

The logo for CEC (China Electronics) is displayed in a bold, blue, sans-serif font.

华大科技

HUADA TECHNOLOGY

China Electronics

Huada Technology Company Limited

中國電子華大科技有限公司

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

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

(Stock Code 股份代號: 00085)

Interim Report 中期報告

2021

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CORPORATE INFORMATION

Board of Directors

Non-executive Directors

Xu Haidong (*Chairman*)
Liu Jinmei

Executive Directors

Liu Hongzhou (*Deputy Chairman and
Managing Director*)
Chang Feng

Independent Non-executive Directors

Chan Kay Cheung
Qiu Hongsheng
Chow Chan Lum

Audit Committee

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

Remuneration and Nomination Committee

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

Company Secretary

Ng Kui Kwan

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Office in Hong Kong

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

公司資料

董事會

非執行董事

許海東 (*主席*)
劉勁梅

執行董事

劉紅洲 (*副主席及董事總經理*)

常峰

獨立非執行董事

陳棋昌
邱洪生
鄒燦林

審核委員會

陳棋昌 (*主席*)
邱洪生
鄒燦林

薪酬及提名委員會

邱洪生 (*主席*)
陳棋昌
鄒燦林
劉勁梅

公司秘書

伍舉鈞

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港主要辦事處

香港
灣仔
港灣道26號
華潤大廈
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CORPORATE INFORMATION

Investor Relations

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Stock Code

00085

Principal Bankers

Bank of Beijing Co., Ltd
Bank of China (Hong Kong) Limited
China Construction Bank Corporation
China Merchants Bank Shenzhen Branch
Industrial Bank Co., Ltd. Shenzhen Branch

Principal Share Registrar

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

Hong Kong Branch Share Registrar and Transfer Office

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

Independent Auditor

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

Legal Advisor

Freshfields Bruckhaus Deringer

公司資料

投資者關係聯絡

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股份代號

00085

主要往來銀行

北京銀行股份有限公司
中國銀行(香港)有限公司
中國建設銀行股份有限公司
招商銀行股份有限公司深圳分行
興業銀行股份有限公司深圳分行

股份登記總處

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

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
皇后大道東183號
合和中心54樓

獨立核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師

法律顧問

富而德律師事務所

The board of directors (the “Board”) of China Electronics Huada Technology Company Limited (the “Company”) hereby presents the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2021 as follows:

中國電子華大科技有限公司(「本公司」)董事會(「董事會」)謹此呈報本公司及其附屬公司(「本集團」)截至2021年6月30日止六個月的未經審核簡明綜合業績如下：

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
	Note 附註		
Revenue	4	836,761	716,443
Cost of sales		(581,909)	(462,669)
Gross profit		254,852	253,774
Other income	5	13,490	14,304
Selling and marketing costs		(42,798)	(38,101)
Administrative expenses		(156,249)	(136,555)
Net reversal of impairment losses/ (impairment losses) on trade and other receivables		7,159	(7,714)
Operating profit		76,454	85,708
Finance income	6	1,406	1,848
Finance costs	6	(14,281)	(49,161)
Finance costs – net	6	(12,875)	(47,313)
Share of results of associates		(36)	38,229
Profit before taxation	7	63,543	76,624
Taxation	8	(4,498)	(7,863)
Profit for the period		59,045	68,761
Profit for the period attributable to:			
Owners of the Company		59,256	67,547
Non-controlling interests		(211)	1,214
		59,045	68,761
		HK cents	HK cents
		港仙	港仙
Basic earnings per share	10	2.92	3.33

**CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME**

綜合全面收益表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Profit for the period	期內溢利	59,045	68,761
Other comprehensive income for the period, net of taxation:	期內扣除稅項後的其他全面收益：		
Items that may be subsequently reclassified to profit or loss:	期後可能重分類至溢利或虧損的項目：		
Exchange differences on translation of financial statements	換算財務報表的匯兌差額	17,085	(40,650)
Items that will not be subsequently reclassified to profit or loss:	期後不能重分類至溢利或虧損的項目：		
Exchange differences on translation of financial statements of the Company	換算本公司財務報表的匯兌差額	(4,760)	-
Total comprehensive income for the period	期內全面收益總額	71,370	28,111
Total comprehensive income for the period attributable to:	期內全面收益總額歸屬於：		
Owners of the Company	本公司權益持有者	71,531	26,593
Non-controlling interests	非控股權益	(161)	1,518
		71,370	28,111

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

			30 June 2021	31 December 2020
			2021年6月30日	2020年12月31日
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	44,262	43,784
Right-of-use assets	使用權資產	11	64,256	63,059
Investment properties	投資物業		52,424	51,494
Intangible assets	無形資產		30,901	35,849
Investment in associates	於聯營公司投資		16,083	15,936
Trade and other receivables	貿易及其他應收款項	12	1,646	1,627
Deferred tax assets	遞延稅項資產		49,124	50,615
			258,696	262,364
Current assets	流動資產			
Inventories	存貨		504,372	500,110
Trade and other receivables	貿易及其他應收款項	12	802,978	542,355
Financial assets at fair value through profit or loss	按公允值計入損益 金融資產		10,578	15,403
Short-term deposits	短期存款		324,488	715,368
Cash and cash equivalents	現金及現金等價物		729,296	465,411
Restricted cash	受限制現金		-	61,228
			2,371,712	2,299,875
Total assets	資產總額		2,630,408	2,562,239

