the aforesaid, there was no other material capital commitment.

除上述已披露者外，概無其他重大資本承擔。

## 16. Related parties transactions

- (a) China Electronics Corporation (“CEC”), a state-owned information technology conglomerate under the administration of the central government of the PRC, through its wholly-owned subsidiary, Huada Semiconductor Co. Ltd., owns approximately 28.5% of the issued shares of the Company and is thus a substantial shareholder of the Company. Transactions between the Group and the subsidiaries or associates of CEC are regarded as transactions with related parties.

The following transactions were carried out with related parties:

## 16. 關聯方交易

- (a) 中國電子信息產業集團有限公司(「中國電子」)是直接隸屬於中國中央政府管理的國有電子信息技術企業集團，通過其全資附屬公司華大半導體有限公司擁有約28.5%本公司之發行股份，乃本公司之主要股東。本集團與中國電子的附屬公司或其聯繫人的交易構成關聯方交易。

以下交易為關聯方之交易：

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2020	2019
		US\$'000	US\$'000
		千美元	千美元
Sales:	銷售額：	Notes	
Subsidiary of CEC	中國電子的附屬公司	附註	
Associate of CEC	中國電子的聯繫人		
Purchases:	採購：		
Subsidiaries of CEC	中國電子的附屬公司		
		(i)	8,480
		(ii)	748
		(iii)	14
			7,193
			699
			24

Notes:

- (i): This represented the transaction amount for the supply of IC and driver products (“**IC Products**”) from the Group to CEACI during the six months ended 30 June 2020, based on the agreement dated 17 July 2018 (the “**IC Products Supply Agreement**”) entered into between the Company and CEACI. The IC Products Supply Agreement has a term of three years from 1 January 2018 to 31 December 2020. The IC products supply transactions contemplated under the IC Products Supply Agreement constituted non-exempt continuing connected transactions for the Company under the Listing Rules and the Company has complied with the relevant requirements under the Listing Rules in respect of the non-exempt continuing connected transactions.
- (ii): This represented the transaction amount for the supply of IC and driver products from the Group to an associated company of CEC which constituted a related party transaction and not a continuing connected party transaction under the Listing Rules.
- (iii): This represented the rental service charges from a subsidiary of CEC to the Group which constituted a fully exempted continuing connected transactions under the Listing Rules.

附註：

- (i)：這代表根據本公司與CEACI所訂立日期為2018年7月17日的協議(「**IC產品供應協議**」)，本集團於截至2020年6月30日止六個月內向CEACI供應IC及驅動器產品(「**IC產品**」)的交易金額。IC產品供應協議的期限為三年，由2018年1月1日至2020年12月31日。IC產品供應協議項下擬進行的IC產品供應交易構成上市規則項下本公司的非豁免持續關連交易，而本公司已就該等非豁免持續關連交易遵守上市規則的相關規定。
- (ii)：這代表本集團向CEC的一家聯營公司供應IC及驅動器產品的交易金額，有關交易構成關聯方交易而非上市規則項下的持續關連人士交易。
- (iii)：這代表CEC的一家附屬公司向本集團收取的租賃服務費，有關交易構成上市規則項下的全面豁免持續關連交易。

## 16. Related parties transactions (continued)

(a) (continued)

Period-end balances arising from sales/  
purchases:

			<b>Unaudited</b>	Audited
			未經審核	經審核
			<b>30 June</b>	31 December
			<b>6月30日</b>	12月31日
			<b>2020</b>	2019
		Note	<b>US\$'000</b>	US\$'000
		附註	千美元	千美元
Trade receivables:	應收款：			
Subsidiary of CEC	中國電子的附屬公司	11	<b>1,432</b>	1,702
Associate of CEC	中國電子的聯繫人	11	<b>166</b>	–
Prepayments:	預付款：			
Subsidiaries of CEC	中國電子的附屬公司	11	<b>75</b>	175

(b) Compensation of key management  
personnel of the Group:

## 16. 關聯方交易(續)

(a) (續)

由銷售/採購構成的期終帳目：

			<b>Unaudited</b>	
			未經審核	
			<b>Six months ended 30 June</b>	
			<b>6月30日止6個月</b>	
			<b>2020</b>	2019
			<b>US\$'000</b>	US\$'000
			千美元	千美元
Salaries, allowance, bonuses and other benefits	薪金、津貼、花紅及 其他福利		<b>268</b>	309
Pension scheme contributions	退休金計劃供款		<b>10</b>	9
Share-based payment expense	股權開支		<b>–</b>	4
Total compensation paid to key management personnel	已付主要管理人員之 報酬總額		<b>278</b>	322

Note: The transactions in respect of the  
compensation of key management personnel of  
the Group were exempted continuing  
connected transactions under the Listing Rules.

附註：有關本集團主要管理人員報酬的交易是上市規則項下  
的獲豁免持續關連交易。

## 17. Event after the reporting period

On 17 July 2020, 2,000,000 share options were  
granted to certain employees of the Group as  
further detailed in note 14 to the condensed  
consolidated interim financial information.

## 17. 報告期後事項

於2020年7月17日，已向本集團若干僱員授出  
2,000,000份購股權，進一步詳情載於簡明綜合中期  
財務資料附註14。



## To the Board of Directors of Solomon Systech (International) Limited

(Incorporated in the Cayman Islands with limited liability)

### Introduction

We have reviewed the interim financial information set out on pages 9 to 29, which comprises the condensed consolidated interim statement of financial position of Solomon Systech (International) Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2020 and the related condensed consolidated interim income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### 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 interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

#### Ernst & Young

*Certified Public Accountants*

22/F, CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong  
18 August 2020





致Solomon Systech (International) Limited董事會  
(於開曼群島註冊成立的有限公司)

## 引言

本核數師已審閱列載於第9頁至第29頁之Solomon Systech (International) Limited(「貴公司」)及其附屬公司(「貴集團」)2020年6月30日之簡明綜合中期財務狀況表以及截至該日止6個月期間之有關簡明綜合中期損益表、全面收入報表、權益變動表及現金流量表與說明附註。根據香港聯合交易所有限公司證券上市規則，中期財務資料報告之編製必須符合上市規則之相關規定及香港會計師公會所頒佈之香港會計準則第34號中期財務報告(「香港會計準則第34號」)。貴公司董事須負責根據香港會計準則第34號編製及呈列本中期財務資料。本核數師須負責根據吾等之審閱對本中期財務資料發表結論。吾等之報告乃根據協定之委聘條款，僅向閣下作為一個實體作出，而非為其他目的。本核數師不會就本報告之內容而對任何其他人士承擔或負上任何責任。

## 審閱範圍

本核數師乃根據香港會計師公會頒佈之《香港審閱工作準則》第2410號實體之獨立核數師對中期財務資料之審閱進行審閱工作。中期財務資料之審閱包括主要向負責財務及會計事宜之人員作出查詢，並運用分析及其他審閱程序。由於審閱之範圍遠較根據香港審計準則進行之審計為小，因此不能保證本核數師會知悉在審核中可能會發現之所有重大事宜。因此，本核數師不發表審計意見。

## 結論

根據本核數師之審閱工作，本核數師並無發現任何事宜，使本核數師相信中期財務資料在所有重大方面並無根據香港會計準則第34號之規定編製。

安永會計師事務所  
執業會計師

香港中環  
添美道1號  
中信大廈22號  
2020年8月18日

# CHIEF EXECUTIVE OFFICER'S MESSAGE

## 行政總裁的話

Dear Shareholders,

The COVID-19 pandemic ("the pandemic") has been affecting economies worldwide since the last quarter of 2019, with markets in Hong Kong and worldwide facing unprecedented challenges.

In spite of the adverse market environment, thanks to the contributions from our employees and management team, the Group has recorded a revenue of about US\$58.6 million during the period under review, which is a slight increase of 3.5% compared to that of last year.

Thanks to the organizational restructuring in financial year 2019 and the change in the Group's product type mix, we have successfully maintained our leading position in the market despite the softening demand for our ICs of Large Display ("LD") in Mainland China during the reporting period.

Having led the company during this challenging period, I am extremely encouraged by the turnaround of our financial performance.

The positive financial performance can be attributed to an increase in the average gross profit margin, and a decrease in operating expenses. The increase in profits is due to the change in the product type mix bringing in extra revenue, whilst the decrease in operating expenses is a result of effective cost controls implemented in the last quarter of 2019, along with the recognition of other income as a result from the disposal of certain non-current assets during the period under review.

Our fundamental goals and principles include leveraging cutting edge technology to design and manufacture products that meet the market needs.

Having continuously built up our network and footprint for the past few years, we have mapped out new product type mix strategies that can help overcome adversity and create room for growth. We have enriched our portfolio and diversified our applications from consumer-focused products to Internet of Things ("IoT") and industrial appliances.

