



Solomon Systech (International) Limited
晶門半導體有限公司

(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
中期報告
2023

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CORPORATE PROFILE 公司簡介

Solomon Systech (International) Limited and its subsidiaries as a group is a leading semiconductor group specialising 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, electronic shelf labels (ESLs), healthcare devices, smart home devices, as well as industrial appliances, etc.

VISION

Provide the ultimate silicon solution
for every display system

晶門半導體有限公司及其附屬公司為一家具領導地位的半導體集團，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、電子貨架標籤、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		
		2023	2022	Change % 變動百分比
		US\$ million 百萬美元	US\$ million 百萬美元	
Revenue	銷售額	85.3	108.5	-21.4%
Gross profit	毛利	27.9	42.2	-33.8%
Gross margin (%)	毛利率(%)	32.7	38.9	-6.2% point 百分點
Profit attributable to owners of the parent	本公司擁有人應佔溢利淨額	13.2	21.8	-39.5%
Earnings per share (US cent)	每股盈利(美仙)	0.53	0.87	-39.1%

(B) Financial Position 財務狀況		Unaudited		Audited	Change % 變動百分比
		未經審核		經審核	
		As at	As at		
		30 June	31 December		
		6月30日	12月31日		
		2023	2022		
		US\$ million 百萬美元	US\$ million 百萬美元		
Total assets	總資產	160.2	158.3	1.2%	
Shareholders' funds	股東權益	120.2	109.2	10.1%	

(C) Financial Ratios 財務比率			
(i)	Current ratio	流動比率	3.82
(ii)	Debt to equity ratio	債務權益比率	0.00

Interim Dividend

The Board of Solomon Systech (International) Limited does not recommend the payment of an interim dividend for the six months ended 30 June 2023.

中期股息

晶門半導體有限公司的董事會不建議宣派截至2023年6月30日止6個月的中期股息。

Unaudited Interim Results

The Board is pleased to announce 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 2023 together with the comparative figures for the corresponding period as follows.

未經審核中期業績

董事會欣然宣佈，本公司及其附屬公司(統稱「本集團」)截至2023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。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

中期簡明綜合損益表

For the six months ended 30 June 2023
截至2023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	
		2023	2022
		US\$'000	US\$'000
		千美元	千美元
	Notes 附註		
Revenue	銷售額	5	85,334
Cost of sales	銷售成本		108,548
			(57,393)
Gross profit	毛利		42,204
Research and development costs	研究及開發成本		(10,591)
Selling and distribution expenses	銷售及分銷開支		(1,272)
Administrative expenses	行政開支		(3,771)
Other income and gains – net	其他收入及收益 – 淨額		32
			12,339
Finance income – net	投資收入 – 淨額	7	21,682
			902
			13,241
Share of (losses)/profits of associates	應佔聯營公司(虧損)/盈利		21,695
			(76)
Profit before tax	除稅前溢利	6	21,771
Income tax expense	所得稅開支	8	–
			(13)
Profit for the period	期內溢利		13,165
Attributable to:	應佔：		
– Owners of the parent	– 本公司擁有人		13,165
– Non-controlling interests	– 非控股權益		–
			(2)
			13,165
Earnings per share attributable to ordinary equity holders of the parent: (in US cent)	本公司普通權益持有人應佔的每股溢利： (美仙)	9	
– Basic	– 基本		0.53
– Diluted	– 攤薄		0.87
			0.53

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

中期簡明綜合全面收入表

For the six months ended 30 June 2023
截至2023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	
		2023	2022
		US\$'000	US\$'000
		千美元	千美元
Profit for the period	期內溢利	13,165	21,758
Other comprehensive income/(loss)	其他全面收益／(虧損)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	於往後期間，其他全面收益／(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	(2,434)	113
Total comprehensive income for the period	期內全面收益總計	10,731	21,871
Attributable to:	應佔：		
– Owners of the parent	– 本公司擁有人	10,731	21,873
– Non-controlling interests	– 非控股權益	–	(2)
		10,731	21,871

The notes on pages 8 to 29 form an integral part of this interim condensed consolidated financial information.
第8至29頁的附註為本中期簡明綜合財務資料的組成部份。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

As at 30 June 2023
於2023年6月30日

		Notes 附註	Unaudited 未經審核 30 June 於6月30日 2023 US\$'000 千美元	Audited 經審核 31 December 於12月31日 2022 US\$'000 千美元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備		4,470	5,089
Right-of-use assets	使用權資產		1,554	1,802
Investments in associates	於聯營公司的投資		892	968
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		1,161	1,161
Other receivables, prepayments and deposits	其他應收款、預付款及訂金	11	698	3,117
Total non-current assets	非流動資產總計		8,775	12,137
CURRENT ASSETS	流動資產			
Inventories	存貨		36,054	48,221
Trade and other receivables, prepayments and deposits	應收款及其他應收款、預付款項及訂金	11	37,857	46,308
Pledged bank deposits	已抵押的銀行存款		6,067	6,041
Cash and cash equivalents	現金及現金等價物		71,457	45,556
Total current assets	流動資產總計		151,435	146,126
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付款及其他應付款	12	37,984	45,347
Interest-bearing bank borrowings	銀行計息貸款		-	1,421
Lease liabilities	租賃負債		1,348	1,304
Tax payables	應付稅款		303	315
Total current liabilities	流動負債總計		39,635	48,387
NET CURRENT ASSETS	流動資產淨值		111,800	97,739
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		120,575	109,876
NON-CURRENT LIABILITIES	非流動負債			
Lease liabilities	租賃負債		331	692
Total non-current liabilities	非流動負債總計		331	692
Net assets	資產淨值		120,244	109,184
EQUITY	權益			
Equity attributable to owners of the parent	本公司擁有人應佔權益			
Issued capital	已發行股本	13	32,166	32,149
Reserves	儲備		88,143	77,100
Non-controlling interests	非控股權益		120,309 (65)	109,249 (65)
Total equity	總權益		120,244	109,184

The notes on pages 8 to 29 form an integral part of this interim condensed consolidated financial information.

第8至29頁的附註為本中期簡明綜合財務資料的組成部份。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明綜合權益變動表

For the six months ended 30 June 2023
截至2023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										
		Issued capital 已發行 股本 US\$'000 千美元	Share premium 股份溢價 US\$'000 千美元	Merger reserve 合併儲備 US\$'000 千美元	Exchange reserve 匯兌儲備 US\$'000 千美元	Equity compensation reserve 股本權益 報酬儲備 US\$'000 千美元	Fair value reserve 公平值 儲備 US\$'000 千美元	Other reserve 其他儲備 US\$'000 千美元	Accumulated losses 累計虧損 US\$'000 千美元	Total 總計 US\$'000 千美元	Non- controlling interests 非控股權益 US\$'000 千美元	Total equity 總權益 US\$'000 千美元
At 1 January 2022	於2022年1月1日	32,123	81,245	2,082	1,838	17,897	923	230	(49,575)	86,763	(56)	86,707
Profit for the period	期內溢利	-	-	-	-	-	-	-	21,760	21,760	(2)	21,758
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	-	-	-	113	-	-	-	-	113	-	113
Total comprehensive income/(loss)	全面收益總計/ (虧損)	-	-	-	113	-	-	-	21,760	21,873	(2)	21,871
2021 Final dividend paid	2021年末期股息	-	(3,216)	-	-	-	-	-	-	(3,216)	-	(3,216)
Equity-settled share option arrangements	股本權益報酬	-	-	-	-	468	-	-	-	468	-	468
Issue of shares upon exercise of share options	行使股權後發行 股份	26	36	-	-	(10)	-	-	-	52	-	52
At 30 June 2022	於2022年6月30日	32,149	78,065*	2,082*	1,951*	18,355*	923*	230*	(27,815)*	105,940	(58)	105,882
At 1 January 2023	於2023年1月1日	32,149	78,062	2,082	(934)	18,383	1,019	230	(21,742)	109,249	(65)	109,184
Profit for the period	期內溢利	-	-	-	-	-	-	-	13,165	13,165	-	13,165
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	-	-	-	(2,434)	-	-	-	-	(2,434)	-	(2,434)
Total comprehensive income/(loss)	全面收益總計/ (虧損)	-	-	-	(2,434)	-	-	-	13,165	10,731	-	10,731
Equity-settled share option arrangements	股本權益報酬	-	-	-	-	292	-	-	-	292	-	292
Issue of shares upon exercise of share options	行使股權後發行 股份	17	30	-	-	(10)	-	-	-	37	-	37
At 30 June 2023	於2023年6月30日	32,166	78,092*	2,082*	(3,368)*	18,665*	1,019*	230*	(8,577)*	120,309	(65)	120,244

The notes on pages 8 to 29 form an integral part of this interim condensed consolidated financial information.
第8至29頁的附註為本中期簡明綜合財務資料的組成部份。

- * These reserve accounts comprise the consolidated reserves of US\$88,143,000 (31 December 2022: US\$77,100,000) in the interim condensed consolidated statement of financial position.
- * 該等儲備包括綜合儲備88,143,000美元(2022年12月31日: 77,100,000美元)載於中期簡明綜合財務狀況表。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 June 2023
截至2023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	
		2023	2022
		US\$'000	US\$'000
		千美元	千美元
Net cash flows from operating activities	經營活動產生的現金流量淨額	28,724	20,076
Cash flows from investing activities	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	(122)	(2,041)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備	–	2
Release of pledged bank deposits	贖回已抵押的銀行存款	–	5,000
Placement of time deposits with original maturity of more than three months when acquired	存入於獲得時之原到期日為超過三個月之定期存款	(583)	(1,000)
Interest received	已收利息	934	82
Net cash flows from investing activities	投資活動產生的現金流量淨額	229	2,043
Cash flows from financing activities	融資活動之現金流量		
Proceeds from exercise of share options	行使購股權所得款	37	52
Principal portion of lease payments	租賃付款的本金部分	(707)	(699)
Repayments of bank borrowings	償還銀行貸款	(1,421)	–
Net cash flows used in financing activities	融資活動使用的現金流量淨額	(2,091)	(647)
Net increase in cash and cash equivalents	現金及現金等價物增加	26,862	21,472
Cash and cash equivalents at beginning of period	期初現金及現金等價物	45,556	24,757
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額	(1,544)	191
Cash and cash equivalents at end of period	期末現金及現金等價物	70,874	46,420
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	簡明綜合財務狀況表所列的現金及現金等價物	71,457	47,420
Less: Non-pledged time deposits with original maturity of more than three months when acquired	減：於獲得時之原到期日為超過三個月之無抵押定期存款	(583)	(1,000)
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	簡明綜合現金流量表所列的現金及現金等價物	70,874	46,420

The notes on pages 8 to 29 form an integral part of this interim condensed consolidated financial information.