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		30 June 2021 2021年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2020 2020年12月31日 (Audited) (經審核) HK\$'000 千港元
EQUITY AND LIABILITIES	權益及負債		
Equity attributable to owners of the Company	本公司權益持有者 應佔權益		
Share capital and premium	股本及溢價	225,454	825,454
Reserves	儲備	(427,997)	(651,237)
Retained earnings	保留溢利	1,362,633	914,342
		1,160,090	1,088,559
Non-controlling interests	非控股權益	23,650	23,811
Total equity	權益總額	1,183,740	1,112,370
Liabilities	負債		
Non-current liabilities	非流動負債		
Lease liabilities	租賃負債	36,624	37,935
Trade and other payables	貿易及其他應付款項	–	15,936
Deferred tax liabilities	遞延稅項負債	11,365	12,474
		47,989	66,345
Current liabilities	流動負債		
Deferred government grants	遞延政府補助	56,886	58,454
Contract liabilities	合約負債	9,304	11,760
Trade and other payables	貿易及其他應付款項	632,403	559,125
Bank and other borrowings	銀行及其他借貸	660,994	712,300
Lease liabilities	租賃負債	39,017	29,132
Income tax payable	應付所得稅款項	75	12,753
		1,398,679	1,383,524
Total liabilities	負債總額	1,446,668	1,449,869
Total equity and liabilities	權益及負債總額	2,630,408	2,562,239

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

		Unaudited 未經審核						
		Attributable to owners of the Company 本公司權益持有者應佔						
		Share capital	Share premium	Reserves	Retained earnings	Total	Non- controlling interests 非控股 權益	Total equity 權益總額
		股本	股份溢價	儲備	保留溢利	總額	權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2020	於2020年1月1日	20,299	805,155	(750,876)	1,962,131	2,036,709	20,057	2,056,766
Total comprehensive income	全面收益總額	-	-	(40,954)	67,547	26,593	1,518	28,111
Dividend	股息	-	-	-	(46,687)	(46,687)	-	(46,687)
At 30 June 2020	於2020年6月30日	20,299	805,155	(791,830)	1,982,991	2,016,615	21,575	2,038,190
At 1 January 2021	於2021年1月1日	20,299	805,155	(651,237)	914,342	1,088,559	23,811	1,112,370
Total comprehensive income	全面收益總額	-	-	12,275	59,256	71,531	(161)	71,370
Transfer of share premium to contributed surplus	轉撥股份溢價至實繳盈餘	-	(600,000)	600,000	-	-	-	-
Elimination of accumulated losses of the Company	撥銷本公司累計虧損	-	-	(389,035)	389,035	-	-	-
At 30 June 2021	於2021年6月30日	20,299	205,155	(427,997)	1,362,633	1,160,090	23,650	1,183,740

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Cash flows from operating activities	營運活動之現金流量		
Cash flows used in operations	營運所用之現金流量	(101,424)	(138,839)
Interest paid	支付利息	(20,424)	(50,704)
Income tax paid	支付所得稅	(16,794)	(12,646)
Net cash flows used in operating activities	營運活動所用之現金流量淨額	(138,642)	(202,189)
Cash flows from investing activities	投資活動之現金流量		
Interest received	收取利息	10,755	4,448
Purchase of property, plant and equipment and intangible assets	購買物業、廠房及設備和無形資產	(15,146)	(15,593)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公允值計入損益金融資產所得款項	5,170	-
Decrease in short-term deposits	短期存款減少	390,880	191,842
Proceeds from disposal of property, plant and equipment	處置物業、廠房及設備所得款項	55	29
Net cash flows generated from investing activities	投資活動產生之現金流量淨額	391,714	180,726

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2021	2020
		2021年	2020年
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from financing activities	融資活動之現金流量		
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	-	275,083
Repayment of bank and other borrowings	償還銀行及其他借貸	(51,306)	(110,254)
Decrease/(increase) in restricted cash	受限制現金減少/(增加)	61,228	(54,740)
Principal portion of lease payments	租賃付款本金部份	(7,574)	(5,075)
Net cash flows generated from financing activities	融資活動產生之現金流量淨額	2,348	105,014
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	255,420	83,551
Effect of exchange rate changes	匯率變動之影響	8,465	(1,135)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	465,411	350,219
Cash and cash equivalents at end of the period	期末之現金及現金等價物	729,296	432,635

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

1 Basis of preparation

Compliance with HKFRSs, HKASs, Interpretations and Listing Rules

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

The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2020, which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants.

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

1 編製基準

符合香港財務報告準則，香港會計準則， 詮釋及上市規則

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

簡明綜合中期財務報表應連同根據香港會計師公會頒佈之所有適用的香港財務報告準則（「香港財務報告準則」），香港會計準則（「香港會計準則」）及詮釋而編製之本集團截至2020年12月31日止年度之綜合財務報表一併閱讀。

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2 Principal accounting policies

Except for the adoption for the first time of all the new or amended HKFRSs and HKASs, and Interpretations issued by the Hong Kong Institute of Certified Public Accountants that are relevant to the Group's operations and effective for the accounting period beginning on 1 January 2021, the accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those adopted in the consolidated financial statements of the Group for the year ended 31 December 2020.

The adoptions of these new or amended standards and interpretations had no material effect on the results and financial position of the Group and/or disclosures set out in the condensed consolidated interim financial statements.

3 Financial risk management

3.1 Financial risk factors

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

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in a complete set of financial statements which have been prepared in accordance with HKFRSs, HKASs and Interpretations, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2020.

There have been no significant changes in the financial risk management policies since 31 December 2020.