In response to the pandemic, we have also deployed resources on expediting the production of specialized IC solutions for healthcare products, such as oximeters and infrared thermometers, for households and the healthcare industry to cater for the sudden increase in demand worldwide.

各位股東：

自2019年第四季度以來，新型冠狀病毒疫情（「疫情」）在全球肆虐，影響環球經濟，不論香港以至全球各地的市場，均面對前所未見的挑戰。

縱然市場環境遽變，然而憑藉管理團隊與僱員的努力不懈，本集團於回顧期內錄得約58.6百萬美元的收入，較去年同比略增3.5%。

由於2019財政年度本集團進行架構重組，加上產品種類分類組合轉變，儘管我們的大型顯示（「LD」）IC在中國內地面對的需求於報告期內回軟，我們仍能成功穩守市場上的領導位置，走在前沿。

本人領導公司攜手跨越這段充滿挑戰的日子，亦樂見業績轉虧為盈，對此感到份外鼓舞。

業績改善全因平均毛利率上升以及營運開支減少。產品種類分類組合轉變帶來更多收入，繼而帶動溢利增加；營運開支減少則是由於2019年第四季度推行的成本控制措施奏效所致，加上出售若干非流動資產所產生的其他收入於報告期內入賬。

運用尖端技術設計和製造符合市場需求的產品，一直是我們的重要目標和原則。

過去數年來我們透過不斷拓展網絡及建立版圖，已詳細規劃出嶄新的產品種類分類組合策略，以助本集團迎難而上，開拓增長空間。透過豐富我們旗下的產品組合，讓應用範疇更趨多元化，由原本聚焦適用於消費者的產品，涵蓋至其他如物聯網及工業設備不同類別。

為應對疫情，我們亦投入資源，加快生產用於家居及醫療保健行業產品（譬如血氧監測儀及紅外線體溫計）的專門IC方案，滿足突然飆升的全球需求。

During this reporting period, we have managed to maintain the budget for research and development (“R&D”), allowing for continued innovation, winning us the competitive edge in the long term.

Our business model incorporates scientific methodologies with a forward-thinking approach, R&D investments will continue to be our top priority in the future.

In 2020, we expect to commence the mass production of Passive matrix OLED (“PMOLED”) Touch and Display Driver Integration (“TDDI”) IC, and the world’s first N-Color Active Matrix Electrophoretic Display (“AMEPD”) Driver IC with our design win in the period under review. Both ICs feature our latest technology, and this will allow us to capture new trends and fulfill market needs.

We still adhere to our commitment to contribute to the community in these unprecedented times.

We are taking part in the “Striving and Transforming – The History of Hong Kong Industry” exhibition in Hong Kong from June to August 2020, jointly organized by the Hong Kong Museum of History and the Federation of Hong Kong Industries.

Solomon Systech Limited, our wholly-owned subsidiary, was one of the few companies in the semiconductor industry to be invited to take part in this territory-wide exhibition. We showcased our advanced IC products and design wins, as well as reinforced our presence in the industry with this opportunity.

Due to the fallout of the U.S.-China trade dispute and with technology conflict looming over the industry, the export of technology-related goods, such as ICs, are affected.

It is widely believed among industry observers that companies in Mainland China involved in the application of semiconductors are considering reshoring their manufacturing bases back to Mainland China, or even reconfiguring their supply chains with the provision of dedicated semiconductor contract manufacturing facilities to improve resilience and to narrow down the trade deficit.

於本報告期內，我們仍能維持研究及開發（「研發」）預算，繼續推陳出新，旨在爭取長遠的競爭優勢。

我們的業務模式糅合科學方法與前瞻思維，繼續投資科技研發將是今後要務。

於2020年，我們預計被動矩陣有機發光二極體（「PMOLED」）觸控與顯示驅動器集成（「TDDI」）IC於下半年量產，與此同時，全球第一的N-Color主動矩陣電泳顯示（「AMEPD」）驅動器IC亦會開始量產，後者這款驅動器IC於報告期內獲客戶採納了我們的產品設計。兩款IC同樣有效突顯我們的嶄新技術產品。繼往開來，我們將以此捕捉潮流走勢，滿足市場需求。

面對史無前例的挑戰，我們繼續堅守貢獻社會的承諾。

我們參與由香港歷史博物館與香港工業總會聯合籌劃、於2020年6月至8月期間在香港展出的「『工』不可沒—香港工業傳奇展」。

我們的全資附屬公司晶門科技有限公司是半導體行業內少數獲邀參加這項全港性展覽的公司之一。我們展出先進的IC產品及獲客戶採用的IC設計，並藉此良機鞏固我們在業內的地位。

行業現正面對中美兩國貿易爭端的餘波和技術衝突加劇陰霾所籠罩，IC等科技相關產品的出口亦隨之受到影響。

行業觀察者普遍相信，從事半導體應用行業的中國內地公司正考慮將國外生產基地遷回中國內地，甚至重新整合旗下產業供應鏈，對指定晶圓代工廠生產設施進行產能配置，冀增強韌力及縮窄貿易逆差。

## CHIEF EXECUTIVE OFFICER'S MESSAGE (continued) 行政總裁的話(續)

We are one of the major players in the semiconductor industry in the region who are, inevitably, affected by the government regulations, investor sentiment and the supply chain composition worldwide.

By engaging a wide range of suppliers, activities such as the manufacture, assembly and testing of our products can be conducted in multiple regions like Mainland China, Japan, Korea and Taiwan. This will enable us to diversify risk and strive for the best interest of our stakeholders, helping promote the sustainable growth of our Group.

In these unprecedented times, it is essential for us to chart a path to the next normal, and strive to emerge quickly amidst global disruptions and challenges.

Given the difficulty of predicting demand for the next year, we will be taking a prudent approach to 2021, as great uncertainty abounds in the healthcare sector.

By adopting the latest technology, we believe our Group will continue to grow as the global economy recovers.

We will continue to take measured steps to unlock market potential and to maximize the returns for our shareholders.

我們是區內半導體行業的重要一員，無可避免地受到政府法規、投資者情緒，以及全球產業供應鏈結構改變所影響。

透過委聘專注不同範疇的供應商，我們分別在中國內地、日本、韓國及台灣等不同地區進行產品製造、組裝及測試等活動。此舉既有助我們分散風險，為持份者尋求最佳利益，亦可促進本集團業務的可持續發展。

身處這個前所未見的環境，我們銳意進取，應對下一個常態，力爭在全球的紛擾挑戰中迅速崛起，開拓新天地。

翌年需求難料，加上當前公共衛生方面潛藏極大的不確定性，我們將採取審慎的態度迎接2021年。

我們相信，憑藉創新技術，待全球經濟復甦之時，本集團業務將可持續取得增長。

我們將繼續深思斷行，釋放市場潛力，為股東帶來最大回報。

**Wang Wah Chi, Raymond** 王華志  
**Chief Executive Officer** 行政總裁

Hong Kong, 18 August 2020  
香港，2020年8月18日

## BUSINESS REVIEW AND OUTLOOK

### BUSINESS REVIEW

The business environment in the first half of 2020 was challenging and complicated due to the high uncertainties surrounding the pandemic and the U.S.-China trade dispute. According to the *First Quarter Economic Report 2020* released by the Hong Kong government, the total exports of goods in Hong Kong saw a dramatic year-on-year fall of 9.9% in real terms in the first quarter of 2020. Domestic demand also weakened markedly, reflecting the serious disruptions caused by the threat of the pandemic across countries and subdued business sentiment.

To support communities during the pandemic, we continued to invest in R&D and leverage international partnerships to fulfill the need for shipment of millions of units of Advanced Display (“AD”) products for medical devices in the reporting period.

***Attributable to the strong growth of the AD business, the Group’s total shipments registered an increase of approximately 7.9% to about 175.5 million units, while revenue increased around 3.5% year-on-year to approximately US\$58.6 million during the period under review.***

The Group’s new management has devised a wide range of strategies to improve its business performance, including minimizing operating expenses and restructuring the product type mix, contributing to the remarkable business turnaround of the Group for the reporting period.