第8至29頁的附註為本中期簡明綜合財務資料的組成部份。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

中期簡明綜合財務資料附註

1. General information

Solomon Systech (International) Limited and its subsidiaries are fabless semiconductor group specialising in the design, development and sales of integrated circuits (“IC”) products and system solutions that enable a wide range of display applications for smartphones, tablets, TVs/monitors, notebooks and other smart devices, including electronic shelf-labels (ESLs), 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 Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands (with effect from 1 October 2022) and the address of its principal office in Hong Kong is Unit 607-613, 6/F. Wireless Centre, 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 interim condensed consolidated financial information is presented in US dollars, unless otherwise stated.

The interim condensed consolidated financial information has been reviewed but not audited, and it was approved for issue on 15 August 2023.

2. Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2023 of the Group has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants. The unaudited interim condensed consolidated 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 annual consolidated financial statements for the year ended 31 December 2022.

1. 一般資料

晶門半導體有限公司及其附屬公司為無晶圓廠半導體集團，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，包括電子貨架標籤，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Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103，開曼群島（於2022年10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號無線電中心6樓607-613室。

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，本中期簡明綜合財務資料均以美元作呈列單位。

本中期簡明綜合財務資料乃經審閱但未經審核，並於2023年8月15日獲批准刊發。

2. 編製基準

本集團截至2023年6月30日止6個月的中期簡明綜合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。未經審核中期簡明綜合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2022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 interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of the following new and 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 new and revised HKFRSs for the first time for the current period's financial information.

HKFRS 17 香港財務報告準則第17號	<i>Insurance Contracts</i> 保險合約
Amendments to HKFRS 17 香港財務報告準則第17號之修訂	<i>Insurance Contracts</i> 保險合約
Amendment to HKFRS 17 香港財務報告準則第17號之修訂	<i>Initial Application of HKFRS 17 and HKFRS 9 — Comparative Information</i> 首次應用香港財務報告準則第17號及香港財務報告準則第9號—比較資料
Amendments to HKAS 1 and HKFRS Practice Statement 2 香港會計準則第1號及香港財務報告準則 實務說明第2號	<i>Disclosure of Accounting Policies</i> 會計政策的披露
Amendments to HKAS 8 香港會計準則第8號之修訂	<i>Definition of Accounting Estimates</i> 對會計估計的定義
Amendments to HKAS 12 香港會計準則第12號之修訂	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i> 單一交易所產生的資產及負債相關遞延稅項
Amendments to HKAS 12 香港會計準則第12號之修訂	<i>International Tax Reform — Pillar Two Model Rules</i> 國際稅收改革—支柱二細節法規架構

The nature and impact of the new and revised HKFRSs that are applicable to the Group are described below:

3. 重大會計政策

除就本期間之財務資料所採納下列首次生效的經修訂之香港財務報告準則(「香港財務報告準則」)外，編製中期簡明綜合財務資料所採納之會計政策與編製本集團截至2022年12月31日止年度之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下列新訂及經修訂之香港財務報告準則：

適用於本集團新訂及經修訂之香港財務報告準則之性質及影響現述如下：

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

- (a) Amendments to HKAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has applied the amendments since 1 January 2023. The amendments did not have any impact on the Group's interim condensed consolidated financial information but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.
- (b) Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The Group has applied the amendments to changes in accounting policies and changes in accounting estimates that occur on or after 1 January 2023. Since the Group's policy of determining accounting estimates aligns with the amendments, the amendments did not have any impact on the financial position or performance of the Group.

3. 重大會計政策(續)
會計政策及披露之變動(續)

- (a) 香港會計準則第1號之修訂要求實體披露重要會計政策信息(而非重大會計政策)。倘將有關之會計政策信息與實體財務報表中包含之其他信息一併考慮後,可以合理預計此舉會對一般目的財務報表之主要使用者根據該等財務報表所作之決策產生影響,則有關之會計政策信息屬重要。香港財務報告準則實務說明第2號之修訂為如何應用會計政策披露之重要性概念提供非強制性指引。本集團已自2023年1月1日起應用該等修訂。該等修訂並無對本集團中期簡明綜合財務報表產生任何影響,但預期會影響本集團於年度綜合財務報表中之會計政策披露。
- (b) 香港會計準則第8號之修訂澄清有關會計估計變更與會計政策變更之區分。會計估計乃界定為財務報表中具有計量不確定性之貨幣金額。該等修訂亦澄清實體如何利用計量技巧及輸入值以得出會計估計。本集團已對2023年1月1日或之後發生之會計政策變更及會計估計變更應用該等修訂。由於本集團釐定會計估計所用政策與該等修訂一致,該等修訂並無對本集團財務狀況或表現產生任何影響。

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

- (c) Amendments to HKAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in HKAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions. The Group has applied the amendments on temporary differences related to leases and decommissioning obligations as at 1 January 2022, with any cumulative effect recognised as an adjustment to the balance of retained profits or other component of equity as appropriate at that date. In addition, the Group has applied the amendments prospectively to transactions other than leases and decommissioning obligations that occurred on or after 1 January 2022, if any. The amendments did not have any significant impact on the financial position or performance of the Group.

3. 重大會計政策 (續)
會計政策及披露之變動 (續)

- (c) 香港會計準則第12號之修訂單一交易所產生的資產及負債相關遞延稅項縮小香港會計準則第12號初步確認豁免之適用範圍，規定該豁免不得適用於會令應課稅暫時差額與可扣稅暫時差額之金額相同之交易，例如租賃及棄置義務之類的交易。因此，實體須就該等交易產生之暫時差額確認一項遞延稅項資產（前提是有足夠的應課稅溢利）及一項遞延稅項負債。本集團已就2022年1月1日之租賃及棄置義務相關暫時差額應用該等修訂，而任何累積影響乃確認為對保留溢利之結餘或其他權益組成項目之適用日期結餘之調整。此外，本集團已對2022年1月1日或之後發生之租賃及棄置義務以外之交易（如有）前瞻性地應用該等修訂。該等修訂並無對本集團財務狀況或表現產生任何重大影響。

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

- (d) Amendments to HKAS 12 *International Tax Reform – Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. Entities are required to disclose the information relating to their exposure to Pillar Two income taxes in annual periods beginning on or after 1 January 2023, but are not required to disclose such information for any interim periods ending on or before 31 December 2023. The Group has applied the amendments retrospectively. Since the Group did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Group.

3. 重大會計政策(續)
會計政策及披露之變動(續)

- (d) 香港會計準則第12號之修訂*國際稅務改革－支柱二示範規則*引入一項強制暫時豁免，從而毋須確認及披露因實施經濟合作暨發展組織頒佈之支柱二示範規則所產生之遞延稅項。該等修訂亦對受影響實體引入披露要求，以幫助財務報表使用者更了解實體所面臨之支柱二所得稅風險，包括單獨披露於支柱二立法生效之期間與支柱二所得稅相關之即期稅項以及披露於支柱二法例已制定或實質制定但尚未生效之期間與實體所面臨之支柱二所得稅風險有關之已知或可合理估計之信息。實體須於2023年1月1日或之後開始之年度期間披露與支柱二所得稅風險有關之信息，但毋須就2023年12月31日或之前結算之任何中期期間披露該等信息。本集團已追溯應用該等修訂。由於本集團並無落入支柱二示範規則之範圍內，該等修訂並無對本集團產生任何影響。

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	
	Unaudited	Audited	Unaudited	Audited
	未經審核	經審核	未經審核	經審核
	30 June	31 December	30 June	31 December
	6月30日	12月31日	6月30日	12月31日
	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000
	千美元	千美元	千美元	千美元
Financial assets	金融資產			
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			
	1,161	1,161	1,161	1,161
	1,161	1,161	1,161	1,161

Management has assessed that the fair values of cash and cash equivalents, pledged bank deposits, 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、應付款及應付票據、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。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

中期簡明綜合財務資料附註(續)

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 following table illustrates 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)

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。

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 categorised 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
		2023	2022
		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)	1,161	1,161
Significant unobservable inputs (Level 3)	重要的不可觀察輸入值(第3層級)	-	-
Total	總計	1,161	1,161

During the six months ended 30 June 2023, 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 2022: Nil).

The Group did not have any financial liabilities measured at fair value as at 30 June 2023 and 31 December 2022.

截至2023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(2022年上半年：無)。

於2023年6月30日及2022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 electronic shelf-labels (ESLs), 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 Director and senior management led by the Chief Executive Officer. The Executive Director 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\$85,334,000 for the six months ended 30 June 2023 (1H 2022: US\$108,548,000).

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, Japan, Europe and Taiwan.

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

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2023 US\$'000 千美元	2022 US\$'000 千美元
Hong Kong	香港	46,427	62,675
Mainland China	中國內地	1,917	6,133
Taiwan	台灣	9,899	18,734
Japan	日本	11,968	9,092
Europe	歐洲	12,600	7,618
Korea	韓國	121	328
South East Asia	東南亞	124	290
USA	美國	2,113	3,341
Others	其他	165	337
		85,334	108,548

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

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，包括電子貨架標籤，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2023年6月30日止6個月，銷售額為85,334,000美元(2022年上半年：108,548,000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、日本、歐洲及台灣的客戶。

(a) 按地域市場分類的客戶合約收益

銷售額按客戶所在地區／國家分類。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
 中期簡明綜合財務資料附註(續)

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	
		2023 US\$'000 千美元	2022 US\$'000 千美元
New Display ICs	新型顯示ICs	39,847	49,731
OLED Display ICs	OLED顯示ICs	9,290	15,072
Mobile Display and Mobile Touch ICs	移動顯示及移動觸碰ICs	33,177	37,189
Large Display ICs	大型顯示ICs	3,020	6,556
		85,334	108,548

(c) Non-current assets

(c) 非流動資產

		Unaudited 未經審核	Audited 經審核
		30 June 6月30日	31 December 12月31日
		2023 US\$'000 千美元	2022 US\$'000 千美元
Hong Kong	香港	1,731	3,865
Mainland China	中國內地	3,671	3,983
Taiwan	台灣	1,514	1,511
		6,916	9,359

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

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。

(d) Capital expenditures

(d) 資本開支

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2023 US\$'000 千美元	2022 US\$'000 千美元
Property, plant and equipment	物業、廠房及設備		
Mainland China	中國內地	122	1,625
Hong Kong	香港	–	361
Taiwan	台灣	–	55
		122	2,041

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。

5. Segment information and disaggregation of revenue (continued)

(e) Major customers

For the six months ended 30 June 2023, the largest, second and third largest customers were located in Hong Kong, Japan and Europe, respectively. Sales amount to those customer were US\$32,566,000, US\$11,968,000 and US\$11,492,000, respectively, which were over 10% of the Group's total revenue. For the six months ended 30 June 2022, the largest customer was located in Hong Kong and sales amount to this customer was US\$43,146,000 which was all over 10% of the Group's total revenue.