簡明綜合中期財務報表附註

2 主要會計政策

除首次採納香港會計師公會所頒佈之所有與本集團業務相關及於2021年1月1日開始之會計期間生效之新訂或經修訂之香港財務報告準則和香港會計準則，及詮釋外，編製簡明綜合中期財務報表所採納之會計政策與編製本集團截至2020年12月31日止年度綜合財務報表所採納者一致。

採納該等新訂或經修訂之準則及詮釋，對本集團之業績及財務狀況及／或於簡明綜合中期財務報表所載之披露並無重大影響。

3 財務風險管理

3.1 財務風險因素

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

簡明綜合中期財務報表並不包括一份根據香港財務報告準則、香港會計準則及詮釋編製之完整財務報表應有的所有財務風險管理資料及披露，並應與本集團截至2020年12月31日止年度之綜合財務報表一併閱讀。

自2020年12月31日以來，財務風險管理政策並無重大變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3 財務風險管理 (續)

3.2 Liquidity risk

3.2 流動資金風險

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

本集團於報告期末的金融負債到期情況(根據合約的未折現現金流量計算)如下:

		30 June 2021 2021年6月30日			
		More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	
		一年以上但 不超過二年	二年以上 但不超過五年	總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank and other borrowings	銀行及其他借貸	668,645	-	-	668,645
Lease liabilities	租賃負債	39,946	24,589	13,236	77,771
Trade and other payables (excluding salary and welfare payables and other taxes payables)	貿易及其他應付款項 (不包括應付薪酬 和福利及其他 應付稅項)	573,502	-	-	573,502
		1,282,093	24,589	13,236	1,319,918

		31 December 2020 2020年12月31日			
		More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	
		一年以上但 不超過二年	二年以上 但不超過五年	總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank and other borrowings	銀行及其他借貸	732,122	-	-	732,122
Lease liabilities	租賃負債	31,835	21,748	18,915	72,498
Trade and other payables (excluding salary and welfare payables and other taxes payables)	貿易及其他應付款項 (不包括應付薪酬 和福利及其他 應付稅項)	496,064	-	15,936	512,000
		1,260,021	21,748	34,851	1,316,620

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3 財務風險管理 (續)

3.3 Fair value estimation

3.3 公允值估計

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

期內以公允值計量之金融資產之變動如下：

Wealth management products	財富管理產品	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Unaudited	未經審核				
At 1 January 2021	於2021年1月1日	-	10,368	5,035	15,403
Exchange differences	匯兌差額	-	119	50	169
Changes in fair value	公允值變動	-	91	85	176
Disposals	出售	-	-	(5,170)	(5,170)
At 30 June 2021	於2021年6月30日	-	10,578	-	10,578
Audited	經審核				
At 1 January 2020	於2020年1月1日	-	9,515	4,627	14,142
Exchange differences	匯兌差額	-	625	304	929
Changes in fair value	公允值變動	-	228	104	332
At 31 December 2020	於2020年12月31日	-	10,368	5,035	15,403

The investments at 30 June 2021 represent investments in certain wealth management products issued by commercial banks in the People's Republic of China (the "PRC"). These wealth management products are principal protected and with non-guaranteed return. They are denominated in Renminbi ("RMB" or "Renminbi") and can be redeemed either at any time or at certain time within three months. The fair values of these investments were determined with reference to either the statements provided by the commercial banks or the discounted cash flow method.

於2021年6月30日的投資乃指投資於中華人民共和國(「中國」)商業銀行發行的若干財富管理產品。該等財富管理產品乃為保本及非保證回報，並以人民幣(「人民幣」)計值及可於任何時間或三個月內的若干時間贖回。該等投資的公允值乃經參考商業銀行所提供的對賬單或折現現金流量法而釐定。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3 財務風險管理(續)

3.3 Fair value estimation (Continued)

3.3 公允價值估計(續)

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

期內以公允價值計量之投資物業之變動如下：

Investment properties	投資物業	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Unaudited	未經審核				
At 1 January 2021	於2021年1月1日	-	-	51,494	51,494
Exchange differences	匯兌差額	-	-	592	592
Changes in fair value	公允價值變動	-	-	338	338
At 30 June 2021	於2021年6月30日	-	-	52,424	52,424
Audited	經審核				
At 1 January 2020	於2020年1月1日	-	-	48,291	48,291
Exchange differences	匯兌差額	-	-	3,113	3,113
Changes in fair value	公允價值變動	-	-	90	90
At 31 December 2020	於2020年12月31日	-	-	51,494	51,494

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

使用重大的難以觀察之數據作公允價值計量(第三級)的有關資料如下：

Description 詳情	Fair value at 30 June 2021 於2021年 6月30日 之公允價值 HK\$'000 千港元	Valuation technique(s) 估值方法	Unobservable inputs 難以觀察 之數據	Range of unobservable inputs/weighted average 難以觀察之 數據範圍/ 加權平均值	Relationship of unobservable inputs to fair value 難以觀察之數據 與公允價值 的關係
Office building and carparks – Beijing 寫字樓及車位—北京	52,424	Direct comparison method 直接比較法	Market price 市場價格	RMB31,401 per square metre 每平方米 人民幣31,401元	The higher the market price, the higher the fair value 市場價格越高， 公允價值越高

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

4 Revenue and segment information

4 收入及分部資料

(a) Revenue

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Sale of integrated circuit products	銷售集成電路產品	836,761	716,443

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

本集團所有的收入來自銷售貨品，乃按照貨品的控制權轉移至客戶的時間點確認。

(b) Segment information

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

(b) 分部資料

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

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

董事會認為本集團之業務以單一分部營運及管理，故並無披露分部資料。

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

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

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

5 Other income

5 其他收入

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Government grants	政府補助	2,650	6,633
Exchange gains	匯兌收益	–	544
Fair value gains on financial assets at fair value through profit or loss	按公允值計入損益 金融資產公允值收益	176	174
Interest income	利息收入	9,349	4,844
Rental income	租金收入	1,848	1,225
Others	其他	(533)	884
		13,490	14,304

6 Finance costs – net

6 融資成本–淨額

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Finance costs	融資成本		
– Interest expense on borrowings	– 借貸之利息支出	12,934	47,699
– Interest expense on lease liabilities	– 租賃負債之利息支出	1,347	1,462
		14,281	49,161
Finance income	融資收入		
– Interest income	– 利息收入	(1,406)	(1,848)
Finance costs – net	融資成本–淨額	12,875	47,313

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

7 Profit before taxation

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

Depreciation of property, plant and equipment	物業、廠房及設備折舊		
Depreciation of right-of-use assets	使用權資產折舊		
Amortisation of intangible assets (Reversal of provision)/ provision for inventories	無形資產攤銷 存貨(撥備撥回)/撥備		
Rental expenses for short-term leases and leases of low-value asset	短期租賃及低價值資產租賃租金開支		