The Group’s unit shipments by product types during the period under review were as follows:

Units Shipped (million units)	付運量(百萬件)	1H 2020 2020年上半年	1H 2019 2019年上半年	Change 變動	2019 Full Year 2019全年
Advanced Display	先進顯示	109.0	66.7	63.4%	134.9
Large Display	大型顯示	38.9	67.9	(42.7%)	122.6
Others	其他	27.6	28.0	(1.4%)	51.2
Total	總額	175.5	162.6	7.9%	308.7

## 業務回顧及展望

### 業務回顧

觀乎2020年上半年，局勢錯綜複雜，營商環境又充滿挑戰，疫情大流行和中美貿易爭端亦令前景變得較不明朗。根據香港政府發表的《二零二零年第一季經濟報告》，香港的整體貨物出口於2020年第一季按年同比實質急挫9.9%。隨著內部需求顯著轉弱，反映出疫情對各國均構成嚴重干擾和威脅，削弱營商氣氛。

為了支援各界應對疫情，我們繼續投放資源研發產品，並憑藉與國際夥伴的合作關係，在報告期內成功付運了數百萬件先進顯示(「AD」)產品以供醫療保健產品的生產所使用。

***受惠於AD業務的強勁增長，回顧期內本集團的總付運量按年同比增長約7.9%至約175.5百萬件，銷售額則按年同比增長約3.5%至約58.6百萬美元。***

本集團新管理層已制定一系列旨在提升業務表現的發展策略，包括降低營運開支及改變產品種類分類組合，推動集團在報告期內取得佳績，成功轉虧為盈。

在回顧期內，本集團按產品類別劃分的付運量如下：

### Advanced Display

Our AD products include PMOLED displays, bistable products, micro-/mini-LED products and OLED lighting products. In addition to standard ICs, the Group also provides custom IC design services, including analog, mixed-signal and high-voltage IC designs to cater for the specific needs of individual customers.

During the period under review, the pandemic has triggered the demand for healthcare products worldwide, which was translated into increased orders for portable healthcare devices and related applications for the Group's PMOLED display driver ICs, and thereby has changed the mix of the AD products. The total unit shipments of the AD products during the period under review registered a double-digit growth of around 63.4% to approximately 109 million units (1H 2019: 66.7 million units).

Despite the sluggish economy dampening the global demand for wearable applications in general, the Group has maintained its business with renowned wearable brands. To capitalize on the growing potential of smart home appliances market under the rising trend of Artificial Intelligence of Things ("AIoT"), the Group has successfully achieved related design-in projects, including wireless Bluetooth speakers, smart door knobs, etc.

In view of dynamic shifts in global overseas retail market conditions, the Group shifted its focus to promote its new bistable display driver IC for medium-sized ESL panels of 4 inches to 6 inches used at mega stores in the first half of 2020, eyeing on the markets of Europe and the U.S.

Seeing the strong potential of micro-LED which is said to be emerging as a next generation display technology featuring ultra-high display brightness and fine pixel pitch, the Group has started engaging in the development of this ground-breaking technology since 2016. Over the years, we have made significant progress through strategic collaborations with leading companies. In the reporting period, we have received orders that paved the way for applying micro-LED technology to mass production.

### 先進顯示

AD產品包括PMOLED顯示、雙穩態顯示、微發光／次毫米發光二極體顯示以及OLED照明產品。除了提供標準IC外，本集團亦提供訂制IC設計服務，包括模擬、混合訊號及高壓IC設計，滿足個別客戶的特定需要。

回顧期內，疫情引致全球各地對醫療保健產品的需求激增。隨之而來，促使本集團適用於便攜式醫療保健設備，以及其他應用範疇的PMOLED顯示驅動器IC需求更趨殷切，訂單急增，AD整體產品組合也因而轉變。回顧期內，AD產品的總付運量錄得約63.4%的雙位數增長，上升至約109百萬件（2019年上半年：66.7百萬件）。

經濟低迷令全球對可穿戴應用的整體需求減少，惟集團仍能保持與一些知名可穿戴品牌的業務。人工智能物聯網（「AIoT」）勢將大行其道，箇中的智能家電市場的潛力更是與日俱增；為抓緊機遇，集團已成功完成量產的相關智能產品設計項目，包括無線藍牙揚聲器及智能門鎖等。

放眼全球，本集團於2020年上半年因應海外零售市場的種種形勢變化而作出調整，瞄準歐洲及美國市場內大型商店採用的中等尺寸ESL面板（4英吋至6英吋），轉為重點推廣該類面板所需的新型雙穩態顯示器IC。

早於2016年，本集團便已著手研發微發光二極體顯示器這項突破性技術，其顯示屏具有超高顯示亮度及可支援精細像素間距，潛力優厚，有望成為下一代主流顯示技術。多年來，我們通過與領先企業的戰略合作，取得重大進程。我們已於報告期內獲得相關訂單，推動微發光二極體顯示器技術踏上量產之路。

## Large Display

The Group's LD products include large panel TFT LCD display driver ICs developed for TVs, monitors and other applications.

During the period under review, apart from a shortage of certain raw materials for wafer for its LD products, the global demand for TVs had also slowed down due to the pandemic. Nonetheless, China's market has gradually recovered since June 2020.

The Group's LD business registered a decline of about 42.7% in total shipments year-on-year to approximately 38.9 million units (1H 2019: 67.9 million units). In spite of this, the Group has continued to develop new product in this area to prepare for its future business growth.

Samples of the point-to-point ("P2P") display driver IC for the high-end 120Hz UHD TV and 8K TV markets were made ready-for-testing during the review period.

## Others

In addition to AD and LD products, the Group also offers another range of products, which includes: Mobile Display ("MD") products such as In-Cell TDDI ICs, TFT display driver ICs and MIPI bridge ICs; and Mobile Touch ("MT") products including LCD touch controller ICs (Out-Cell/On-Cell), etc.

The unit shipments of this category of products decreased slightly by approximately 1.4% year-on-year to around 27.6 million units (1H 2019: 28.0 million units).

The pandemic has seriously impacted the demand for most consumer electronics products from February to April 2020, especially in the overseas market. The demand for mobile devices in China and consumer sentiment have gradually recovered and resumed respectively from May 2020 onwards that ultimately helped boost revenue from MD in relation to TDDI and DDI. Inventory level of the Group's MD business was gradually reduced in June this year.

## 大型顯示

本集團的LD產品包括用於電視、顯示器及其他應用的大 屏TFT LCD顯示驅動器IC。

回顧期內，除LD產品的某些晶圓原料短缺外，全球電視 需求亦因疫情而放緩，但中國市場自2020年6月起已逐漸 復甦。

本集團LD業務的總付運量按年縮減約42.7%至約38.9百 萬件（2019年上半年：67.9百萬件）。儘管如此，集團仍不 懈地開發新產品，為未來業務增長打好根基。

回顧期內，針對高端120Hz超高清電視和8K電視市場的點 對點顯示驅動器IC的樣本已準備就緒，隨時可作測試。

## 其他

除AD和LD產品外，本集團亦有提供另一系列產品，包括： 移動顯示（「MD」）產品，譬如In-Cell TDDI IC、TFT顯示驅 動器IC及MIPI橋接IC；及移動觸控（「MT」）產品，包括 LCD觸摸屏控制器IC（Out-Cell/On-Cell）等。

此類別產品的付運量按年微跌約1.4%至約27.6百萬件 （2019年上半年：28.0百萬件）。

疫情對2020年2月至4月大部份消費電子產品的需求造成 嚴重影響，海外市場的處境尤其嚴峻。自2020年5月以來， 中國移動設備的需求逐步回升，消費意欲亦日漸恢復， 最終有助提升MD業務在TDDI和DDI兩方面的銷售額。而 本集團MD業務的庫存水平則於同年6月左右逐步回落至 低水平。

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層討論及分析(續)

Besides, demand from specific customer segments, such as video games related products boomed due to the pandemic. As more people stayed at home and played video games, the MT IC, the product line which supported game consoles, was one of the product lines that most benefited in the reporting period. As a result, the sales forecast for the reporting period could be achieved in conjunction with a number of design wins. The drastic demand for the aforesaid product consumed most of the inventories in May and June 2020 with inflows in return.

### PRODUCT DEVELOPMENT

Product development has always been the cornerstone of the Group's business. To emerge stronger from the unprecedented pandemic and pave the way for future development, the Group has maintained its investment in R&D to develop new products and has continued to enhance the features of existing products. During the period under review, the Group has invested approximately US\$7.9 million in R&D, representing about 57.2% of total expenses and 13.4% of sales.

### OUTLOOK

Despite the fact that the lingering uncertainty in the global economy may continue to weigh on the Group's business as a whole, the AD business is expected to continue its strong growth. A number of new products and design win projects are expected to start contributing to the Group's revenue. For instance, its custom ICs are going to be widely used in digital signage benefiting both the AD and MD businesses. Moreover, the product type mix strategies implemented have yielded favorable returns. The favorable book-to-bill ratio of 1.2 is also a positive indicator of growth.

#### Advanced Display

The Group's key innovation of the PMOLED Touch and TDDI IC, SSD7317, is anticipated to enter mass production by the end of 2020 and contribute to the revenue stream. We have received and processed its sample orders in the first half of 2020. The Group also strives to capitalize on the growth potentials of smart home appliances and AIoT with grayscale displays.