6. Profit before tax

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

5. 分部資料及銷售額分類(續)

(e) 主要客戶

截至2023年6月30日止6個月，最大、第二大及第三大客戶分別位於香港、日本及歐洲。其銷售額分別為32,566,000美元、11,968,000美元及11,492,000美元，並各佔本集團總銷售額超過10%。截至2022年6月30日止6個月，最大客戶位於香港，其銷售額為43,146,000美元，佔本集團總銷售額超過10%。

6. 除稅前溢利

本集團的除稅前溢利乃扣除/(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	
		2023	2022
		US\$'000	US\$'000
		千美元	千美元
Cost of goods sold	銷貨成本	55,926	58,747
Provision for slow moving inventories	過時或滯銷存貨的撥備淨額	1,127	7,277
Amortisation of intangible assets	無形資產攤銷	-	269
Depreciation of property, plant and equipment (note)	物業廠房設備折舊 (附註)	710	622
Depreciation of right-of-use assets	使用權資產折舊	659	692
COVID-19 related rent concession from lessor	2019冠狀病毒病相關租賃減免	-	(78)
Foreign exchange differences, net	外匯差額，淨額	(1,564)	(712)

Note: Depreciation expense of US\$340,000 (1H 2022: US\$320,000) has been charged in cost of sales, US\$48,000 (1H 2022: US\$31,000) in research and development costs and US\$322,000 (1H 2022: US\$271,000) in administrative expenses.

附註：折舊開支340,000美元(2022年上半年：320,000美元)已於銷售成本中支銷，而48,000美元(2022年上半年：31,000美元)則於研究及開發成本中入賬及322,000美元(2022年上半年：271,000美元)於行政開支中入賬。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
 中期簡明綜合財務資料附註(續)

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	
		2023	2022
		US\$'000	US\$'000
		千美元	千美元
Interest income	利息收入	934	82
Interest on bank loans	銀行貸款的利息支出	–	(22)
Interest on lease liabilities	租賃負債的利息支出	(32)	(47)
		902	13

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 generated during the current and prior periods. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the 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本期及過往期間內產生之應課稅溢利，因此並無作香港利得稅撥備。海外所得稅則根據本集團的營運所在司法權區之適用稅率計算。

		Unaudited 未經審核	
		Six months ended 30 June 6月30日止6個月	
		2023	2022
		US\$'000	US\$'000
		千美元	千美元
Current – Elsewhere	即期－其他地區		
– Charge for the period	– 本期支出	–	13
Deferred income tax	遞延所得稅	–	–
Total tax charge for the period	本期所得稅開支總額	–	13

9. Earnings per share

(a) Basic earnings per share

The basic earnings per share is calculated based on the Group's profit for the period attributable to owners of the parent and the weighted average number of 2,494,642,406 (1H 2022: 2,493,446,274) ordinary shares in issue during the period.

The Group's profit for the period attributable to owners of the parent was US\$13,165,000 (1H 2022: US\$21,760,000).

9. 每股盈利

(a) 每股基本盈利

每股基本盈利是根據本公司的擁有人應佔本集團之溢利及本期內已發行普通股加權平均數2,494,642,406股(2022上半年: 2,493,446,274股)計算。

本公司的擁有人期內應佔本集團之溢利為13,165,000美元(2022上半年: 21,760,000美元)。

9. Earnings per share (continued)

(b) Diluted earnings per share

The diluted earnings per share is calculated based on the Group's profit 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:

		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	
		2023	2022
Weighted average number of ordinary shares in issue	已發行加權平均普通股股數	2,494,642,406	2,493,446,274
Conversion of all dilutive share options outstanding ⁽ⁱ⁾	兌換所有可予發行具攤薄影響的流通購股權 ⁽ⁱ⁾	354,297	1,283,976
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	2,494,996,703	2,494,730,250

(i) Adjustment has been made for the six months ended 30 June 2023 in respect of a dilution on the 30,150,000 share options (six months ended 30 June 2022: 31,200,000 share options) outstanding for the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

10. Dividend

No dividend for the year ended 31 December 2022 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 2023 (six months ended 30 June 2022: Nil).

9. 每股盈利(續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據本公司的擁有人應佔本集團之溢利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：

(i) 已對所呈列的截至2023年6月30日止6個月作出有關攤薄30,150,000份尚未行使的購股權(2022年6月30日止6個月：31,200,000份)的調整，該等購股權的加權平均普通股股數乃假設所有具攤薄影響的潛在普通股於被視為兌換為普通股時已無償發行。

10. 股息

本公司並沒有宣派或派付截至2022年12月31日止年度之股息。董事會亦決議不宣派截至2023年6月30日止6個月的中期股息(截至2022年6月30日止6個月：無)。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
 中期簡明綜合財務資料附註(續)

11. Trade and other receivables, prepayments and deposits

11. 應收款及其他應收款、預付款項及訂金

			Unaudited 未經審核 30 June 6月30日 2023 US\$'000 千美元	Audited 經審核 31 December 12月31日 2022 US\$'000 千美元
Trade receivables	應收款		17,678	19,227
Trade receivables from related parties	關聯方應收款	16	5,011	4,534
Impairment	減值撥備		(173)	(214)
Trade receivables – net	應收款－淨額		22,516	23,547
Other receivables, prepayments and deposits	其他應收款、預付款項及訂金		15,411	22,700
Prepayments to related parties	關聯方預付款	16	90	221
Impairment	減值撥備		(160)	(160)
Trade and other receivables, prepayments and deposits – current portion	應收款及其他應收款、預付款項及訂金－流動		37,857	46,308
Other receivables, prepayments and deposit – non-current portion	其他應收款、預付款項及訂金－非流動		698	3,117
			38,555	49,425

As at 30 June 2023, 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:

於2023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：

			Unaudited 未經審核 30 June 6月30日 2023 US\$'000 千美元	Audited 經審核 31 December 12月31日 2022 US\$'000 千美元
1–30 days	1–30日		15,184	11,658
31–60 days	31–60日		3,117	3,728
61–90 days	61–90日		2,356	2,785
91–180 days	91–180日		1,078	4,431
181–360 days	180–360日		781	945
			22,516	23,547

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

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

		Unaudited	Audited
		未經審核	經審核
		30 June	31 December
		6月30日	12月31日
		2023	2022
		US\$'000	US\$'000
		千美元	千美元
At beginning of period/year	於期初／年初	214	220
Reversal of impairment losses	減值回撥	(41)	(6)
At end of period/year	於期末／年末	173	214

11. 應收款及其他應收款、預付款項及訂金(續)

應收款減值撥備變動如下：

12. Trade and other payables

12. 應付款及其他應付款

			Unaudited	Audited
			未經審核	經審核
			30 June	31 December
			6月30日	12月31日
			2023	2022
			US\$'000	US\$'000
			千美元	千美元
Trade payables	應付款		13,935	15,807
Accrued expenses and other payables	應計開支及其他應付款		15,596	17,825
Contract liabilities	合約負債		5,773	6,346
Contract liabilities to a related party	關聯方合約負債	16	1,250	4,224
Refund liabilities	退款負債		1,430	1,145
			37,984	45,347

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

中期簡明綜合財務資料附註(續)

12. Trade and other payables (continued)

As at 30 June 2023, the ageing analysis of trade payables based on invoice date is as follows:

		Unaudited 未經審核 30 June 6月30日 2023 US\$'000 千美元	Audited 經審核 31 December 12月31日 2022 US\$'000 千美元
1-30 days	1-30日	7,715	7,939
31-60 days	31-60日	4,909	3,422
61-90 days	61-90日	1,311	4,096
Over 90 days	超過90日	-	350
		13,935	15,807

12. 應付款及其他應付款 (續)

於2023年6月30日，應付款以發票日期的賬齡分析如下：

13. Issued capital

		Unaudited 未經審核 30 June 6月30日 2023	Audited 經審核 31 December 12月31日 2022
		Number of shares 股份數目	US\$'000 千美元
Authorised:	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
Issued and fully paid:	已發行及繳足：		
At 1 January	於1月1日	2,494,352,351	32,149
Exercise of share options (i)	行使購股權(i)	1,300,000	17
At end of period/year	於期末/年末	2,495,652,351	32,166

13. 已發行股本

(i) The subscription rights attaching to 1,300,000 share options were exercised at the weighted average subscription price of HK\$0.2181 per share, resulting in the issue of 1,300,000 ordinary shares for a total cash consideration, before expenses, of approximately US\$37,000. An amount of approximately US\$10,000 was transferred from the equity compensation reserve to share premium account upon the exercise of the share options.

(i) 1,300,000份購股權附帶的認購權以加權平均認購價每股0.2181港元的認購價行使，導致發行1,300,000股股份，扣除費用前總現金代價共約37,000美元。於購股權行使後，一筆約10,000美元的金額由股本權益報酬儲備撥入股份溢價帳。

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.

The following share options under the 2013 Share Option Scheme were outstanding during the period/year:

		Unaudited 未經審核 30 June 6月30日 2023		Audited 經審核 31 December 12月31日 2022	
		Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of Options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of Options 購股權數目
At beginning of the period/year	於期初／年初	0.705	27,150,000	0.717	27,300,000
Granted during the period/year	期內／年內 已授出	0.470	5,900,000	0.530	5,900,000
Exercised during the period/year	期內／年內 已行使	0.218	(1,300,000)	0.201	(2,000,000)
Lapsed/forfeited during the period/year	期內／年內 已註銷／放棄	0.620	(1,600,000)	0.782	(4,050,000)
At end of period/year	於期末／年末	0.684	30,150,000	0.705	27,150,000

The weighted average share price of the Company's ordinary shares immediately before the dates on which share options were exercised during the period ended 30 June 2023 was HK\$0.49 per ordinary share.

The weighted average share price at the date of exercise for share options exercised during the period ended 30 June 2023 was HK\$0.49 per ordinary share.