7 除稅前溢利

本集團之除稅前溢利已扣除以下各項：

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

2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
4,843	5,508
11,076	12,757
12,291	3,470
(3,931)	8,871
5,487	5,334

Research and development costs recognised as expense and charged to administrative expenses for the six months ended 30 June 2021 were HK\$108,036,000 (2020: HK\$90,030,000), mainly comprised of employee costs of HK\$67,305,000 (2020: HK\$51,452,000) and material costs of HK\$12,140,000 (2020: HK\$16,514,000). No research and development costs were capitalised during the six months ended 30 June 2021 (2020: nil). For the six months ended 30 June 2021, reversal of provision for inventories of HK\$3,931,000 (2020: provision for inventories of HK\$8,871,000) has been credited to/charged to cost of sales.

截至2021年6月30日止六個月確認為開支並計入行政開支的研究及開發成本為108,036,000港元(2020年: 90,030,000港元); 主要包括僱員成本67,305,000港元(2020年: 51,452,000港元)及材料成本12,140,000港元(2020年: 16,514,000港元)。於截至2021年6月30日止六個月內,並無研究及開發成本予以資本化(2020年:無)。截至2021年6月30日止六個月,為數3,931,000港元存貨撥備撥回(2020年: 8,871,000港元存貨撥備)已抵免/計入銷售成本。

8 Taxation

Current taxation	本期間稅項		
- PRC corporate income tax	- 中國企業所得稅		
- Withholding tax on distributed profits (Note (c))	- 已分配溢利之預扣所得稅(附註(c))		
Deferred taxation	遞延稅項		
- PRC corporate income tax	- 中國企業所得稅		
- Withholding tax on undistributed profits (Note (c))	- 未分配溢利之預扣所得稅(附註(c))		

8 稅項

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

2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
(135)	7,473
3,815	5,113
3,680	12,586
1,991	(2,637)
(1,173)	(2,086)
818	(4,723)
4,498	7,863

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

8 Taxation (Continued)

- (a) No provision for Hong Kong profits tax had been made as the Group did not generate any assessable profit in Hong Kong for the six months ended 30 June 2021 (2020: nil).
- (b) In accordance with the regulations of the corporate income tax laws of the PRC, the applicable statutory tax rate of CEC Huada Electronic Design Co., Ltd (“Huada Electronics”) and Shanghai Huahong Integrated Circuit Co., Ltd (“Huahong”) is 25%. However, Huada Electronics and Huahong qualify as an “Integrated Circuit Design Enterprises in National Planning Layout” for the year ending 31 December 2021 and thus enjoy a 10% preferential tax rate (2020: 10% preferential tax rate).
- (c) According to the relevant regulations of the corporate income tax laws of the PRC, when a foreign investment enterprise in the PRC distributes dividends out of the profits earned from 1 January 2008 onwards to its overseas investors, such dividends are subject to withholding tax at a rate of 10%.

9 Dividend

The Board has resolved not to declare any dividend for the six months ended 30 June 2021 (2020: nil).

8 稅項(續)

- (a) 由於本集團於截至2021年6月30日止六個月於香港並無產生任何應課稅溢利，故並無就香港利得稅作出撥備(2020年：無)。
- (b) 根據中國企業所得稅法的規定，北京中電華大電子設計有限責任公司(「華大電子」)及上海華虹集成電路有限責任公司(「華虹」)之適用法定稅率為25%。然而，截至2021年12月31日止年度華大電子及華虹獲得「國家規劃佈局內集成電路設計企業」資格，因此享受10%之優惠稅率(2020年：10%之優惠稅率)。
- (c) 根據中國企業所得稅法的有關規定，中國境內之外商投資企業以股息向其境外投資者分配自2008年1月1日起產生的溢利，該等股息須繳納10%的預扣所得稅。

9 股息

董事會已決議就截至2021年6月30日止六個月不派付任何股息(2020年：無)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

10 Earnings per share

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

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

10 每股盈利

每股基本盈利乃根據下列數據計算：

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

2021 2021年	2020 2020年
59,256	67,547
2,029,872,000	2,029,872,000
2.92	3.33

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

由於本公司並無任何未發行潛在攤薄性普通股，故並無披露每股攤薄盈利。

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

During the six months ended 30 June 2021, the Group acquired property, plant and equipment for considerations of HK\$8,215,000 (2020: HK\$648,000), and disposed of certain of its property, plant and equipment for considerations of HK\$98,000 (2020: HK\$39,000).

During the six months ended 30 June 2021, the Group recognised right-of-use assets for leasing of office buildings of HK\$11,565,000 (2020: HK\$29,322,000).

11 物業、廠房及設備和使用權資產

於截至2021年6月30日止六個月內，本集團以對價8,215,000港元(2020年：648,000港元)添置物業、廠房及設備，及以對價98,000港元(2020年：39,000港元)處置其若干物業、廠房及設備。

於截至2021年6月30日止六個月內，本集團就租用辦公樓確認11,565,000港元(2020年：29,322,000港元)使用權資產。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

12 Trade and other receivables

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

		30 June 2021 2021年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2020 2020年12月31日 (Audited) (經審核) HK\$'000 千港元
Current to 30 days	30日內	406,543	114,637
31-60 days	31日至60日	95,911	71,648
61-180 days	61日至180日	239,116	250,734
Over 180 days and within 1 year	180日以上及1年內	15,776	49,245
Over 1 year	1年以上	4,987	21,652
		762,333	507,916

12 貿易及其他應收款項

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

13 Trade and other payables

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

		30 June 2021 2021年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2020 2020年12月31日 (Audited) (經審核) HK\$'000 千港元
Current to 30 days	30日內	134,427	138,695
31-60 days	31日至60日	131,795	62,257
Over 60 days	60日以上	33,258	83,152
		299,480	284,104

13 貿易及其他應付款項

本集團貿易應付款項的賬齡分析如下：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

14 Contingent liabilities

The Group did not have any material contingent liability at 30 June 2021 (31 December 2020: nil).