此外，來自個別客戶板塊的需求在疫情中逆市增長，如電子遊戲相關產品的需求更趨殷切。居家抗疫者日增並以電子遊戲消閒，當中支持遊戲主機的產品系列 — MT IC遂成為報告期內最受惠的產品系列之一。因此，憑藉多項獲採納的設計項目訂單，成功實現報告期內的銷售預測。上述產品的強勁需求消耗了2020年5月和6月的大部份庫存，同時帶來進賬。

### 產品開發

產品開發一直是集團業務的基石。要在前所未見的疫情中崛起，並為未來的發展鋪路，本集團繼續投放資源研發新產品，並不斷優化現有產品的功能。在回顧期間，本集團在產品研發方面支出約7.9百萬美元，分別佔總開支約57.2%及銷售額約13.4%。

### 展望

全球經濟面對的不明朗因素始終未見消退，集團整體業務或會繼續受此影響，但旗下的AD業務應可保持強勁的增長。預計多項新產品和已獲訂單項目將陸續為集團的銷售額作出貢獻。譬如說，我們的訂制IC將廣泛應用於數位電子看板，使AD業務和MD業務雙雙受惠。此外，集團實施的產品種類分類組合策略亦見成效。訂單出貨比率為1.2，屬良好水平的增長指標。

#### 先進顯示

PMOLED觸控與TDDI IC SSD7317是集團的重點創新項目，預計於2020年底開始量產並帶來銷售收入。於2020年上半年收到的樣品訂單已於同期內完成。本集團亦將充份利用配備灰階顯示器的智能家電及AIoT相關產品所蘊含的增長潛力。



The Group's bistable display driver IC business, bolstered by the constant development in retail automation and wide commercial applications spanning across logistics and signage demonstration, is set to continue its strong growth momentum in the second half of the year. The Group has put in efforts in developing a new generation bistable color display IC that supports multiple colors, so as to unleash new potential for business growth.

Resources will be devoted to working with market leading micro-LED panel manufacturers to develop more new ICs with technological breakthroughs plus fulfilling the market needs. Thanks to the efforts of the Group's team, these new products are now mature and ready for launch by the end of 2020.

### Large Display

The Group's LD driver IC business is set to regain its growth momentum in the second half of 2020.

The Group's business with the key customer in Nanjing is anticipated to prosper, and as a major supplier of the key customers in Chengdu and Xianyang which have large production capacities, the Group is ready to leverage these customers' expanding business to drive its own further growth. The P2P display driver IC for the high-end TV markets is expected to be ready to start production in the second half of 2020.

### Others

For MD, the demand for its products in the second half of the year is expected to remain strong, encouraged by the signs of China's economic recovery. In particular, we foresee that MIPI, TDDI and DDI products will be in demand. The major challenge is the capacity support on wafers. The MD business will continue to grow and to prosper with enhanced capacity and the support from our close factory partners.

To keep pace with the ever changing technology trends and diversify the risk from dependence on one single mobile market in China to multiple markets worldwide, a wide range of new driver products, custom ICs applicable to smart wearables along with public information display applications have been planned and developed for launch in the upcoming months. It is anticipated that this new target segment of MD products will be able to contribute to the Group's revenue starting from next year.

本集團的雙穩態顯示驅動器IC支持的產品應用商業用途廣泛，遍及超級市場的電子標籤、物流以至標牌展示範疇應用，在上述零售自動化的持續發展所帶動下，此業務將於下半年繼續保持強勁的增長勢頭。本集團亦積極開發新一代可支持多種顏色的雙穩態彩色顯示器IC，釋放產品的發展潛力，推動業務增長。

我們將投入資源，與領先市場的微發光二極體顯示器面板廠商攜手開發更多技術突破的新款IC，滿足市場需要。全賴集團上下一心，並肩奮鬥，這些新產品樣品現已開發完備，可於2020年底推出市場。

### 大型顯示

本集團的LD驅動器IC業務料將於2020年下半年重拾增長勢頭。

集團與南京的主要客戶業務預計將蓬勃發展，另一方面，集團亦是成都和咸陽兩地重點客戶的主要供應商。鑒於客戶擁有龐大產能，集團已作好準備，把握上述客戶業務不斷增長的契機，乘勢推動集團的進一步增長。預計針對高端電視市場的點對點顯示驅動器IC將於2020年下半年投產。

### 其他

中國經濟呈現復甦跡象，這利好形勢將成為MD業務的支柱，預計其產品於下半年的需求將保持強勁。當中，我們預計MIPI、TDDI和DDI產品將會銷情暢旺。主要的挑戰在於是否具備晶圓產能作配合。隨著產能提升，並在合作無間的廠商支援下，MD業務將繼續增長，蓬勃發展。

技術趨勢瞬息萬變，為了與時並進，並將風險從單一的中國移動市場，分散至全球各地的不同市場，我們已針對智能可穿戴設備以及公共信息顯示應用，開發一系列新款驅動器產品、訂制IC，並計劃在未來數月內推出。預計從明年開始，MD業務的這個新目標板塊將能夠為集團的銷售額作出貢獻。

## FINANCIAL REVIEW

### Results

Despite the challenging and uncertain business environment during the period under review, the Group recorded a mild growth of 3.5% in revenue to US\$58.6 million (1H 2019: US\$56.6 million), mainly attributed to the strong growth of the Group's AD products. The overall book-to-bill ratio of the Group for the period in 2020 was 1.2 (1H 2019: 1.1).

Gross profit of US\$15.1 million and gross margin of 25.8% were recorded for the six months ended 30 June 2020 (1H 2019: US\$10.0 million and 17.6%, respectively). The significant improvement in gross profit and profit margin was mainly attributable to the change in profit mix types during the six months ended 30 June 2020.

S&D expenses of US\$1.3 million and administrative expenses of US\$4.6 million represented a decrease by 29.3% and 28.5% in respectively, as compared to corresponding period in last year, as a result of the effective cost controls starting from the last quarter in 2019.

Being a technology company, the Group is committed to investing in product R&D and business development. The Group remained selective in its product R&D spending. Its R&D costs during the period under review amounted to US\$7.9 million (mainly staff costs and amortization of intangible assets) (1H 2019: US\$14.0 million).

The Group has reported a net profit attributable to owners of the parent of US\$4.4 million (1H 2019: loss of US\$9.6 million). The Board resolved not to declare an interim dividend for the six months ended 30 June 2020.

## 財務回顧

### 業績

儘管在回顧期內的挑戰及不確定的營商環境，本集團的營業額溫和增長達約3.5%至58.6百萬美元（2019年上半年：56.6百萬美元），主要由於AD產品的大幅增長。本集團於2020年期內的總訂單出貨比率為1.2（2019年上半年：1.1）。

截至2020年6月30日止6個月的毛利為15.1百萬美元而毛利率為25.8%（2019年上半年：分別為10.0百萬美元和17.6%）。毛利和毛利率顯著改善，是主要得力於截至2020年6月30日止6個月內的产品種類分類組合轉變。

銷售及分銷開支為1.3百萬美元而行政開支為4.6萬美元，比去年同期分別減少29.3%和28.5%，此乃得力於自2019年第四季起推行的成本控制措施有效。

作為一家科技公司，本集團致力投放資源於產品工程研發及業務發展。本集團在產品工程研發及業務發展支出方面持續審慎，其回顧期內的产品工程研發費用為7.9百萬美元（主要為員工成本及無形資產攤銷）（2019年上半年：14.0百萬美元）。

本集團錄得本公司擁有人應佔淨溢利為4.4百萬美元（2019年上半年：虧損9.6百萬美元）。董事會決議不宣派截至2020年6月30日止6個月的中期股息。

## Liquidity and Financial Resource

## 流動資金及財務資源

		Unaudited 未經審核 30 June 6月30日 2020 US'000 千美元	Audited 經審核 31 December 12月31日 2019 US'000 千美元
Current assets	流動資產	76,694	67,967
Current liabilities	流動負債	28,845	24,837
Net current assets	流動資產淨值	47,849	43,130
Current ratio	流動比率	265.9%	273.7%

The Group's current ratio was 265.9% as at 30 June 2020 (31 December 2019: 273.7%), reflecting a strong liquidity in its financial position. The position of working capital representing by net current assets was US\$48 million, which had no significant change from the last corresponding period.

The Group has invested in financial assets as part of its treasury management for interest and dividend income. During the period under review, the Group recorded an interest and dividend income of US\$0.1 million (1H 2019: US\$0.1 million).

As a result, the Group recorded a net finance income of US\$38,000 (1H 2019: US\$0.3 million) from financial investments.

### Treasury Management

The Group has an internal treasury review team (the "Team") to execute treasury management policy, review the overall investment portfolio and monitor the performance on a regular basis to increase the yield of cash reserves. The Team conducts regular review meetings or teleconferences with individual external portfolio managers and holds internal review meetings to evaluate and monitor the investment performance.