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」)。

期內／年內，2013購股權計劃尚未行使購股權數目如下：

截至2023年6月30日止期內，在緊接購股權行使日之前的本公司普通股加權平均收市價為每股港元0.49。

截至2023年6月30日止期內，在購股權行使日的本公司普通股加權平均收市價為每股0.49港元。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

中期簡明綜合財務資料附註(續)

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 每股行使價 HK\$ 港元	Unaudited 未經審核 Number of share options (in thousand units) 購股權數目(以千位計)					Held on 30 June 2023 於2023年6月30日持有	Vesting period 歸屬期	Exercise period 行使期
		Held on 1 January 2023 於2023年1月1日持有	Granted during the period 期內已授出	Exercised during the period 期內已行使	Lapsed/ Forfeited during the period 期內已註銷/放棄	Held on 30 June 2023 於2023年6月30日持有			
30 December 2019 2019年12月30日	0.159	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	
17 July 2020 2020年7月17日	0.2454	1,000	-	(500)	(500)	-	17 July 2020 to 16 July 2022 2020年7月17日至 2022年7月16日	19 July 2022 to 18 July 2024 2022年7月19日至 2024年7月18日	
30 October 2020 2020年10月30日	0.201	800	-	(800)	-	-	30 October 2020 to 27 May 2021 2020年10月30日至 2021年5月27日	1 November 2021 to 31 October 2023 2021年11月1日至 2023年10月31日	
1 June 2021 2021年6月1日	0.840	3,000	-	-	-	3,000	1 June 2021 2021年6月1日	1 June 2022 to 31 May 2024 2022年6月1日至 2024年5月31日	
	0.840	2,400	-	-	-	2,400	1 June 2021 to 31 May 2022 2021年6月1日至 2022年5月31日	1 June 2022 to 31 May 2024 2022年6月1日至 2024年5月31日	
8 December 2021 2021年12月8日	0.790	5,600	-	-	(440)	5,160	8 December 2021 to 7 June 2022 2021年12月8日至 2022年6月7日	8 June 2022 to 7 June 2024 2022年6月8日至 2024年6月7日	
	0.790	8,400	-	-	(660)	7,740	8 December 2021 to 7 June 2023 2021年12月8日至 2023年6月7日	8 June 2023 to 6 June 2025 2023年6月8日至 2025年6月6日	

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: (continued)

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：(續)

Grant date 授出日期	Exercise price per share HK\$ 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)					Held on 30 June 2023 於2023年 6月30日 持有	Vesting period 歸屬期	Exercise period 行使期
		Held on 1 January 2023 於2023年 1月1日 持有	Granted during the year 年內已授出	Exercise during the year 年內已行使	Lapsed/ Forfeited during the year 年內已 註銷/放棄				
22 June 2022 2022年6月22日	0.530	3,000	-	-	-	3,000	22 June 2022 2022年6月22日	From 23 June 2023 to 20 June 2025 由2023年6月23日至 2025年6月20日	
	0.530	2,400	-	-	-	2,400	22 June 2022 to 21 June 2023 由2022年6月22日至 2023年6月21日	From 23 June 2023 to 20 June 2025 由2023年6月23日至 2025年6月20日	
	0.530	250	-	-	-	250	22 June 2022 to 21 June 2023 由2022年6月22日至 2023年6月21日	From 23 June 2023 to 20 June 2025 由2023年6月23日至 2025年6月20日止	
	0.530	250	-	-	-	250	22 June 2022 to 21 June 2024 由2022年6月22日至 2024年6月21日	From 24 June 2024 to 23 June 2026 由2024年6月24日至 2026年6月23日止	
24 March 2023 2023年3月24日	0.546	-	250	-	-	250	24 March 2023 to 24 March 2024 由2023年3月24日至 2024年3月24日	25 March 2024 to 24 March 2026 由2024年3月25日至 2026年3月24日	
	0.546	-	250	-	-	250	24 March 2023 to 24 March 2025 由2023年3月24日至 2025年3月24日	25 March 2025 to 24 March 2027 由2025年3月25日 至2027年3月24日	
25 May 2023 2025年5月25日	0.463	-	3,000	-	-	3,000	25 May 2023 2023年5月25日	25 May 2023 to 25 May 2025 由2023年5月25日至 2025年5月25日	
	0.463	-	2,400	-	-	2,400	25 May 2023 2023年5月25日	25 May 2023 to 25 May 2025 由2023年5月25日至 2025年5月25日	
Total 總計		27,150	5,900	(1,300)	(1,600)	30,150			

14. Equity compensation scheme (continued)

The Share Option Scheme (continued)

On 24 March 2023, a total of 500,000 share options were granted to an employee in consideration of his contribution to the Group. These share options have an exercise price at HK\$0.546 per share and exercise periods from 25 March 2024 to 24 March 2027, details of which are included in the announcements of the Company dated 24 March 2023, 28 March 2023 and 3 April 2023. The closing price of the Company's shares immediately before the date of grant was HK\$0.580 per share.

On 25 May 2023, a total of 5,400,000 share options were granted to certain directors in respect of their services to the Group in prior years. These share options have an exercise price at HK\$0.463 per share and exercise periods from 25 May 2023 to 25 May 2025, details of which are included in the announcement of the Company dated 25 May 2023. The closing price of the Company's shares immediately before the date of grant was HK\$0.455 per share.

At the end of the reporting period, the total number of share options which are exercisable under the 2013 Share Option Scheme is 29,400,000 (31 December 2022: 12,850,000).

At the end of the reporting period, the Company had 30,150,000 share options outstanding under the 2013 Share Option Scheme during the period. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 30,150,000 additional ordinary shares of the Company and additional share capital of approximately US\$2,662,600 (before issue expenses).

14. 股本權益報酬計劃 (續)

購股權計劃 (續)

於2023年3月24日已就一名僱員以回報彼為本集團作出的貢獻而向彼等授出合共500,000份購股權。該等購股權的行使價為每股0.546港元，其行使期為2024年3月25日至2027年3月24日，詳情載於本公司日期為2023年3月24日，2023年3月28日及2023年4月3日的公告。本公司股份於緊接授出日期前的收市價為每股0.580港元。

於2023年5月25日已就若干董事於過往年度向本集團提供服務而向彼等授出合共5,400,000份購股權。該等購股權的行使價為每股0.463港元，其行使期為2023年5月25日至2025年5月25日，詳情載於本公司日期為2023年5月25日的公告。本公司股份於緊接授出日期前的收市價為每股0.455港元。

於報告期末，根據2013購股權計劃可行使的購股權總數為29,400,000 (2022年12月31日：12,850,000)。

於報告期末，本公司根據該2013購股權計劃尚未行使30,150,000份購股權。根據本公司現有資本架構，全數行使未行使購股權將導致發行30,150,000本公司普通股及額外股本約2,662,600美元 (扣除發行費用前)。

15. Capital commitments

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

		Unaudited	Audited
		未經審核	經審核
		30 June	31 December
		6月30日	12月31日
		2023	2022
		US\$'000	US\$'000
		千美元	千美元
Property, plant and equipment	物業、廠房及設備	1,339	680

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

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：

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 28.3% 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28.3%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	
			2023	2022
		Notes	US\$'000	US\$'000
		附註	千美元	千美元
Sales:	銷售額：			
Subsidiary of CEC	中國電子的附屬公司	(i)	32,566	43,146
Associate of CEC	中國電子的聯繫人	(ii)	591	2,468
Purchases:	採購：			
Subsidiaries of CEC	中國電子的附屬公司	(iii)	17	15

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

中期簡明綜合財務資料附註(續)

16. Related parties transactions (continued)

(a) (continued)

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 2023, based on the agreement dated 22 October 2020 and has been supplemented by the supplemental agreements dated 23 March 2021 and 6 May 2022 (altogether defined as 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 2021 to 31 December 2023. 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.

Period-end balances arising from sales/purchases:

16. 關聯方交易(續)

(a) (續)

附註：

- (i)：這代表本集團於截至2023年6月30日止6個月內向CEACI供應IC及驅動器產品(「**IC產品**」)的交易金額，乃根據本公司與CEACI所訂立日期為2020年10月22日的協議、2021年3月23日及2022年5月6日的補充協議(共同定義為「**IC產品供應協議**」)。IC產品供應協議的期限為三年，由2021年1月1日至2023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。

由銷售／採購構成的期終帳目：

			Unaudited 未經審核 30 June 6月30日 2023 US\$'000 千美元	Audited 經審核 31 December 12月31日 2022 US\$'000 千美元
		Notes 附註		
Trade receivables:	應收款：			
Subsidiary of CEC	中國電子的附屬公司	11	4,817	4,267
Associate of CEC	中國電子的聯繫人	11	194	267
Prepayments:	預付款：			
Subsidiaries of CEC	中國電子的附屬公司	11	90	221
Contract liabilities:	合約負債：			
Subsidiary of CEC	中國電子的附屬公司	12	1,250	4,224

16. Related parties transactions (continued)

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

16. 關聯方交易 (續)

(b) 本集團主要管理人員的報酬：

		Unaudited	
		未經審核	
		Six months ended 30 June	
		6月30日止6個月	
		2023	2022
		US\$'000	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	1,116	1,149
Pension scheme contributions	退休金計劃供款	25	25
Share-based payment expense	股權開支	83	112
Total compensation paid to key management personnel	已付主要管理人員之報酬總額	1,224	1,286

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。

INDEPENDENT REVIEW REPORT



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 3 to 29, which comprises the condensed consolidated statement of financial position of Solomon Systech (International) Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2023 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows 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

27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong
15 August 2023

獨立審閱報告



致晶門半導體有限公司董事會
(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3頁至第29頁之晶門半導體有限公司(「貴公司」)及其附屬公司(「貴集團」)2023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

香港鰗魚涌
英皇道979號
太古坊一座27樓
2023年8月15日

CHIEF EXECUTIVE OFFICER'S MESSAGE

行政總裁的話

Dear Shareholders,

Looking back at the first half of 2023, global economic recovery has not been as smooth as expected and demand for consumer electronics remained weak, resulting in a downturn in the semiconductor industry. Destocking in the market has not yet concluded, and the price reduction effect of wafer needed time to materialise, all of which have created a challenging operating environment for the Group. As a pioneer in the industry, the Group focuses on innovative product development and stays abreast of the ever-changing technological developments and market trends to enhance its competitiveness and maintain its business growth momentum and resilience.

Steady Growth in Shipment Volume amid Market Headwinds

During the period ended 2023 (the "Period"), market demand for the Group's products remained stable, with shipment volume of approximately 176.5 million units (1H 2022: 170.3 million units). The Group's sales revenue for the Period was US\$85.3 million, representing a decrease of 21.4% as compared to the same period last year. Profit attributable to owners of the Company decreased by 39.5% year-on-year to US\$13.2 million as a result of the overall decrease in sales revenue and the disproportionate decrease in average selling prices compared to decrease in costs for some products, however, when compared to the second half of last year, the profit improved significantly due to a more market-driven product development strategy. Despite the complexity and volatility of the semiconductor market, the Group has endeavoured to maintain a stable supply chain, reduce inventory level and promote product innovation to enhance its competitiveness and maintain a reasonable level of profitability.