14 或有負債

於2021年6月30日，本集團並無任何重大或有負債（2020年12月31日：無）。

15 Related party transactions and balances

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

15 關聯方交易及結餘

於期內本集團於日常業務過程中與關聯方進行了下列各項重大交易：

(a) Significant transactions with related parties

(a) 與關聯方之重大交易

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
China Electronics Corporation Limited ("CEC")	中國電子信息產業集團有限公司（「中國電子集團」）		
Interest expenses	利息支出	1,411	1,463
Guarantee fee	擔保費	1,560	5,513
Companies under common control of CEC	受中國電子集團共同控制之公司		
Sale of products	銷售產品	67,623	51,091
Purchase of goods and services	採購貨品及服務	63,881	69,403
Interest income	利息收入	8,903	5,908
Rental income	租金收入	1,318	1,225
Property management fee	物業管理費	2,664	2,657
Additions of right-of-use assets	新增使用權資產	11,565	29,322
Maximum daily balance of financial assistances provided to the Group	向本集團提供財務資助之最高每日結餘	68,690	89,943
Maximum daily balance of deposits (together with interests accrued thereon) placed by the Group	本集團存放之存款之最高每日結餘（包括所產生之利息）	979,710	649,578
Associate	聯營公司		
Purchase of goods and services	採購貨品及服務	6,022	2,670

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

15 Related party transactions and balances (Continued)

15 關聯方交易及結餘(續)

(b) Significant balances with related parties

(b) 與關聯方之重大結餘

		30 June 2021 2021年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2020 2020年12月31日 (Audited) (經審核) HK\$'000 千港元
CEC	中國電子集團		
Other payables	其他應付款項	3,605	-
Borrowings	借貸	72,108	71,289
Companies under common control of CEC	受中國電子集團 共同控制之公司		
Trade receivables	貿易應收款項	71,793	58,736
Other receivables	其他應收款項	4,076	8,856
Cash and deposits	現金及存款	783,519	967,246
Contract liabilities	合約負債	3,690	3,648
Trade payables	貿易應付款項	43,276	16,197
Other payables	其他應付款項	5,124	7,216
Associate	聯營公司		
Trade payables	貿易應付款項	1,806	1,109

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

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

(c) Key management compensation

(c) 主要管理人員酬金

		Unaudited 未經審核 Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	2,685	3,887
Contributions to retirement schemes	退休計劃供款	396	353
		3,081	4,240

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



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

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

Introduction

We have reviewed the interim financial information set out on pages 4 to 23, which comprises the consolidated statement of financial position of China Electronics Huada Technology Company Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2021 and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

中期財務資料 審閱報告

羅兵咸永道

致中國電子華大科技有限公司董事會

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

引言

本核數師(以下簡稱「我們」)已審閱列載於第4至23頁的中期財務資料。此中期財務資料包括中國電子華大科技有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)於2021年6月30日的綜合財務狀況表與截至該日止六個月期間的綜合損益表、綜合全面收益表、簡明綜合權益變動表和綜合現金流量表,以及主要會計政策概要和其他附註解釋。香港聯合交易所有限公司證券上市規則規定,就中期財務資料擬備的報告必須符合以上規則的有關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計準則第34號「中期財務報告」擬備及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論,並僅按照我們協定的業務約定條款向閣下(作為整體)報告我們的結論,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

Scope of Review

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

Conclusion

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 23 August 2021

審閱範圍

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

結論

按照我們的審閱，我們並無發現任何事項，令我們相信貴集團的中期財務資料未有在各重大方面根據香港會計準則第34號「中期財務報告」擬備。

羅兵咸永道會計師事務所
執業會計師

香港，2021年8月23日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

Results overview

Revenue of the Group for the six months ended 30 June 2021 amounted to HK\$836.8 million, representing an increase of 16.8% when comparing with the corresponding period of last year. Profit attributable to owners of the Company amounted to HK\$59.3 million, representing a decrease of 12.3% when comparing with the corresponding period of last year. The basic earnings per share was HK2.92 cents (2020: HK3.33 cents).

Integrated circuits design operation

The Group's integrated circuits design operation comprises the design of security smart card chips and the development of application system. Currently, the Group's products are mainly used in the sectors of identity authentication, financial payment, government utilities and telecommunication. For the six months ended 30 June 2021, the Group obtained 18 new patents, registered 1 new software copyright and 1 new integrated circuits layout design.

業務回顧

業績概述

本集團截至2021年6月30日止六個月之收入為836.8百萬港元，較去年同期上升16.8%。本公司權益持有者應佔溢利為59.3百萬港元，較去年同期下降12.3%。每股基本盈利為2.92港仙（2020年：3.33港仙）。

集成電路設計業務

本集團之集成電路設計業務涵蓋智能卡及安全芯片之設計及應用系統開發。目前，本集團之產品主要覆蓋身份識別、金融支付、政府公共事業及電信應用領域。截至2021年6月30日止六個月，本集團新增授權專利18項、新登記1項軟件著作及新註冊1項集成電路佈圖設計。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

In the first half of 2021, with the easing of the COVID-19 pandemic in China, the market demand for some of the Group's major products rebounded when comparing with the corresponding period of last year. Among them, the market demand for domestic-made bank card chips continued to grow as the domestic-made bank card chips' market competitiveness further strengthened, and the sales volume of bank card chips increased when comparing with the corresponding period of last year. During the period, the market demand for third-generation social security cards grew as issuance of the third-generation social security cards had started on a large scale in various provinces/cities nationwide, and the sales volume of social security card chips increased slightly when comparing with the corresponding period of last year. The sales volume of identity authentication products decreased significantly when comparing with the corresponding period of last year due to a change in timing of demand. It is expected that the second half of the year will make up for the demand shortfall in the first half of the year. For the six months ended 30 June 2021, the Group's total sales volume increased by 19.1% when comparing with the corresponding period of last year. The Group's revenue for the six months ended 30 June 2021 was HK\$836.8 million, representing an increase of 16.8% when comparing with the corresponding period of last year.