於2020年6月30日，本集團的流動比率為265.9%（2019年12月31日：273.7%），反映集團財務狀況具有強健的流動資金水平。流動資產淨值所代表的營運資金狀況為48百萬美元，與去年同期相比並無顯著變化。

本集團投資於財務資產作資金管理以獲取利息及股息收入。於回顧期內，本集團錄得利息及股息收入0.1百萬美元（2019年上半年：0.1百萬美元）。

整體結果，本集團於財務投資錄得淨投資收入38,000美元（2019年上半年：0.3百萬美元）。

### 庫務管理

本集團設有內部庫務審閱小組（「小組」），負責執行庫務管理政策、審閱整體投資組合及定期監察投資表現以提升現金儲備的回報率。該小組定期與外聘之投資組合管理經理進行會面或電話會議及舉行內部審閱會議以檢討及監察投資表現。

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### 管理層討論及分析(續)

Total cash and cash equivalents and bank deposits of the Group were US\$33.4 million as at 30 June 2020, an increment of US\$15.3 million, compared to US\$18.1 million as at 31 December 2019. Cash and cash equivalents and bank deposits of the Group were mainly denominated in US dollar and Renminbi.

The Group will continue to allocate funds for product development, securing production capacity, broadening its customer base and capture market and sales opportunities, entering into strategic corporate ventures and meeting general corporate operational purposes. The Group will also continue to execute its treasury management policy to enhance the yield of cash reserves during the period of low interest return. As at 30 June 2020, the Group had no major borrowing other than the revolving bank credit lines of a Korean subsidiary for working capital financing amounting to US\$0.2 million denominated in Korean Won. The Group's cash balance was mainly invested in various deposits in banks.

Most of the Group's trade receivables and payables are quoted in US dollars. The Group closely monitors the movement of foreign exchange rates and constantly seeks to obtain favorable exchange rates for conversion of US dollars into other currencies for paying local operating expenses. During the period under review, the Group had not used any derivative instruments to hedge against foreign currency exposure in operation as the Board considered this exposure to be insignificant.

於2020年6月30日，本集團的現金及現金等價物和銀行存款總計為33.4百萬美元，而於2019年12月31日則為18.1百萬美元，增加15.3百萬美元。現金及現金等價物和銀行存款主要以美元及人民幣結算。

本集團將繼續分配資源於產品開發、保障產能、擴大顧客群及把握市場及銷售商機、進行若干策略性企業投資及用作一般公司營運用途。本集團亦將繼續執行庫務管理政策，於低利率期間增加現金儲備之回報率，於2020年6月30日，除了韓國附屬公司從銀行取得循環信貸金額為0.2百萬美元（以韓圓結算），作營運資金融資外，本集團並無任何主要借貸。本集團之現金餘額主要投資於銀行各類存款。

本集團的主要應收及應付款均以美元結算。本集團會密切監察外幣兌換率的變動，以確保能夠以有利的兌換率將美元兌換成其他貨幣，支付當地的營運開支。於回顧期內，由於董事會認為本集團的外匯風險不高，因此本集團並無運用任何衍生工具以對沖其營運方面的外匯風險。

### Capital Expenditure and Contingent Liabilities

During 1H 2020, capital expenditure of the Group was US\$626,000 (1H 2019: US\$59,000).

As at 30 June 2020, there was US\$0.5 million capital expenditure contracted but not provided for (31 December 2019: US\$0.2 million).

Aside from the aforesaid, the Group had no other material capital commitment or contingent liability.

### Acquisition and Disposal of Material Subsidiaries and Associates

The Group did not acquire or dispose of any material subsidiaries and associates during the period under review.

### Charge of Assets

As at 30 June 2020, the Group did not have any charge on its assets.

## HUMAN RESOURCES

As of 30 June 2020, the Group had a total workforce of 278 employees\*. About 41% of the workforce were based at the Hong Kong headquarters, with the rest located in Mainland China, Japan, Korea and Taiwan.

\* Data excludes the manufacturing subsidiary in Mainland China

### 資本開支與或然負債

2020年上半年期間，本集團的資本開支為626,000美元（2019年上半年：59,000美元）。

於2020年6月30日，共有0.5百萬美元已商定合約但未撥備之資本開支（2019年12月31日：0.2百萬美元）。

除前述之外，本集團概無其他重大資本承擔或或然負債。

### 收購及出售重大附屬公司及聯營公司

於回顧期內，本集團並無收購或出售任何重大附屬公司及聯營公司。

### 資產抵押

於2020年6月30日，本集團並無任何資產抵押。

### 人力資源

於2020年6月30日，本集團共有278名員工\*。整體員工中約41%駐香港總辦事處，其餘員工分別駐中國內地、日本、韓國及台灣。

\* 數據不包括中國內地負責生產的附屬公司

## DIRECTORS' INTERESTS

### 董事權益

As at 30 June 2020, the interests and short positions of each Director and the chief executive in the shares and underlying shares of the Company or its associated corporations (within the meaning of the Securities and Futures Ordinance), as recorded in the register required to be kept by the Company under Section 352 of part XV of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

於2020年6月30日，各董事及行政總裁於本公司及其相聯法團（定義見證券及期貨條例）的股份及相關股份中擁有登記於根據SFO第XV部第352條規定本公司須存置的登記名冊上，或須根據上市發行人董事進行證券交易的標準守則知會本公司及聯交所的權益及淡倉如下：

Ordinary shares in the Company as at 30 June 2020 於2020年6月30日本公司的普通股						
				Number of share options held (i)	Total	% of the issued share capital of the Company 佔本公司已發 行股本百分比
	Position 權益狀況	Number of shares held 所持股份數目		所持購 股權數目(i)	總計	
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
Leung Heung Ying	梁享英	Long權益	-	2,400,000	2,400,000	0.10%
Sheu Wei Fu	許維夫	Long權益	-	2,400,000	2,400,000	0.10%
Yiu Tin Chong, Joseph	姚天從	Long權益	2,000,000	2,400,000	4,400,000	0.18%
<b>Non-executive Directors</b>	<b>非執行董事</b>					
Li Jun	李峻	Long權益	-	-	-	-
Ma Yuchuan	馬玉川	Long權益	-	-	-	-
Yu Jian	虞儉	Long權益	-	-	-	-
<b>Executive Directors</b>	<b>執行董事</b>					
Wang Wah Chi, Raymond	王華志	Long權益	600,000	5,000,000(ii)	5,600,000	0.23%
Lo Wai Ming	盧偉明	Long權益	33,572,179	-	33,572,179	1.35%

Notes:

附註：

(i) Share options granted under the 2013 Share Option Scheme with more detail on pages 47 to 49.

(i) 該等購股權為根據2013購股權計劃（詳情見第47到49頁）授出之購股權。

(ii) The 5,000,000 share options of the Company granted to Mr. Wang Wah Chi, Raymond on 30 September 2016 and 9 May 2019 have been vested and exercisable as at 30 June 2020 and also the date of this interim report.

(ii) 於2016年9月30日及2019年5月9日合共授予王華志先生之本公司購股權5,000,000股，於2020年6月30日及本中期報告日已歸屬及已能行使。

Saved as disclosed above, at no time during the period, the Directors and chief executive (including their spouse and children under 18 years of age) had any interests in, or had been granted, or exercised, any rights to subscribe for shares of the Company and its associated corporation required to be disclosed pursuant to the SFO.

Saved as disclosed above, at no time during the period was the Company, its subsidiaries or its associated corporation a party to any arrangement to enable the Directors and chief executive of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporation.

Saved as disclosed above, at no time during the period had the Directors and chief executive of the Company (nor their associates) any interests in, or been granted, or exercised, any rights to subscribe for shares of the Company or its associated corporation required to be disclosed pursuant to the SFO.

除上文所披露者外，於期內任何時間，董事及行政總裁（包括彼等之配偶及年齡在18歲以下的子女）概無擁有或獲授予或行使根據SFO須予披露可認購本公司及其相聯法團之股份的任何權利。

除上文所披露外，於期內任何時間，概無本公司、其附屬公司或其相聯法團為任何安排的其中一方，讓本公司董事及行政總裁（包括彼等之配偶及年齡在18歲以下的子女）持有本公司或其相聯法團的股份或相關股份或債權證的任何權益或淡倉。

除上文所披露者外，於期內任何時間，本公司董事及行政總裁（及彼等之聯繫人）概無擁有或獲授予或行使根據SFO須予披露可認購本公司及其相聯法團之股份的任何權利。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS

### 主要股東權益

The register of substantial shareholders required to be kept by the Company under section 336 of Part XV of the SFO shows that as at 30 June 2020, the Company had been notified of the following substantial shareholders' interests in the shares of the Company, being interests of 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and the chief executive officer of the Company.