各位股東：

回顧2023年上半年，全球經濟的復甦之路不如預期般順利，消費電子產品的需求仍然疲弱，導致半導體行業吹著淡風。市場去庫存還未達至終點，加上晶圓的降價效應需時反映，令本集團的經營環境存在挑戰。作為行業先驅，集團重視創新產品開發，同時緊貼日新月異的技術發展及瞬息萬變的市場趨勢以提高競爭力，保持業務增長動力及發展韌性。

付運量逆市穩健增長

於截至2023年6月30日期間（「期內」），市場對集團產品保持穩定需求，付運量約為176.5百萬件（2022年上半年：170.3百萬件）。期內集團銷售收入為85.3百萬美元，較去年同期減少21.4%。受累於整體銷售收入減少，加上產品平均售價的下跌與部分產品成本的下降不成比例，本公司擁有人應佔溢利按年減少39.5%至13.2百萬美元，然而因產品開發策略更貼合市場需要，溢利相比去年下半年已明顯向好。儘管半導體市況複雜多變，集團力保供應鏈穩定，減低庫存及推動產品創新，增加自身競爭力及保持合理利潤水平。

Leveraging our Technological Strengths and Upholding our Business Strategy

Global demand for semiconductors has yet to be rekindled during the Period. However, according to the World Semiconductor Trade Statistics (WSTS), the semiconductor market is forecasted to reach a peak of US\$576 billion in 2024, representing a year-on-year growth of 11.8%, which suggests that the industry is still growing strongly.

During the Period, the Group has been upholding its development strategy for each of its businesses with a view to take the right action at the right time. Regarding the New Display IC business, the market is looking forward to the introduction of a more advanced electronic shelf label (ESL). In addition, a lacklustre consumer electronics market has prompted some semiconductor companies to turn to electronic paper IC, which has resulted in increased competition in this sector. In order to broaden the product range, the Group shall move towards developing multi-colour and large-size electronic paper IC, such as large retail signage applications. The Group believes that environmentally-friendly displays will become inevitable for future development.

Regarding the OLED Display IC business, the Group, as the world's largest manufacturer of display driver ICs for passive matrix OLED ("PMOLED"), continued to dominate the market during the Period in terms of shipment volume. During the period, the Group launched the world's first small-sized passive matrix micro-LED display driver IC – SSD2363, which can be applied to next-generation high brightness displays of 3 inches or less and is suitable for wearable devices, home appliances and industrial applications. Micro-LED is regarded as the next-generation of display, and is poised to bring about more possibilities for future display technology.

把握技術優勢 穩守業務策略

全球的半導體需求於期內仍未重燃。不過，據世界半導體貿易統計組織(WTST)估計，半導體市場規模將於2024年達到5,760億美元的高峰，按年增11.8%，意味行業發展勢頭仍然良好。

於期內，集團穩守各個業務的發展策略，靜待時機。新型顯示IC業務方面，市場憧憬著更高技術的電子貨架標籤面世。另外，在消費電子產品市場表現一般的情況下，部份半導體企業轉戰電子紙晶片行列，促使此範疇的競爭與日俱增。為拓闊產品種類，集團未來將會朝着多色和大尺寸的方向發展電子紙晶片，例如大型零售標牌的應用。集團相信環保的顯示方式將是未來發展的必然方向。

OLED顯示IC業務上，集團作為全球最大被動式OLED（「PMOLED」）顯示驅動IC廠商，按期內付運量計算，市場份額持續佔據主導地位。於期內，集團推出全球首枚小尺寸被動式micro-LED顯示驅動IC – SSD2363，該產品可應用於3英寸或以下的新一代高亮度顯示屏，適用於穿戴裝置、家用電器及工業應用。Micro-LED 被視為顯示屏的新世代，將為未來的顯示技術帶來更多可能。

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

In the post-pandemic era, the high-end entertainment market will gradually recover. The Group offers a wide range of large display driver IC solutions that support various applications to meet consumer demands, including high-end gaming monitors, notebooks and large-sized smart TVs. Demand for game controller ICs that require more accurate controls, faster response and longer battery runtime is extremely high. At the same time, the Group is actively researching and developing the application of mobile display and mobile touch ICs to a wider range of areas, with a view to seizing the opportunities when the economic environment recovers.

Continuing Product Development with Energy-Efficient Displays Becoming the New Trend

The technology race in the global chip market has never slowed down. Being people-oriented, the Group places great emphasis on innovative product development, and continues to expand R&D collaboration by leveraging its technological edge and pool of intellectual properties. This strategy will enable the Group to accelerate its entry into target markets with a view to achieving promising returns in the less explored areas.

In the international market, large retailers do not slow down on deploying automation technologies such as ESL. According to report from Mordor Intelligence, the ESL market is expected to grow at a compound annual growth rate of 19.8% from 2023 to 2028. With this opportunity ahead, the Group will not only increase its own competitive edge by focusing on the development of ESL, but also strive to expand its IC product applications to other areas, such as translation machines and large retail signages, in order to enrich its product portfolio.

As global corporations are becoming more environmentally conscious, it is worth noting that energy-saving displays will become inevitable for future development. The Group is developing large display applications in addition to ESL, such as large colour electronic retail signage over the size of 20 inches, which is expected to commence mass production in the second half of 2024. This will help further expand the application of the Group's IC products in electronic paper.

後疫情時代，高端娛樂市場將逐步復甦。集團提供的多種大型顯示驅動IC解決方案，支持高階電競顯示器、筆記本及大尺寸智能型電視等應用，能滿足消費者需求。對於能讓操控更準確、反應更快捷而電池運行時間更長的遊戲控制器IC，市場需求若渴。同時，集團積極研發將移動顯示及移動觸控IC應用至更多不同領域，以期在經濟環境轉好時把握機會。

持續產品開發 節能顯示成新趨勢

全球晶片市場的技術競賽從未放慢。集團以人才為本，重視創新產品開發，並透過積極發揮技術優勢和豐富的知識產權，持續擴大研發合作。此策略將能推動集團加速進入目標市場，以期在較少探索的領域獲得理想回報。

在國際市場上，大型零售商部署於電子貨架標籤等自動化技術的步伐不減。根據Mordor Intelligence市場調查機構報告，電子貨架標籤市場預計在2023年至2028年內以19.8%的複合年增長率增長。機遇在前，集團除了深耕電子貨架標籤，增加自身競爭優勢，亦致力將IC產品應用拓展到其他範疇，如翻譯機和大型零售標牌的應用，以豐富產品組合。

值得注意的是，全球企業的環保意識越來越高，節能的顯示方式會成為未來發展的必然方向。集團正研發電子貨架標籤以外的大型顯示應用，例如20英寸以上之大型彩色電子零售標牌，該項目預計於2024年下半年量產，將有利於進一步拓展集團IC產品在電子紙方面的應用。

Prospect and Strategies

In view of high global inflation and low personal consumption, the semiconductor market will inevitably shrink in the near term, with supply and demand expected to gradually balance out by the end of 2023. Meanwhile, the effect of wafer price reduction is expected to be reflected in the second half of the year, and the cost pressure on the Group is expected to ease in the future. Until market sentiment improves, the Group will endeavour to control costs and continue to focus on technology development and high value-added products to enhance operational efficiency.

In anticipation of a clearer outlook for the semiconductor industry and more opportunities for companies to collaborate with downstream players in product development in the second half of the year, the Group will adopt a cautious yet flexible strategy to unleash the growth potential of its businesses through a multi-pronged approach, with an aim to achieving satisfactory and sustainable business growth, thereby creating greater value and returns for customers and shareholders.

I would like to take this opportunity to extend my sincere gratitude to all members of senior management and staff for their hard work and innovation over the past six months and for standing shoulder-to-shoulder with the Group in the face of difficult market conditions. At the same time, I would like to express my heartfelt gratitude to all shareholders, investors and other business partners for their continued support to and trust in the Group. Let us work together to scale new heights in the future.

展望與策略

基於全球通脹水平高企、個人消費氣氛低迷等外在因素，半導體市場規模在短期內難免縮減，預計至2023年底供需漸見平衡。同時，晶圓降價效應預料於下半年開始反映，集團日後所承受的成本壓力有望放緩。在市場氣氛好轉前，集團將努力控制好成本，繼續專注發展技術並致力發展高增值產品，從而提升營運效益。

憧憬半導體行業前景逐漸明朗，企業於下半年開始會有較多與下游合作發展產品的機會，集團將採取穩守突擊的策略，多管齊下釋放業務增長潛力，以實現理想而可持續的業務增長為目標，為客戶及股東創造更大的價值和回報。

本人藉此機會，向全體高級管理層和員工致以最真摯的感謝，他們過去半年默默耕耘、勇於創新，與集團在艱難的市況下並肩前行。同時，我謹此衷心感謝所有股東、投資者及其他業務夥伴對集團一貫的支持與信賴，讓我們攜手於未來創出高峰。

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

Hong Kong, 15 August 2023
香港，2023年8月15日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

Business Review

In the first half of 2023, the global economy was not recovering as expected. Combined with a persistent high level of inflation, it has led to a slow recovery in demand for consumer electronics and a continuation of the de-stocking trend in the semiconductor industry. Meanwhile, businesses were facing cost pressures while foundries were holding firm to their prices, thereby unable to timely alleviate the downward price pressure of end products. Under such circumstances, the Group's profitability during the period ended 30 June 2023 (the "Period") was inevitably affected, but it was still significantly better when compared to the second half of last year.

In the post-pandemic era, the Group has adopted a flexible strategy to actively adjust its product mix to cope with the complex and volatile market conditions. During the Period, the Group's sales revenue amounted to US\$85.3 million, representing a decrease of 21.4% over that of the same period last year (US\$108.5 million). Shipment volume for the Period was approximately 176.5 million units (first half of 2022: 170.3 million units).

New Display ICs

New Display IC products mainly refer to bistable display products of the Group. Bistable display is a non-traditional display technology where the display device is illuminated by reflecting ambient light.

業務回顧及展望

業務回顧

2023年上半年，環球經濟的復甦力度未及預期，加上通脹維持於高水平，導致消費電子產品的需求恢復緩慢，半導體行業去庫存狀態延續。同時，企業在成本方面備受壓力，晶圓廠堅守價格，降價速度未能及時紓緩終端產品的降價壓力。在此環境下，本集團於截至2023年6月30日期間（「期內」）的盈利表現難免受到影響，但相比去年下半年已明顯向好。

於後疫情時代，本集團採取靈活的策略，積極調整產品組合，以應對複雜多變的市場狀況。期內集團銷售收入為85.3百萬美元，較去年同期（108.5百萬美元）減少21.4%。期內付運量約為176.5百萬件（2022年上半年：170.3百萬件）。

新型顯示IC

新型顯示IC產品主要指本集團之雙穩態顯示產品。雙穩態顯示是一種非傳統的顯示技術，顯示設備通過反射環境光來照明。

During the Period, revenue from the Group's New Display IC products decreased by 19.9%, mainly due to a slowdown in demand and keen competition in the market. On the demand side, retailers who are interested in switching to Electronic Shelf Labels (ESL) have been waiting for the launch of the new generation four-colour display, thus slowing down the sales of the current three-colour display labels; in the post-pandemic era, some retailers have experienced a drop in revenues under the high level of inflation, and with more manpower than before, the incentive to install ESL has slightly declined as compared to that during the pandemic. On the other hand, a lacklustre mobile phone market has prompted some semiconductor companies to switch their focus to electronic paper IC, which has resulted in increased competition and a reduction in such revenue of the Group.