業務回顧(續)

2021年上半年，隨著國內新型冠狀病毒疫情的緩解，本集團部分主要產品市場需求較去年同期有所回升。其中，國產金融卡芯片市場競爭力進一步加強，國產金融卡芯片的市場需求持續增長，金融卡芯片銷售量較去年同期有所增長。隨著新型冠狀病毒疫情的緩解，電信卡芯片市場需求回升，電信卡芯片銷售量較去年同期有所增長。期內第三代社會保障卡全國各省市均已開始規模發卡，市場需求增加，社會保障卡芯片銷售量較去年同期略有增長。身份識別產品因需求時間的改變，銷售量較去年同期大幅下降，預計下半年將彌補上半年出現的需求差。截至2021年6月30日止六個月，本集團總銷售量較去年同期增長了19.1%。本集團截至2021年6月30日止六個月的收入為836.8百萬港元，較去年同期上升16.8%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Overall gross profit margin for the six months ended 30 June 2021 was 30.5%, representing a decrease of 4.9 percentage points when comparing with the corresponding period of last year. The decrease was mainly due to the recorded growth in sales volume during the period was primarily from bank card chips and telecommunication card chips, and telecommunication card chips carry a lower gross profit margin, resulting in a decrease in overall gross profit margin when comparing with the corresponding period of last year.

Selling and marketing costs for the six months ended 30 June 2021 amounted to HK\$42.8 million (2020: HK\$38.1 million). The percentage of selling and marketing costs to revenue was 5.1% (2020: 5.3%). The Group continued to implement stringent cost control measures during the period.

Administrative expenses for the six months ended 30 June 2021 amounted to HK\$156.2 million, representing an increase of 14.4% when comparing with the corresponding period of last year. The percentage of administrative expenses to revenue was 18.7% (2020: 19.1%). The Group continued to implement stringent cost control measures during the period.

Research and development costs for the six months ended 30 June 2021 amounted to HK\$108.0 million (2020: HK\$90.0 million). The percentage of research and development costs to revenue was 12.9% (2020: 12.6%). Research and development of the Group during the period primarily focused on the research and development of security chip products, the continuous improvements in smart card product performance, research in application of security chips in the Internet of Things sector and the Internet of Vehicles sector, and the development of application systems and solutions, etc.

業務回顧(續)

截至2021年6月30日止六個月的整體毛利率為30.5%，較去年同期下降4.9個百分點，下降的主要因為期內銷售量取得增長的主要來自金融卡芯片和電信卡芯片，而電信卡芯片毛利率較低，使得整體毛利率較去年同期有所下降。

截至2021年6月30日止六個月的銷售及市場推廣成本為42.8百萬港元(2020年：38.1百萬港元)。銷售及市場推廣成本佔收入的百分比為5.1%(2020年：5.3%)。期內本集團繼續實施嚴格的成本控制措施。

截至2021年6月30日止六個月的行政開支為156.2百萬港元，較去年同期上升14.4%。行政開支佔收入的百分比為18.7%(2020年：19.1%)。期內本集團繼續實施嚴格的成本控制措施。

截至2021年6月30日止六個月的研究及開發成本為108.0百萬港元(2020年：90.0百萬港元)，研究及開發成本佔收入的百分比為12.9%(2020年：12.6%)。期內本集團研究及開發主要側重於安全芯片產品的研究和開發、智能卡產品性能的持續提升、應用於物聯網領域和車聯網領域的安全芯片研究以及應用系統和解決方案的開發等。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Outlook

Looking ahead, with the further implementation of the application of domestic integrated circuits and the application of the state cryptographic algorithm, as well as the commencement of the 5G application, the rapid development of the application markets for the Internet of Vehicles, Internet of Things, etc. boosting and raising the demand for information security, there will be market opportunities for the Group's business. Due to the continuing tight production capacity of semiconductors around the world, safeguarding production capacities will still be a challenge for the Group's operation in the second half of the year. The Group will continue to closely track domestic market demand, further strengthen close cooperation with suppliers, seize market opportunities and actively engage potential customers to ensure its leading position in the smart card chips sector and to perfect the layout and expansion of the Internet of Vehicles and Internet of Things markets.

Dividend

The Board has resolved not to declare any dividend for the six months ended 30 June 2021 (2020: nil).

Financial Review

The Group consistently employs a prudent treasury policy and generally finances its working capital and funding requirements through internal resources, and bank and other borrowings. At 30 June 2021, the Group had cash and cash equivalents amounted to HK\$729.3 million, of which 98.5% was denominated in Renminbi, 0.8% in United States dollars and 0.7% in Hong Kong dollars (31 December 2020: HK\$465.4 million, of which 95.3% was denominated in Renminbi, 2.9% in Hong Kong dollars and 1.8% in United States dollars).

業務回顧 (續)

展望

展望未來，隨著集成電路的國產化應用和國密算法應用的進一步實施，以及5G應用開始推進，車聯網和物聯網等應用市場的快速發展對信息安全需求的推動提升，將為本集團的業務帶來市場契機。受全球半導體產能持續緊張的影響，產能的保障仍是本集團下半年經營的挑戰。本集團將繼續緊密跟蹤國內市場需求、進一步加強與供應商的緊密合作，抓住市場契機，積極挖掘潛在客戶，確保在智能卡芯片領域的領先地位，並做好車聯網和物聯網市場的佈局和拓展。

股息

董事會已決議就截至2021年6月30日止六個月不派付任何股息（2020年：無）。

財務回顧

本集團一貫採用審慎的庫務政策及通常通過內部資源和銀行及其他借貸來滿足營運資金的需求。於2021年6月30日，本集團持有現金及現金等價物為729.3百萬港元，分別有98.5%以人民幣、0.8%以美元及0.7%以港元持有（2020年12月31日：465.4百萬港元，分別有95.3%以人民幣、2.9%以港元及1.8%以美元持有）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review (Continued)

At 30 June 2021, the Group had bank and other borrowings of HK\$661.0 million, all having a maturity period of within one year, and all were denominated in Renminbi (31 December 2020: HK\$712.3 million, all having a maturity period of within one year, and all were denominated in Renminbi). Among these borrowings, (i) all were unsecured (31 December 2020: HK\$58.8 million were secured by deposits of the Group and HK\$653.5 million were unsecured), and (ii) all were borrowed at fixed interest rates (31 December 2020: all were borrowed at fixed interest rates). At 30 June 2021, committed borrowing facilities available to the Group but not drawn amounted to HK\$953.1 million.