根據SFO第XV部第336條須存置的主要股東登記名冊所示，於2020年6月30日，本公司已獲知會下列主要股東的權益（即於本公司已發行股本擁有5%或以上權益）。該等權益為上文披露的本公司董事及行政總裁權益以外的。

#### Ordinary shares in the Company as at 30 June 2020 於2020年6月30日本公司的普通股

Name of shareholder 股東名稱	Capacity 身份	Position 權益狀況	Number of shares held 所持股份數目	Number of share options held 所持購股權數目	% of the issued share capital of the Company 佔本公司已 發行股本百分比	
					Total 總計	
Huada Semiconductor Co., Ltd 華大半導體有限公司	Beneficial owner 實益擁有人	Long 權益	706,066,000	-	706,066,000	28.47% <sup>(ii)</sup>
China Electronics Corporation <sup>(i)</sup> 中國電子信息產業集團有限公司 <sup>(i)</sup>	Interest of controlled corporation 所控制的法團的權益	Long 權益	706,066,000	-	706,066,000	28.47% <sup>(ii)</sup>

Notes:

附註：

(i) CEC is a state-owned information technology conglomerate under the administration of the central government of the People's Republic of China. Huada is a wholly-owned subsidiary of CEC.

(i) 中國電子是一家直接隸屬於中華人民共和國中央政府管理的國有電子信息技術企業集團。華大乃中國電子之全資附屬公司。

(ii) Subject to an acting-in-concert agreement between Huada and Dr. Yeh Tsuei Chi ("Dr. Yeh", the former Chief Executive Officer and Executive Director) as announced on 2 February 2016, Dr. Yeh is taken to be interested in 1,000,000 share options of the Company (within the meaning of Part XV of the SFO), being interests under the share options granted to him, and they represent approximately 0.04% of the issued share capital in the Company as at 30 June 2020 and the date of this interim report. The share options granted are exercisable as at 30 June 2020 and the date of this interim report. Upon the exercise of these share options, Dr. Yeh and Huada will together hold an aggregate of 707,066,000 shares of the Company representing approximately 28.51% of the then issued share capital of the Company (on the assumption that no further shares will be issued or repurchased by the Company).

(ii) 依據2016年2月2日一項華大與葉博士簽訂的一致行動人協議，葉垂奇博士（「葉博士」，前行政總裁及執行董事）按證券及期貨條例第XV部被視為擁有本公司1,000,000股購股權，均為頒授予彼之購股權，於2020年6月30日及本中期報表日約佔本公司已發行股本0.04%。該頒授予彼之購股權已歸屬並因此於2020年6月30日及本中期報表日已能行使。於該頒授予彼之購股權全數歸屬及行使時，葉博士及華大兩方合共持有707,066,000股本公司股份，約佔本公司當時已發行股本28.51%（假設本公司再無發行新股及無購回股份）。

Saved as disclosed above, as at 30 June 2020, no other persons (other than the Directors) were recorded in the register of the Company required to be kept under Section 336 of the SFO as having interests or short positions in the shares and underlying shares of the Company.

除上文所披露者外，於2020年6月30日，根據證券及期貨條例第336條本公司須予備存的登記冊所記錄，概無其他人士（董事除外）擁有本公司股份及相關股份的權益或淡倉。



The Company adopted a share option scheme (the "2013 Share Option Scheme") at the annual general meeting held on 28 May 2013. The terms of the 2013 Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules. The 2013 Share Option Scheme is valid and effective for a period of 10 years commencing on 28 May 2013, being the date of adoption of such scheme by the shareholders of the Company. The Board shall be entitled at any time within 10 years commencing on 28 May 2013 to make an offer for the grant of an option to any qualifying participants.

The purpose of the 2013 Share Option Scheme is to provide the participants (directors, employees, advisers, consultants, agents, distributors, contractors, contract manufacturers, suppliers, service providers, customers, business partners, joint venture business partners, etc., of any member of the Group) with the opportunity to acquire proprietary interests in the Company and to encourage them to work towards enhancing the value of the Company for the benefit of the Company and its shareholders as a whole.

The total number of shares which may be issued upon exercise of all options to be granted under the 2013 Share Option Scheme must not in aggregate exceed 10% of the issued share capital of the Company at the date of approval of the 2013 Share Option Scheme or 30% of the issued share capital of the Company from time to time.

The total number of shares of the Company issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the shares of the Company in issue.

An offer shall remain open for acceptance by the qualifying participant concerned for a period of 21 days from the date of the offer (or such longer period as the Board may specify in writing). HK\$1.00 is payable by the grantee to the Company on acceptance of the offer of the option.

本公司於2013年5月28日舉行的股東週年大會已採納一購股權計劃（「2013購股權計劃」）。2013購股權計劃的條款是遵照上市規則第17章的條文。2013購股權計劃由2013年5月28日（即本公司股東採納該購股權計劃之日）起生效，為期10年。董事會可以於2013年5月28日起10年內授出購股權予合資格參與者。

2013購股權計劃旨在給予合資格參與者（本集團成員之董事、員工、顧問、諮詢、代理、分銷商、承包商、承包製造商、供應商、服務提供者、客戶、商業夥伴、合營企業商業夥伴等）機會獲得本公司專有股份和鼓勵共同合作為本公司及其股東整體利益而提升本公司價值。

根據2013購股權計劃所授出的所有購股權獲行使而可予發行的股份總數，不得超過於批准購股權計劃當日本公司已發行股本10%或本公司不時已發行股本30%。

每名參與者在任何12個月內獲授的購股權（包括已行使、註銷或尚未行使）獲行使時已經及即將發行的本公司股份總數，合計不得超過本公司已發行股份的1%。

購股權於建議日期起計21日期間（或董事會可書面訂明的較長期間）內可供合資格參與者接納。於接納購股權時，承授人須向本公司支付港幣1.00元。

## SHARE OPTION SCHEME (continued)

### 購股權計劃(續)

The subscription price of share option shall be determined by the Board at its absolute discretion in accordance with the terms of the 2013 Share Option Scheme. The subscription price in respect of any particular option shall be no less than the higher of (a) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; and (b) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

The total number of share options available for issue upon exercise of all share options to be granted under the 2013 Share Option Scheme as at the date of this interim report is 234,725,235, representing 9.5% of the issued shares of the Company. The number of share options outstanding as at 30 June 2020 was 13,300,000.

Details of the share options outstanding as at 30 June 2020 under the 2013 Share Option Scheme are as follows:

在2013購股權計劃條文規定下，董事會具有絕對權力訂立購股權的認購價。任何個別購股權的認購價須為以下的較高者：(a)股份於授出日期在聯交所每日報價表所列收市價；及(b)股份在緊接授出日期前5個營業日在聯交所每日報價表所列平均收市價。

於本中期報告日，根據2013購股權計劃，倘所有可授與之購股權行使後，可予發行的股份數目為234,725,235股，佔本公司發行股份9.5%。於2020年6月30日，合共有13,300,000股有效購股權未經行使。

於2020年6月30日關於2013購股權計劃授出之購股權的詳情如下：

Name of Directors 董事名稱	Number of share options (in thousand units) 購股權數目(以千位計)			Exercise price HK\$ 行使價 港元	Grant date 授出日期	Vesting period 歸屬期	Exercise period 行使期
	Held on 1 January 2020 於2020年 1月1日持有	Lapsed/ forfeited during the period 期內 已註銷/放棄	Held on 30 June 2020 於2020年 6月30日持有				
<b>Independent Non-executive Directors</b> 獨立非執行董事							
Leung Heung Ying 梁享英	800	-	800	0.370	9 October 2017 2017年10月9日	9 October 2017 to 6 June 2018 2017年10月9日至 2018年6月6日	2 October 2018 to 30 September 2020 2018年10月2日至 2020年9月30日
	800	-	800	0.254	9 October 2018 2018年10月9日	9 October 2018 to 5 June 2019 2018年10月9日至 2019年6月5日	2 October 2019 to 30 September 2021 2019年10月2日至 2021年9月30日
	800	-	800	0.159	30 December 2019 2019年12月30日	30 December 2019 to 20 May 2020 2019年12月30日至 2020年5月20日	2 October 2020 to 30 September 2022 2020年10月2日至 2022年9月30日
	<b>2,400</b>	<b>-</b>	<b>2,400</b>				
Sheu Wei Fu 許維夫	800	-	800	0.370	9 October 2017 2017年10月9日	9 October 2017 to 6 June 2018 2017年10月9日至 2018年6月6日	2 October 2018 to 30 September 2020 2018年10月2日至 2020年9月30日
	800	-	800	0.254	9 October 2018 2018年10月9日	9 October 2018 to 5 June 2019 2018年10月9日至 2019年6月5日	2 October 2019 to 30 September 2021 2019年10月2日至 2021年9月30日
	800	-	800	0.159	30 December 2019 2019年12月30日	30 December 2019 to 20 May 2020 2019年12月30日至 2020年5月20日	2 October 2020 to 30 September 2022 2020年10月2日至 2022年9月30日
	<b>2,400</b>	<b>-</b>	<b>2,400</b>				