ESL is not only prevailing in Europe and North America, but it is also becoming an emerging trend in other Asian countries. The Group has been a pioneer in developing ESL ICs for many years, and our customers include many of the world's top-ranked supermarkets. To further tap into the markets of e-Signage and e-Reader applications, the Group commenced mass production of the AMEPD driver IC for Advanced Colour e-Paper (ACeP) products in 2022, which is expected to have a wide application in 2024. The Group supported E Ink in developing the Display IC Solutions for Spectra™ 3100, a next-generation specialised platform for ESL and retail signage application in 2021. This significant technological breakthrough that enables a four-colour spectrum display has helped place the Group in a leading position in this huge market. Spectra™ 3100 is expected to be launched in the second half of 2023. In addition to ESL, the Group is also committed to expanding the application of IC products to other areas, such as translators and large retail signage applications. As global businesses are becoming more environmentally conscious, the Group believes that energy-efficient displays will be inevitable for future development, and the Group shall move towards multi-colour and large-size displays.

期內，本集團新型顯示IC產品的收入減少19.9%，主要由於需求放緩及市場競爭激烈。需求方面，有意轉用電子貨架標籤的零售商等待新一代四色顯示推出，因而減慢了現時三色顯示標籤的銷售；在後疫情時代，於高通漲環境下有部分零售商出現收入下跌的情況，加上人手較之前充裕，故安裝電子貨架標籤的意欲相比疫情時稍為減退。另一方面，在手提電話市場表現一般的情況下，有半導體公司轉而加入電子紙晶片行列，競爭加劇亦令本集團的相關收入減少。

電子貨架標籤不僅在歐洲及北美普及，在其他亞洲國家亦成為新興趨勢。本集團早著先機，發展電子貨架標籤IC多年，客戶包括全球多家排名前列的超級市場。為進一步開拓電子標牌和電子閱讀器市場，本集團於2022年開始量產用於先進彩色電子紙墨水屏(ACeP)的主動矩陣電泳顯示(AMEPD)驅動IC，預計於2024年將能被更廣泛地使用。本集團支援元太科技於2021年為用於電子貨架標籤和零售標牌的新一代電子墨水專用平台Spectra™ 3100研發出嶄新的顯示IC解決方案。此項重大技術突破，實現了四色顯示，亦促使本集團在該龐大的市場中處於領先地位。預計Spectra™ 3100將於2023年下半年推出。除了電子貨架標籤，本集團亦致力將IC產品應用拓展到其他範疇，如翻譯機和大型零售標牌的應用。全球企業的環保意識越來越高，集團相信節能的顯示方式將是未來發展的必然方向，集團將會朝着多色和大尺寸的方向發展。

OLED Display ICs

The Group offers a wide range of OLED display driver ICs to match with various applications, including PMOLED display products, mini/micro-LED products and OLED lighting products. The Group is the world's number one PMOLED display driver IC player with a dominant market share in terms of unit of shipment during the Period.

The Group provides a full range of PMOLED driver ICs from icon, mono and grey scale to full colour with highly integrated features and are ideal display solutions for portable devices. During the Period, demand for PMOLED smart home appliances and healthcare products related to the COVID-19 pandemic, such as oximeters, shrunk due to the weakened consumer market and the subsiding of the COVID-19 pandemic.

The Group is a forerunner in the application of mini/micro-LED. Our mini-LED DDI solutions for 50" to 100" indoor signage display have been in mass production since 2018 and are used in the curved signage display in the underground and subways in the UK and the US. The Group has launched the world's first small-sized passive matrix micro-LED display driver IC – SSD2363 during the Period, which can be applied to next-generation high brightness displays of 3 inches or less for wearable devices, home appliances and industrial appliances.

Mobile Display and Mobile Touch ICs

Solomon Systech provides a wide range of Mobile Display and Mobile Touch IC solutions that is ever-expanding, including In-Cell Touch Display Driver IC, TFT Display Driver IC, STN Display Driver IC, MIPI Bridge IC and Display Controller IC, which support industrial and consumer applications spanning smartphones, tablets, wearables, gaming devices and IoT devices.

OLED顯示IC

本集團提供多種OLED顯示驅動IC，應用廣泛，包括被動式OLED（「PMOLED」）、mini/micro-LED產品和OLED照明產品等。集團是全球最大的PMOLED顯示驅動IC廠商，按期內付運量計算，市場份額佔主導地位。

本集團提供從圖標、單色和灰階顯示到全彩色高度集成的全系列PMOLED驅動IC，是便攜式設備的理想顯示解決方案。期內，由於消費市場減弱及新冠疫情消退，PMOLED智能家電產品及與疫情有關的醫健產品如血氧儀等需求收縮。

本集團是mini/micro-LED應用的先行者，用於50至100英寸室內顯示標牌的mini-LED DDI解決方案自2018年至今一直在量產，於英國和美國地鐵站的曲面顯示標牌中使用。本集團於期內推出全球首枚小尺寸被動式micro-LED顯示驅動IC – SSD2363，該產品可應用於3英寸或以下的新一代高亮度顯示屏，適用於穿戴裝置、家用電器及工業應用。

移動顯示及移動觸控IC

晶門半導體提供多種移動顯示及移動觸控IC解決方案，不斷擴闊產品組合，包括內嵌式觸控顯示驅動IC、TFT顯示驅動IC、STN顯示驅動IC、MIPI橋接IC和顯示控制IC，支持廣泛的工業和消費產品，如智能手機、平板電腦、可穿戴設備、遊戲裝置和物聯網設備等。

The Group pioneers the MIPI solutions for display with a series of proprietary features that support high-resolution, high-speed and low-power display of smart devices. In addition, the Group is co-developing a human interface display platform with a leading small-to-medium-sized TFT-LCD panel maker to leverage the Group's pioneering technologies in TDDI, targeting to enter mass production in the second half of 2023.

The demand for game console controller ICs that require more accurate controls, faster response and longer battery runtime is growing fast. Having anticipated the emerging market trend, the Group has made preparation in the sector by actively leveraging on its profound expertise in TDDI technology. The demand for the Group's game console controller and MIPI Bridge ICs remains steady, and we have successfully secured manufacturing orders into 2024, making a notable contribution to the Group's sustainable revenue base. The Group is also actively researching and developing the application of mobile display and mobile touch ICs to a wider range of areas, with a view to seizing opportunities when the economic environment recovers.

Large Display ICs

The Group provides a wide range of large display driver IC solutions that support various applications, including high-end gaming monitors, notebooks and large-size smart TVs.

本集團是MIPI顯示解決方案的先驅，提供一系列專有功能，支持智能設備的高分辨率、高速和低功耗顯示。本集團正在與一家領先的中小型TFT-LCD顯示器面板廠商，聯合開發人機介面顯示平台，以充分利用集團領先的TDDI技術優勢，目標於2023年下半年進入量產。

對於能讓操控更準確、反應更快捷而電池運行時間更長的遊戲控制器IC，市場上有快速增長的需求。本集團前瞻新興的市場趨勢，積極發揮在TDDI深厚的專業能力，已在該領域作出部署。市場對集團的遊戲控制器及MIPI橋接IC的需求穩定，我們已成功取得至2024年的生產訂單，將為集團可持續的收入基礎，帶來顯著貢獻。集團亦正積極研發將移動顯示及移動觸控IC應用到更多不同領域，以期在經濟環境回溫時能抓緊機會。

大型顯示IC

本集團提供多種大型顯示驅動IC解決方案，支持高階電競顯示器、筆記本及大尺寸智能型電視等應用。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

管理層討論及分析(續)

During the Period, the large screen market was affected by factors such as the post-pandemic era and sluggish market demand, which resulted in huge losses for panel makers and in turn, an unsatisfactory performance in the sales of Large Display ICs. However, the Group managed to carry out mass production of driver ICs for 23.8-inch gaming monitors with a high-refresh-rate of 100Hz and 43-inch smart HDTVs in conjunction with panel makers and international terminal brands. After the second half of 2023, it is expected that the inventory level of TV monitors will be substantially depleted. In the future, the Group will also leverage its research and development (R&D) capabilities to enhance its product value and visibility in the market, and continue to promote cooperation with domestic display screen manufacturers, while dedicating to the R&D of forward-thinking display driver IC technologies.

Product Development

The Group stresses the importance of novel product development to keep abreast of the rapid technology advancement and fast-moving trends. By leveraging our technological edge and pool of intellectual properties, we continue to expand our scope of collaboration. This strategy will enable our accelerated presence in the targeted fronts, leading us to the less explored space with promising rewards.

During the Period, the Group launched the world's first small-sized passive matrix micro-LED display driver IC – SSD2363. The product features high brightness and can be applied to three-inch or less 16.7M colour display according to customers' personalised needs. Moreover, the Group supported E Ink in developing the Display IC Solutions that enables a four colour spectrum display for Spectra™ 3100, a next-generation specialised platform for ESL and retail signage application. This product is expected to be launched in the second half of 2023.

期內，大屏市場由於後疫情時代與市場需求不佳等因素，面板製造商遭逢巨額虧損，令大型顯示IC的銷售狀況不盡理想，但本集團仍與面板廠商與國際終端品牌順利量產應用於100Hz高刷新率之23.8吋電競遊戲顯示器和43吋高清智能電視之驅動芯片。2023年下半年後，預期電視顯示屏庫存將可大幅消化。未來，本集團也將憑藉研發力量，提升產品價值及在市場內的能見度，並持續推進與國內顯示屏製造商合作，往驅動芯片之前瞻顯示技術研發深耕發展。

產品開發

本集團重視創新產品開發，緊貼快速的技術進步和瞬息萬變的市場趨勢。透過積極發揮技術優勢和豐富的知識產權，本集團持續擴大研發合作，此策略將能推動我們加速進入目標市場，以期在較少探索的領域獲得理想回報。

期內，集團推出全球首枚小尺寸被動式micro-LED顯示驅動IC – SSD2363。該產品具備高亮度的特質，可以根據客戶需要，應用於3英寸或以下的16.7M彩色顯示器，配合個性化需求。除此以外，本集團支援元太科技為用於電子貨架標籤和零售標牌的新一代電子墨水專用平台Spectra™ 3100研發出四色顯示的嶄新顯示IC解決方案。預計此項產品將於2023年下半年推出。

To further expand the application of the Group's IC products in electronic paper, the Group is developing large display applications in addition to ESL, such as large colour electronic retail signage over the size of 20 inches, which is expected to commence mass production in the second half of 2024.