At 30 June 2021, the Group did not pledge any assets as collateral for its borrowings (31 December 2020: certain assets of the Group with an aggregate carrying value of HK\$59.4 million were pledged as collateral for borrowings of the Group).

The Group's revenue is mainly denominated in Renminbi and payments are denominated in Renminbi and Hong Kong dollars. The Group will make use of hedging contracts, when appropriate, to hedge the risk of foreign exchange fluctuation arising from its operations.

At 30 June 2021, the Group had net current assets of HK\$973.0 million (31 December 2020: HK\$916.4 million). The gearing ratio of the Group is calculated as net debt divided by total equity and net debt of the Group. At 30 June 2021 and 31 December 2020, the Group was in net cash position.

At 30 June 2021, the Group did not have any material outstanding capital commitment for the acquisition of fixed assets and intangible assets (31 December 2020: nil). The Group did not have any material contingent liability at 30 June 2021 (31 December 2020: nil).

財務回顧(續)

於2021年6月30日，本集團的銀行及其他借貸為661.0百萬港元，全數於一年內到期，及全數以人民幣計值（2020年12月31日：712.3百萬港元，全數於一年內到期，及全數以人民幣計值）。該等借貸中(i)全數為無抵押（2020年12月31日：為數58.8百萬港元乃以本集團之存款作抵押及653.5百萬港元為無抵押），及(ii)全數以固定利率借貸（2020年12月31日：全數以固定利率借貸）。於2021年6月30日，本集團尚未動用之已承諾借貸備用額為953.1百萬港元。

於2021年6月30日，本集團並無為其借貸抵押任何資產（2020年12月31日：本集團賬面總值59.4百萬港元的若干資產已作為本集團借貸的抵押品）。

本集團收入主要以人民幣結算而付款以人民幣及港元結算。本集團會於適時利用對沖合約對沖源自其業務的外匯波動風險。

於2021年6月30日，本集團流動資產淨值為973.0百萬港元（2020年12月31日：916.4百萬港元）。本集團資本負債比率以本集團的債務淨額除以權益總額及債務淨額計算。於2021年6月30日及2020年12月31日，本集團處於淨現金狀況。

於2021年6月30日，本集團就購買固定資產及無形資產並無任何重大尚未履行之資本承擔（2020年12月31日：無）。於2021年6月30日，本集團並無任何重大或有負債（2020年12月31日：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Employee and Remuneration Policies

At 30 June 2021, the Group had approximately 370 employees, the majority of whom were based in the PRC. Employee benefit expenses during the period were HK\$109.9 million.

The Group recognises the importance of high calibre and competent staff and has a strict recruitment policy and performance appraisal scheme. Remuneration policies are largely in line with industry practices, and are formulated on the basis of performance and experience and will be reviewed regularly. Bonuses and other merit payments are linked with the performance of the Group and of the individuals as incentive to optimise performance.

The Group's employee training is divided into three levels: corporate level, departmental level and individual level. The corporate level trainings focus mainly on cross-departmental and internal all-purpose trainings, such as new employee trainings, and quality and safety requirements trainings. Departmental level trainings focus mainly on enhancing knowledge and skills in departmental professional areas. Trainings for individuals act as a useful supplement to the above two.

僱員及薪酬政策

於2021年6月30日，本集團僱用約370名僱員，大部份於中國內地工作。期內僱員福利開支為109.9百萬港元。

本集團意識到優秀人才及能幹僱員的重要性，並備有嚴謹的招聘政策及工作表現評估計劃。僱員的薪酬政策與業內慣例大致相符，乃按表現及工作經驗為基準制訂並定期作出檢討。花紅及其他獎賞乃視乎本集團及個別僱員表現而釐定，以鼓勵僱員達致最佳表現。

本集團員工培訓分為公司級、部門級及個人三級。公司級培訓側重於跨部門、內部通用性培訓，如新員工培訓和質量及安全要求培訓，部門級培訓側重於知識技能提升培訓，在部門專業方向上實施，個人培訓作為前兩者的有益補充。

OTHER INFORMATION

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

At 30 June 2021, Ms. Liu Jinmei, a non-executive director of the Company, was interested in 197,250 shares of the Company (long position) (representing 0.01% of the issued share capital of the Company). Save as disclosed herein, none of the directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Directors' Rights to Acquire Shares or Debentures

At no time during the six months ended 30 June 2021 was the Company, its holding companies or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company or their respective close associates (as defined under the Listing Rules) to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

其他資料

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於2021年6月30日，劉勁梅女士（本公司非執行董事）持有197,250股本公司股份好倉權益（佔本公司已發行股本0.01%之股份）。除本文所披露者外，概無本公司董事及最高行政人員於本公司或本公司任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中持有任何須記錄於本公司根據證券及期貨條例第352條備存之登記冊內之權益或淡倉，或根據上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯合交易所有限公司之權益或淡倉。

董事購買股份或債券之權利

於截至2021年6月30日止六個月內，本公司、其控股公司或其任何附屬公司或同系附屬公司並無訂立任何使本公司董事或彼等各自之緊密聯繫人（定義見上市規則）可藉着購入本公司或任何其他法人團體之股份或債券而獲益之安排。