Name of Directors 董事名稱	Number of share options (in thousand units) 購股權數目(以千位計)			Exercise price HK\$ 行使價 港元	Grant date 授出日期	Vesting period 歸屬期	Exercise period 行使期
	Held on 1 January 2020 於2020年 1月1日持有	Lapsed/ forfeited during the period 期內 已註銷/放棄	Held on 30 June 2020 於2020年 6月30日持有				
Yiu Tin Chong, Joseph 姚天從	800	-	800	0.370	9 October 2017 2017年10月9日	9 October 2017 to 6 June 2018 2017年10月9日至 2018年6月6日	2 October 2018 to 30 September 2020 2018年10月2日至 2020年9月30日
	800	-	800	0.254	9 October 2018 2018年10月9日	9 October 2018 to 5 June 2019 2018年10月9日至 2019年6月5日	2 October 2019 to 30 September 2021 2019年10月2日至 2021年9月30日
	800	-	800	0.159	30 December 2019 2019年12月30日	30 December 2019 to 20 May 2020 2019年12月30日至 2020年5月20日	2 October 2020 to 30 September 2022 2020年10月2日至 2022年9月30日
<b>Subtotal</b> 小計	<b>2,400</b>	<b>-</b>	<b>2,400</b>				
<b>Executive Directors</b> 執行董事							
Wang Wah Chi, Raymond 王華志	1,260	(1,260)	-	0.305	30 September 2016 2016年9月30日	30 September 2016 to 30 March 2018 2016年9月30日至 2018年3月30日	2 April 2018 to 31 March 2020 2018年4月2日至 2020年3月31日
	3,000	-	3,000	0.305	30 September 2016 2016年9月30日	30 September 2016 to 29 March 2019 2016年9月30日至 2019年3月29日	1 April 2019 to 31 March 2021 2019年4月1日至 2021年3月31日
	2,000	-	2,000	0.248	9 May 2019 2019年5月9日	9 May 2019 to 14 December 2019 2019年5月9日至 2019年12月14日	2 January 2020 to 31 December 2021 2020年1月2日至 2021年12月31日
<b>Subtotal</b> 小計	<b>6,260</b>	<b>(1,260)</b>	<b>5,000</b>				
<b>Ex-directors</b> 前董事							
	1,000	(1,000)	-	0.369	11 January 2016 2016年1月11日	11 January 2016 to 31 March 2018 2016年1月11日至 2018年3月31日	2 April 2018 to 31 March 2020 2018年4月2日至 2020年3月31日
	1,000	-	1,000	0.369	11 January 2016 2016年1月11日	11 January 2016 to 31 December 2018 2016年1月11日至 2018年12月31日	2 January 2019 to 31 December 2020 2019年1月2日至 2020年12月31日
<b>Subtotal</b> 小計	<b>2,000</b>	<b>(1,000)</b>	<b>1,000</b>				
<b>Senior management &amp; others</b> 高級管理層及其他							
	50	-	50	0.159	30 December 2019 2019年12月30日	30 December 2019 to 29 December 2020 2019年12月30日至 2020年12月29日	2 January 2021 to 31 December 2022 2021年1月2日至 2022年12月31日
	50	-	50	0.159	30 December 2019 2019年12月30日	30 December 2019 to 29 December 2021 2019年12月30日至 2021年12月29日	2 January 2022 to 31 December 2023 2022年1月2日至 2023年12月31日
<b>Subtotal</b> 小計	<b>100</b>	<b>-</b>	<b>100</b>				
<b>Total</b> 總計	<b>15,560</b>	<b>(2,260)</b>	<b>13,300</b>				

### Compliance with Corporate Governance Code

The Board and the management of the Group are committed to achieving and maintaining high standards of corporate governance, which the Group considers as critical in safeguarding the integrity of its business operations and maintaining investors' trust in the Company.

The Company has complied with all the applicable Code Provisions in the Corporate Governance Code as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2020.

### Compliance with the Model Code

The Company has its own written guidelines on securities transactions by Directors and relevant employees on terms no less exacting than the required standard set out in Appendix 10 to the Listing Rules. Specific enquiry has been made to all Directors, and all Directors have confirmed that they have been in compliance with such guidelines during the six months ended 30 June 2020.

### Purchase, Sale or Redemption of the Company's Listed Shares

There was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries during the six months ended 30 June 2020.

### Review of Condensed Consolidated Interim Financial Information

The Audit Committee is composed of two Independent Non-executive Directors and one Non-executive Director. The unaudited condensed consolidated interim financial information has been reviewed by the Audit Committee of the Company alongside the management.

The unaudited condensed consolidated interim financial information has been reviewed by the Company's independent auditor, Ernst & Young, 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. The auditor's independent review report is included in the Interim Report of the Company.

### 遵守企業管治守則

董事會及本集團的管理層承諾達到及保持高水平的企業管治，這也是維護業務營運的誠信和保持投資者對本公司信心的關鍵因素。

截至2020年6月30日止6個月期間，本公司一直遵守上市規則附錄14所載之企業管治守則中所有適用的守則條文。

### 遵守標準守則

本公司備有就董事及有關員工進行的證券交易的書面指引，條款與上市規則附錄10所載的規定標準同樣嚴格。本公司已向全體董事作出具體查詢，於截至2020年6月30日止6個月期間，彼等均一直遵守該等指引。

### 購買、出售或贖回本公司上市股份

於截至2020年6月30日止6個月期間，本公司或其任何附屬公司並無購買、出售或贖回本公司上市股份。

### 審閱簡明綜合中期財務資料

審核委員會由2名獨立非執行董事及1名非執行董事組成。未經審核的簡明綜合中期財務資料，已通過管理層聯同審核委員會審閱。

該等未經審核的簡明綜合中期財務資料，已經由本公司獨立核數師安永會計師事務所根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。核數師的獨立審閱報告載於本公司中期報告內。

## Investor Relations and Communications

The Group recognizes the rights of the Company's shareholders to know more about its business and prospect, and therefore it has always taken a proactive approach to communicate with the investment community, for example, institutional investors, sell-side analysts and retail investors. In 1H 2020, the Group held conference calls with investors and analysts. Stakeholders of the Company are recommended to visit the Group's website ([www.solomon-systech.com](http://www.solomon-systech.com)) from time to time, where up-to-date information of the Group can be accessed.

## Publication of Interim Results on the Stock Exchange's Website and the Company's Website

All the interim financial and other related information of the Group required by the Listing Rules has been published on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.solomon-systech.com](http://www.solomon-systech.com)) on 18 August 2020.

On behalf of the Board

**Solomon Systech (International) Limited**

**WANG Wah Chi, Raymond**

*Chief Executive Officer*

Hong Kong, 18 August 2020

## 投資者關係及溝通

本集團深明本公司股東有權對本集團業務及前景有更多了解，故此本集團一直採取積極態度與投資大眾（例如：機構投資者、賣方分析員及散戶投資者）溝通。於2020上半年，本集團繼續與投資者及分析員舉行電話會議。本集團建議權益人不時登入本集團網站 ([www.solomon-systech.com](http://www.solomon-systech.com))，查閱本集團的最新資訊。

## 中期業績於聯交所網站及本公司網站公佈

本公司已於2020年8月18日於聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))及本公司網站([www.solomon-systech.com](http://www.solomon-systech.com))公佈所有根據上市規則規定的本集團的中期財務及相關資料。

代表董事會

**Solomon Systech (International) Limited**

**王華志**

*行政總裁*

香港，2020年8月18日

## DEFINITIONS AND GLOSSARY

Board	Board of Directors
CEACI	CEAC International Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of CECEI, and a connected person of the Company
CEC	China Electronics Corporation, a state-owned information technology conglomerate under the administration of the central government of the PRC, is a substantial shareholder of the Company
CECEI	深圳中電國際信息科技有限公司 (CECEI Technology Co., Ltd.*), a company established in the PRC and an indirect subsidiary of the CEC, and a connected person of the Company
China	Mainland China, for the purpose of this report, excludes Hong Kong and Macau Special Administrative Regions
Code Provision(s)	Code provision(s) in the Corporate Governance Code contained in Appendix 14 to the Listing Rules
Company	Solomon Systech (International) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
Director(s)	The director(s) of the Company
ESL	Electronic Shelf Label
FVTPL	Fair value through profit or loss
Group	The Company and its subsidiaries
HKAS	Hong Kong Accounting Standards
HK\$/HKD	Hong Kong dollars
HKFRS	Hong Kong Financial Reporting Standards, or collectively for HKAS and Hong Kong Financial Reporting Standards
Hong Kong/HK/HKSAR	Hong Kong Special Administrative Region
IC	Integrated Circuit
LCD	Liquid Crystal Display
Listing Rules	The Rules Governing the Listing of Securities on the Stock Exchange
MIPI	Mobile Industry Processor Interface
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
OLED	Organic Light Emitting Diode
PMOLED	Passive Matrix Organic Light Emitting Diode
PRC	The People's Republic of China, for the purpose of this report, excluded Hong Kong and Macau Special Administration Regions
R&D	Product Design, development and engineering
S&D	Selling and Distribution
SFO	Securities and Futures Ordinance
the Stock Exchange	The Stock Exchange of Hong Kong Limited
TDDI	Touch and Display Driver Integration
TFT	Thin Film Transistor
UHD	Ultra high definition (UHD or 4K/8K) is a display resolution standard of at least 3840 x 2160 pixels (8.3 megapixels; 4K)
USA/U.S.	United States of America
US\$	US dollars