Outlook

In view of high global inflation and low consumer sentiment, the overall consumer electronics market is likely to experience a period of sluggish growth in the near term, and it is expected that the industry's de-stocking trend will come to an end by the end of 2023 when the demand side is expected to regain its upward momentum. As the effects of wafer price reductions start to be reflected in the second half of this year, the cost pressure on semiconductor companies will gradually ease, which will be favourable to our business development going forward.

With the anticipation that global economic activities will become more active in the second half of this year, there will be more opportunities for collaboration in product development between semiconductor companies and downstream players, which will represent a growth potential for the Group's business. Looking ahead, the Group will adopt a cautious yet flexible strategy for each of its business areas, with a view to capitalising on the rapid rebound of the market.

為進一步拓展集團IC產品在電子紙方面的應用，集團正研發電子貨架標籤以外的大型顯示應用，如20英寸以上之大型彩色電子零售標牌，該項目預計於2024年下半年量產。

展望

基於全球通脹水平高企、消費意欲低迷等因素，整體消費電子市場在短期內可能將處於一段增長放緩的時期，預計至2023年底行業去庫存將會達至尾聲，屆時需求端有望重拾上升動力。受惠於晶圓降價的效應於今年下半年開始反映，半導體企業的成本壓力將得以逐步舒緩，利好後續的業務發展。

憧憬環球經濟活動於今年下旬開始較為活躍，半導體行業將有較多與下游合作發展產品的機會，成為本集團的業務增長潛力。展望未來，本集團在各個業務範疇將採取穩守突擊的策略，以期在市場重新快速反彈時，借勢奮力起飛。

FINANCIAL REVIEW

Revenue and Results Overview

The Group recorded a decrease of about 21.4% in revenue to US\$85.3 million during the Period (1H 2022: US\$108.5 million). With the global supply chain is returning to normal and the supply of wafer stabilised, the group adjusted the average selling price of the group's products accordingly lead to decrease in revenue.

Gross profit of US\$27.9 million and gross margin of 32.7% were recorded during the Period (1H 2022: US\$42.2 million and 38.9%, respectively). The decrease in gross profit and gross profit margin was mainly attributable to the unproportionate decrease of the average selling price with some of the costs of the Group's products.

Selling and distribution expenses of US\$1.3 million and administrative expenses of US\$3.8 million represented a decrease by 35.9% and a drop of 4.6%, respectively, as compared to corresponding period in last year. The decrease in selling and distribution expense during the Period was due to the group's on-going stringent effective cost control measure, while the drop in administrative expenses was mainly due to the appreciation of US\$ against majority of other currencies during the Period, as the Group's administrative expenses were mainly incurred in the PRC, Hong Kong and Taiwan, the amounts would therefore be lower after translating back to US\$.

The Group has utilised the resources on the products that more adopt with the global market trend and market needs and remains selective in its product R&D spending. The R&D costs during the Period amounted to US\$10.6 million (1H 2022: US\$14.9 million), represent a decrease of 28.8%, the R&D costs to sales ratio for the Period was about 12.4% of the total revenue for the six months ended 30 June 2023 (1H: 2022:13.7%), a slight decrease of 1.3 percentage point when compared with the same period of last year. The Group is committed to its long-term development and has set a bold target in R&D for innovation to solidify the leading position in IC display industry.

財務回顧

收入及業績回顧

本集團期內收入下跌約21.4%至85.3百萬美元(2022年上半年:108.5百萬美元)。全球供應鏈已在復常之中以及晶圓供應已趨穩定,本集團亦相應地調整了產品平均銷售價格,令銷售收入因而減少。

期內的毛利和毛利率分別為27.9百萬美元和32.7%(2022年上半年:分別為42.2百萬美元和38.9%)。毛利及毛利率減少,其主要由於本集團之產品之平均售價下跌與部分產品成本之下降不成比例。

銷售及分銷開支為1.3百萬美元,行政開支為3.8百萬美元,較去年同期分別為減少35.9%和4.6%。期內銷售及分銷開支減少因集團嚴格及有效控制開支所致,而行政開支下降主要是由於期內美元相對大多數其他貨幣升值,而本集團行政開支主要產生自中國、香港和台灣,因此兌換成美元後金額降低。

本集團已將資源投放在更貼近全球市場趨勢的產品上,在產品工程研發支出方面保持審慎。其於期內的工程研發費用為10.6百萬美元(2022年上半年:14.9百萬美元),下跌28.8%,約佔截至2023年6月30日止6個月總銷售額的12.4%(2022年上半年:13.7%),與去年同期比較輕微下跌1.3個百分點。為著提高我們的長期競爭力,本集團致力於科研投入,並已創新研發設立宏大目標,務求鞏固於IC顯示器行業的領導地位。

The Group reported a net profit attributable to owners of the parent of US\$13.2 million during the Period (1H 2022: US\$21.8 million). The Board does not recommend a payment of an interim dividend for the six months ended 30 June 2023.

Despite the decrease in the net profit attributable to owners of parent in the first half of year 2023 when compared with the first half of year 2022, the Group is still able to manage a better net profit attributable to the owners of parent in the first half of year 2023 when compared with that of the second half of year 2022, which is mainly attributable to better product development strategies coping with market needs which in turn lead to a decrease in provision for slow moving inventories, and the Group will continue its on-going stringent effective cost controls measures to enhance operational efficiency.

本集團於期內錄得母公司擁有人應佔淨溢利為13.2百萬美元(2022年上半年: 21.8百萬美元)。董事會不建議宣派截至2023年6月30日止6個月的中期股息。

儘管與2022年上半年相比, 2023年於期內錄得母公司擁有人應佔淨溢利有所減少, 本集團於2023年上半年之母公司擁有人應佔淨溢利仍高於 2022年下半年所錄得, 主要是由於產品開發策略更貼合市場需要, 並因而使滯銷存貨之撥備減少, 而本集團將繼續其現行之嚴格且有效的成本控制措施以提高營運效率。

Liquidity and Financial Resource

流動資金及財務資源

		Unaudited 未經審核 30 June 6月30日 2023 US'000 千美元	Audited 經審核 31 December 12月31日 2022 US'000 千美元
Current assets	流動資產	151,435	146,126
Current liabilities	流動負債	39,635	48,387
Net current assets	流動資產淨值	111,800	97,739
Current ratio	流動比率	3.82	3.02

The Group's current ratio was 3.82 as at 30 June 2023 (31 December 2022: 3.02), reflecting a strong liquidity in its financial position. The position of working capital representing by net current assets was US\$111.8 million (31 December 2022: US\$97.7 million), which had no significant adverse change from the last financial year end.

The Group has invested in financial assets (mainly bank deposits) as part of its treasury management for interest and dividend income. During the period under review, the Group recorded an interest income of US\$934,000 (1H 2022: US\$82,000).

As a result, the Group recorded a net finance income of US\$902,000 (1H 2022: US\$13,000) from financial investments.

於2023年6月30日, 本集團的流動比率為3.82(2022年12月31日: 3.02), 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111.8百萬美元(2022年12月31日: 97.7百萬美元), 與去年財務年結相比並無顯著不利變化。

本集團投資於財務資產(主要為銀行存款)作資金管理以獲取利息及股息收入。於回顧期內, 本集團錄得利息收入934,000美元(2022年上半年: 82,000美元)。

整體結果, 本集團於財務投資錄得淨投資收入902,000美元(2022年上半年: 13,000美元)。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

管理層討論及分析(續)

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.

Total cash and cash equivalents and pledged bank deposits of the Group were US\$77.5 million as at 30 June 2023 (31 December 2022: US\$51.6 million), an increment of US\$25.9 million, of which US\$6.1 million denominated in US dollars (31 December 2022: US\$6.0 million) were pledged to banks to secure for general banking facilities for general operation purpose. Cash and cash equivalents and bank deposits of the Group were mainly denominated in US dollars, New Taiwan dollars, Australian dollars, Hong Kong dollars 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 2023, the Group had no major borrowing. 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.

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。

於2023年6月30日，本集團的現金及現金等價物及已抵押銀行存款總計為77.5百萬美元(2022年12月31日：51.6百萬美元)，增加25.9百萬美元。當中6.1百萬美元以美元計值(2022年12月31日：6.0百萬美元)屬抵押存款予銀行作融資營運用途。現金及現金等價物和銀行存款主要以美元、新台幣、澳元、港元及人民幣結算。

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2023年6月30日，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 2023, capital expenditure of the Group was US\$122,000 (1H 2022: US\$2,041,000).

As at 30 June 2023, there was US\$1.3 million capital expenditure contracted but not provided for (31 December 2022: US\$0.7 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 2023, pledged bank deposits which amounted to US\$6.1 million (31 December 2022: US\$6.0 million) were pledged to banks to secure against banking facilities.

HUMAN RESOURCES AND REMUNERATION POLICY

As of 30 June 2023, the Group had a total workforce of 296 employees*. About 38% of the workforce were based at the Hong Kong headquarters, with the rest located in Mainland China and Taiwan. Employee salary and other benefit expenses decreased to approximately US\$12.7 million during the Period from approximately US\$14.0 million in the first half of 2022, which represented a decrease of 9.3%. The decrease was because of the decrease in average wages, bonus and the average number of employees. The Group's remuneration policies are formulated on the performance of individual employees, which will be reviewed every year. Apart from the provident fund scheme (according to the provisions of the Mandatory Provident Fund Schemes for Hong Kong employees) or the government-managed retirement pension scheme (for Mainland China and Taiwan employees), medical and other insurances, discretionary bonus is also awarded to employees according to the assessment of individual performance.