OTHER INFORMATION

其他資料

Shareholders with Notifiable Interests

At 30 June 2021, the register maintained by the Company pursuant to Section 336 of the SFO showed that the following persons (other than the directors or chief executive of the Company) had notified the Company that they had an interest of 5% or more in the issued share capital of the Company:

擁有須申報權益之股東

於2021年6月30日，根據證券及期貨條例第336條本公司須備存之登記冊所示，下列人士（本公司董事或最高行政人員除外）已知會本公司彼等持有本公司已發行股本5%或以上之權益：

Name of interested party	持有權益者名稱	Number of shares held or attributable 持有或應佔 股份數目	Percentage of shareholding 持股百分比
China Electronics Corporation (BVI) Holdings Company Limited ("CEC (BVI)")	China Electronics Corporation (BVI) Holdings Company Limited (「CEC (BVI)」)	812,500,000	40.03%
Huada Semiconductor Co., Ltd ("Huada Semiconductor") (Note 1)	華大半導體有限公司 (「華大半導體」) (附註1)	1,206,180,000	59.42%
CEC (Note 2)	中國電子集團(附註2)	1,206,180,000	59.42%

Notes:

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

附註：

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

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

所有上述所披露之權益均為本公司股份之好倉。

Save as disclosed above, at 30 June 2021, the Company had not been notified of any other interest or short position in the shares or underlying shares of the Company which were required to be recorded in the register required to be kept under Section 336 of the SFO.

除上文披露者外，於2021年6月30日，本公司並未獲知會有任何其他人士持有本公司股份或相關股份須記錄於根據證券及期貨條例第336條須備存之登記冊內之權益或淡倉。

OTHER INFORMATION

Specific Performance Obligation on Controlling Shareholder

In October 2020, the Company entered into a facility agreement (the “Facility Agreement”) with a bank (the “Lender”) for an uncommitted revolving loan in an aggregate amount of up to RMB300,000,000 (the “Facility”). The maturity date of the Facility is one year from the date of acceptance of the Facility Agreement. Pursuant to the terms of the Facility Agreement, it will constitute an event of default if CEC ceases to directly or indirectly own not less than 51% of the beneficial shareholding interest of the Company. If an event of default under the Facility Agreement has occurred, the Lender may declare that all of the Company’s obligations to the Lender shall become immediately due and payable. Details of the Facility and the Facility Agreement are set out in the announcement dated 22 October 2020.

Purchase, Sale or Redemption of Securities

Neither the Company nor any of its subsidiaries had purchased or sold any of the Company’s shares and the Company had not redeemed any of its shares during the six months ended 30 June 2021.

其他資料

控股股東之特定履行責任

於2020年10月，本公司與一間銀行（「貸款人」）就一項總額上限為人民幣300,000,000元的非承諾性的循環貸款（「該授信」）訂立授信協議（「該授信協議」）。該授信之到期日為該授信協議接受日期起計1年。根據該授信協議的條款，倘中國電子集團不再直接或間接持有本公司不少於51%的實際股權權益，其將構成違約事件。倘發生該授信協議項下的違約事件，貸款人可宣告本公司對貸款人的全部責任成為立即到期及應付。該授信及該授信協議的詳情載於日期為2020年10月22日之公告內。

購回、出售或贖回證券

於截至2021年6月30日止六個月內，本公司及其任何附屬公司並無購回或出售任何本公司之股份，且本公司亦無贖回其任何股份。

OTHER INFORMATION

其他資料

Corporate Governance Code

The Company is committed to achieving the best corporate governance practices by emphasising its accountability, transparency, independence, responsibility and fairness. The Company is dedicated to exercise corporate governance through regular reviews of its adopted practices with reference to the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules. The Company has complied with all the applicable code provisions in the CG Code throughout the six months ended 30 June 2021.

企業管治守則

本公司努力實踐最高水平的企業管治常規，尤其注重問責、透明、獨立、責任和公平方面。本公司認真執行企業管治，參考上市規則附錄14所載之企業管治守則（「企業管治守則」）定期檢討所採納的常規。本公司於截至2021年6月30日止六個月內已遵守企業管治守則內所有適用守則條文。

The Model Code for Securities Transactions by Directors

The Company has adopted the Model Code to regulate the directors’ securities transactions. All directors have confirmed, following specific enquiry by the Company, that they have fully complied with the Model Code throughout the six months ended 30 June 2021.

董事進行證券交易的標準守則

本公司已採納標準守則，以規管董事進行的證券交易。經本公司作出具體查詢後，所有董事均已確認，於截至2021年6月30日止六個月內，彼等均已全面遵守標準守則。

OTHER INFORMATION

Audit Committee

The audit committee of the Board has reviewed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2021.

Changes in Directors' Particulars

Changes in particulars of the directors of the Company since the date of the 2020 Annual Report required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

Mr. Qiu Hongsheng was appointed as an independent director of Valiant Co., Ltd (a company with its shares listing on the Shenzhen Stock Exchange) in April 2021, and ceased to be an independent director of GRINM Advanced Materials Co., Ltd (a company with its shares listing on the Shanghai Stock Exchange) in May 2021.

By Order of the Board

Xu Haidong
Chairman

Hong Kong, 23 August 2021

其他資料

審核委員會

董事會轄下的審核委員會已審閱本集團截至2021年6月30日止六個月之未經審核簡明綜合中期財務報表。

董事資料之變動

根據上市規則第13.51B(1)條須予披露的自2020年年報日期以來本公司董事資料變動列述如下：

邱洪生先生已於2021年4月獲委任為中節能萬潤股份有限公司(該公司股份於深圳證券交易所公開上市)獨立董事，及於2021年5月不再擔任有研新材股份有限公司(該公司股份於上海證券交易所公開上市)獨立董事。

承董事會命

主席
許海東

香港，2021年8月23日



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