\* for identification purpose only

## 釋義及詞彙

董事會	董事會
CEACI	中國電子器材國際有限公司，於香港註冊成立之有限公司，為CECI的全資附屬公司
中國電子	中國電子信息產業集團有限公司，一家直接隸屬於中國中央政府管理的國有電子信息技術企業集團，乃本公司之主要股東
CECI	深圳中電國際信息科技有限公司，於中國註冊成立之有限責任公司，為中國電子集團之間接附屬公司
中國	中華人民共和國，就本報告而言，不包括香港及澳門特別行政區
守則條文	上市規則附錄14所載之企業管治守則中的守則條文
本公司	Solomon Systech (International) Limited，一家成立於開曼群島的有限公司，其股份於聯交所主板上市
董事	本公司之董事
電子貨架標籤	電子貨架標籤
FVTPL	通過損益以反映公平價值的財務資產
本集團	本公司及其附屬公司
香港會計準則	香港會計準則
港元	香港元
香港財務報告準則	香港財務報告準則，或香港會計準則及香港財務報告準則的統稱
香港	香港特別行政區
IC	集成電路晶片
LCD	液晶顯示器
上市規則	聯交所證券上市規則
MIPI	移動行業處理器界面
標準守則	上市規則附錄10所載之上市發行人董事進行證券交易的標準守則
OLED	有機發光二極體
PMOLED	被動矩陣有機發光二極體
中國	中華人民共和國，就本報告而言，不包括香港及澳門特別行政區
工程研發	產品設計、開發及工程
銷售及分銷	銷售及分銷
SFO	證券及期貨條例
聯交所	香港聯合交易所有限公司
TDDI	觸控與顯示驅動器集成
TFT	薄膜電晶體
超高清	超高清 (Ultra-HighDefinition/UHD) 是一種顯示解像度的標準，解像度為3840x2160像素 (8.3百萬像素；4K)
美國	美利堅合眾國
美元	美國元

# CORPORATE AND SHAREHOLDER INFORMATION

## 公司及股東資料

### Financial Calendar

#### Financial Year End

31 December

#### Announcement of Interim Results

18 August 2020

### Share Listing

#### Listing Venue and Date

Main Board of The Stock Exchange of Hong Kong Limited  
8 April 2004

#### HKSE Stock Code

2878

#### Board Lot

2,000 shares

#### Trading Currency

HKD

#### Issued Shares

2,480,252,351 (as at 30 June 2020)

### Principal Share Registrar and Transfer Agent

Tricor Services (Cayman Islands) Limited  
Second Floor, Century Yard,  
Cricket Square, P.O. Box 902  
Grand Cayman KY1-1103  
Cayman Islands

### Hong Kong Branch Share Registrar

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185  
Website: [www.tricoris.com](http://www.tricoris.com)

### Independent Auditor

Ernst & Young

### Solicitors

Reed Smith Richards Butler

### 財務日誌

#### 財政年度結算日

12月31日

#### 公佈中期業績

2020年8月18日

### 股份上市資料

#### 上市地點及日期

香港聯合交易所有限公司主板  
2004年4月8日

#### 香港股份編號

2878

#### 買賣單位

2,000股

#### 交易貨幣

港元

#### 已發行股份

2,480,252,351 (於2020年6月30日)

### 股份過戶登記總處

Tricor Services (Cayman Islands) Limited  
Second Floor, Century Yard,  
Cricket Square, P.O. Box 902  
Grand Cayman KY1-1103  
開曼群島

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心54樓  
電話：(852) 2980 1333  
傳真：(852) 2810 8185  
網址：[www.tricoris.com](http://www.tricoris.com)

### 獨立核數師

安永會計師事務所

### 法律顧問

禮德齊伯禮律師行



## Board Members

### Executive Directors

Mr. Wang Wah Chi, Raymond (*Chief Executive Officer*)  
Mr. Lo Wai Ming

### Non-executive Directors

Mr. Ma Yuchuan (*Chairman*)  
Dr. Li Jun  
Mr. Yu Jian

### Independent Non-executive Directors

Mr. Leung Heung Ying  
Mr. Sheu Wei Fu  
Mr. Yiu Tin Chong, Joseph

## Authorized Representatives

Mr. Wang Wah Chi, Raymond  
Mr. Cheung Chi Wah, Patrick

## Company Secretary & Qualified Accountant

Mr. Cheung Chi Wah, Patrick  
CPA

## Corporate Communications/Investor Relations

Ms. Carol Hui  
Corporate Communications Manager  
Tel: (852) 2207 1672  
Fax: (852) 2207 1372  
Email: [carolhui@solomon-systech.com](mailto:carolhui@solomon-systech.com)

## Principal Office

6/F., No.3 Science Park East Avenue  
Hong Kong Science Park  
Shatin, New Territories  
Hong Kong  
Tel: (852) 2207 1111  
Fax: (852) 2267 0800

## Website

[www.solomon-systech.com](http://www.solomon-systech.com)

## 董事成員

### 執行董事

王華志先生 (*行政總裁*)  
盧偉明先生

### 非執行董事

馬玉川先生 (*主席*)  
李峻博士  
虞儉先生

### 獨立非執行董事

梁享英先生  
許維夫先生  
姚天從先生

## 授權代表

王華志先生  
張志華先生

## 公司秘書及合資格會計師

張志華先生  
CPA

## 企業傳訊／投資者關係

許嘉露女士  
企業傳訊經理  
電話：(852) 2207 1672  
傳真：(852) 2207 1372  
電郵： [carolhui@solomon-systech.com](mailto:carolhui@solomon-systech.com)

## 總辦事處

香港  
新界沙田  
香港科學園  
科技大道東3號6樓  
電話：(852) 2207 1111  
傳真：(852) 2267 0800

## 網址

[www.solomon-systech.com](http://www.solomon-systech.com)

This 2020 Interim Report (bilingual version in English and Chinese) has been posted on the Company's website at [www.solomon-systech.com](http://www.solomon-systech.com).

Shareholders who have chosen to receive the Company's corporate communications (including but not limited to annual reports, summary financial reports (where applicable), interim reports, summary interim reports (where applicable), notices of meeting, listing documents, circulars and proxy forms) via the Company's website and for any reason have difficulty in gaining access to the Interim Report posted on the Company's website will promptly upon request be sent by post the Interim Report in printed form free of charge.

**Shareholders may at any time change their choice of means of receipt of the Company's corporate communications.**

Shareholders may request for printed copy of the Interim Report or change their choice of means of receipt of the Corporate Communications by sending reasonable notice in writing to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong or by sending an email to [solomon2878-ecom@hk.tricorglobal.com](mailto:solomon2878-ecom@hk.tricorglobal.com).

本2020年中期報告的中英文雙語合併本已登載於本公司網站[www.solomon-systech.com](http://www.solomon-systech.com)。

選擇透過本公司網站收取本公司的公司通訊(其中包括但不限於年報、財務摘要報告(如適用)、中期報告、中期摘要報告(如適用)、會議通告、上市文件、通函及代表委任表格),及因任何理由以致在接收載於本公司網站的中期報告上出現困難的股東,可即時要求以郵寄方式獲免費發送中期報告的印刷本。

**股東可隨時更改收取本公司的公司通訊方式。**

股東可在給予本公司合理時間的書面通知,要求索取中期報告的印刷本或更改收取本公司之公司通訊的方式,該書面通知應交予本公司之香港股份過戶登記分處—卓佳證券登記有限公司,地址為香港皇后大道東183號合和中心54樓,或將該通知電郵至[solomon2878-ecom@hk.tricorglobal.com](mailto:solomon2878-ecom@hk.tricorglobal.com)。



[www.solomon-systech.com](http://www.solomon-systech.com)



## Solomon Systech (International) Limited

6/F., No.3 Science Park East Avenue  
Hong Kong Science Park  
Shatin, New Territories, Hong Kong  
Tel: (852) 2207 1111 Fax: (852) 2267 0800  
www.solomon-systech.com

香港新界沙田  
香港科學園  
科技大道東3號6樓  
電話：(852) 2207 1111 傳真：(852) 2267 0800