* Data excludes the testing center in Mainland China

資本開支與或然負債

2023年上半年期間，本集團的資本開支為122,000美元（2022年上半年：2,041,000美元）。

於2023年6月30日，共有1.3百萬美元已商定合約但未撥備之資本開支（2022年12月31日：0.7百萬美元）。

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2023年6月30日，金額為6.1百萬美元（2022年12月31日：6.0百萬美元）的已抵押銀行存款已抵押予銀行作抵押銀行融資用途。

人力資源及薪酬制度

於2023年6月30日，本集團共有296名員工*。整體員工中約38%駐香港總辦事處，其餘員工分別駐中國內地及台灣。僱員薪金及其他福利由2022年上半年約14.0百萬美元減少至本期間約12.7百萬美元，減少9.3%。該減少主要是由於平均工資、花紅及平均僱員人數下跌。本集團的薪酬政策乃按個別僱員表現制定，將每年予以檢討。除公積金計劃（根據適用於香港僱員的強制性公積金條例的條款）及政府管理退休金計劃（適用於中國內地及台灣僱員）、醫療及其他保險外，亦會根據個別僱員表現的評估而向僱員授出酌情花紅。

* 數據不包括於中國內地之測試中心

DIRECTORS' INTERESTS

董事權益

As at 30 June 2023, 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2023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 2023						
於2023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
	Position		Number of shares held	所持購股權數目(i)	總計	佔本公司已發行股本百分比
	權益狀況		所持股份數目	股權數目(i)		
Independent Non-executive Directors	獨立非執行董事					
Mr. Leung Heung Ying	梁享英先生	Long position 好倉	2,400,000	2,400,000 (ii)	4,800,000	0.19%
Mr. Sheu Wei Fu	許維夫先生	Long position 好倉	2,400,000	2,400,000 (iii)	4,800,000	0.19%
Dr. Chan Philip Ching Ho	陳正豪博士	Long position 好倉	-	2,400,000 (iv)	2,400,000	0.09%
Non-executive Directors	非執行董事					
Mr. Ma Yuchuan	馬玉川先生	Long position 好倉	-	-	-	-
Mr. Wang Hui	王輝先生	Long position 好倉	-	-	-	-
Dr. Kang Jian	康劍博士	Long position 好倉	-	-	-	-
Executive Director	執行董事					
Mr. Wang Wah Chi, Raymond	王華志先生	Long position 好倉	5,600,000	9,000,000 (v)	14,600,000	0.58%

Notes:

附註：

- (i) Details of share options granted under the 2013 Share Option Scheme are disclosed on pages 49 to 53.
- (ii) The 800,000 share options of the Company granted to Mr. Leung Heung Ying on 1 June 2021 have been vested and are exercisable from 1 June 2022 to 31 May 2024, another 800,000 share options of the Company granted to Mr. Leung Heung Ying on 22 June 2022 have been vested on 21 June 2023 and are exercisable from 23 June 2023 to 20 June 2025, and another 800,000 share options of the Company granted to Mr. Leung Heung Ying on 25 May 2023 have been vested and are exercisable from 25 May 2023 to 25 May 2025.
- (iii) The 800,000 share options of the Company granted to Mr. Sheu Wei Fu on 1 June 2021 have been vested and are exercisable from 1 June 2022 to 31 May 2024, another 800,000 share options of the Company granted to Mr. Sheu Wei Fu on 22 June 2022 have been vested and are exercisable from 23 June 2023 to 20 June 2025, and another 800,000 share options of the Company granted to Mr. Sheu Wei Fu on 25 May 2023 have been vested and are exercisable from 25 May 2023 to 25 May 2025.

- (i) 該等購股權為根據2013購股權計劃（詳情見第49到53頁）授出之購股權。
- (ii) 本公司於2021年6月1日授予梁享英先生800,000份購股權已歸屬並可於2022年6月1日至2024年5月31日行使，而本公司於2022年6月22日授予梁享英先生的另外800,000份購股權已於2023年6月21日歸屬，並將可於2023年6月23日至2025年6月20日行使，而本公司於2023年5月25日授予梁享英先生的另外800,000份購股權已歸屬並可於2023年5月25日至2025年5月25日行使。
- (iii) 於2021年6月1日授予許維夫先生的另外800,000份購股權已歸屬，並可於2022年6月1日至2024年5月31日行使，而本公司於2022年6月22日授予許維夫先生的另外800,000份購股權已於2023年6月21日歸屬，並將可於2023年6月23日至2025年6月20日行使，而本公司於2023年5月25日授予許維夫先生的另外800,000份購股權已歸屬並可於2023年5月25日至2025年5月25日行使。

(iv) The 800,000 share options of the Company granted to Dr. Chan Philip Ching Ho on 1 June 2021 have been vested and are exercisable from 1 June 2022 to 31 May 2024, another 800,000 share options of the Company granted to Dr. Chan Philip Ching Ho on 22 June 2022 have been vested and are exercisable from 23 June 2023 to 20 June 2025, and another 800,000 share options of the Company granted to Dr. Chan Philip Ching Ho on 25 May 2023 have been vested and are exercisable from 25 May 2023 to 25 May 2025.

(v) The 3,000,000 share options of the Company granted to Mr. Wang Wah Chi Raymond on 1 June 2021 have been vested and are exercisable from 1 June 2022 to 31 May 2024, another 3,000,000 share options of the Company granted to Mr. Wang Wah Chi Raymond on 22 June 2022 have been vested and are exercisable from 23 June 2023 to 20 June 2025, and another 3,000,000 share options of the Company granted to Mr. Wang Wah Chi Raymond on 25 May 2023 have been vested and are exercisable from 25 May 2023 to 25 May 2025.

Saved as disclosed above, at no time during the period, did 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.

(iv) 本公司於2021年6月1日授予陳正豪博士的800,000份購股權已歸屬並可於2022年6月1日至2024年5月31日行使，而本公司於2022年6月22日授予陳正豪博士的另外800,000份購股權已於2023年6月21日歸屬，並將可於2023年6月23日至2025年6月20日行使，而本公司於2023年5月25日授予陳正豪博士的另外800,000份購股權已歸屬並可於2023年5月25日至2025年5月25日行使。

(v) 本公司於2021年6月1日授予王華志先生的3,000,000份購股權已歸屬並可於2022年6月1日至2024年5月31日止行使，而本公司於2022年6月22日授予王華志先生的另外3,000,000份購股權已歸屬，並可於2023年6月23日至2025年6月20日止行使，而本公司於2023年5月25日授予王華志先生的另外3,000,000份購股權已歸屬，並可於2023年5月25日至2025年5月25日止行使。

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 2023, 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2023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 2023 於2023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 position 好倉	706,066,000	–	706,066,000	28.29%
*China Electronics Limited ⁽ⁱ⁾ 中國電子有限公司 ⁽ⁱ⁾	Interest of controlled corporation 所控制的法團的權益	Long position 好倉	706,066,000	–	706,066,000	28.29%
*China Electronics Corporation ⁽ⁱ⁾ 中國電子信息產業集團有限公司 ⁽ⁱ⁾	Interest of controlled corporation 所控制的法團的權益	Long position 好倉	706,066,000	–	706,066,000	28.29%

Note:

附註：

(i) Huada Semiconductor Co., Ltd is a 58.07% owned by China Electronics Limited, and China Electronic Limited is 81.66% owned by China Electronics Corporation ("CEC"). CEC is a state-owned information technology conglomerate under the administration of the central government of the People's Republic of China.

(i) 中國電子有限公司持有華大半導體有限公司58.07%股權，而中國電子信息產業集團有限公司（「中國電子」）持有中國電子有限公司81.66%股權。中國電子為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。

* English name is for identification purpose only

* 英文名稱僅供識別之用

Saved as disclosed above, as at 30 June 2023, 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2023年6月30日，根據SFO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。

SHARE OPTION SCHEME 購股權計劃

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 number of share options outstanding as at 30 June 2023 was 30,150,000.

Details of the share options outstanding as at 30 June 2023 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2023年6月30日，合共有30,150,000股有效購股權未經行使。

於2023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	Unaudited 未經審核 Number of share options (in thousand units) 購股權數目(以千位計)					Exercise price for the share options granted per share HK\$	*Share price of the Company immediately before the exercise/ grant date of share options (note) HK\$ *緊接購股權行使/ 授出日期之前 本公司股價(附註)	Grant date	Vesting period	Exercise period
	Held on 1 January 2023	Grant during the year	Exercised during the year	Lapsed/ forfeited during the year	Held on 30 June 2023					
董事名稱	於2023年 1月1日持有	年內已授出	年內已行使	年內 已註銷/放棄	於2023年 6月30日持有	行使價 港元		授出日期	歸屬期	行使期
Independent Non-executive Directors										
獨立非執行董事										
Leung Heung Ying 梁享英	800	-	-	-	800	0.840	NA/0.790	1 June 2021	1 June 2021 to 31 May 2022	1 June 2022 to 31 May 2024
	800	-	-	-	800	0.530	NA/0.520	22 June 2022	22 June 2022 to 21 June 2023	From 23 June 2023 to 20 June 2025
	-	800	-	-	800	0.463	NA/0.455	25 May 2023	25 May 2023	25 May 2023 to 25 May 2025
								2023年5月25日	2023年5月25日	由2023年5月25日至 2025年5月25日
	1,600	800	-	-	2,400					

Name of Directors	Unaudited 未經審核 Number of share options (in thousand units) 購股權數目 (以千位計)				Held on 30 June 2023	Exercise price for the share options granted per share HK\$	*Share price of the Company immediately before the exercise/ grant date of share options (note) HK\$	Grant date	Vesting period	Exercise period
	Held on 1 January 2023	Grant during the year	Exercised during the year	Lapsed/ forfeited during the year						
董事名稱	於2023年 1月1日持有	年內已授出	年內已行使	年內 已註銷/放棄	於2023年 6月30日持有	行使價 港元	*緊接購股權行使/ 授出日期之前 本公司股價(附註)	授出日期	歸屬期	行使期
Sheu Wei Fu 許維夫	800	-	(800)	-	-	0.201	0.47/0.190	30 October 2020	30 October 2020 to 27 May 2021	1 November 2021 to 31 October 2023
								2020年10月30日	2020年10月30日至 2021年5月27日	2021年11月1日至 2023年10月31日
	800	-	-	-	800	0.840	NA/0.790	1 June 2021	1 June 2021 to 31 May 2022	1 June 2022 to 31 May 2024
								2021年6月1日	2021年6月1日至 2022年5月31日	2022年6月1日至 2024年5月31日
	800	-	-	-	800	0.530	NA/0.520	22 June 2022	22 June 2022 to 21 June 2023	From 23 June 2023 to 20 June 2025
								2022年6月22日	由2022年6月22日至 2023年6月21日	由2023年6月23日至 2025年6月20日
	-	800	-	-	800	0.463	NA/0.455	25 May 2023	25 May 2023	25 May 2023 to 25 May 2025
								2023年5月25日	2023年5月25日	由2023年5月25日至 2025年5月25日
	2,400	800	(800)	-	2,400					
Chan Philip Ching Ho 陳正豪	800	-	-	-	800	0.840	NA/0.790	1 June 2021	1 June 2021 to 31 May 2022	1 June 2022 to 31 May 2024
								2021年6月1日	2021年6月1日至 2022年5月31日	2022年6月1日至 2024年5月31日
	800	-	-	-	800	0.530	NA/0.520	22 June 2022	22 June 2022 to 21 June 2023	From 23 June 2023 to 20 June 2025
								2022年6月22日	由2022年6月22日至 2023年6月21日	由2023年6月23日至 2025年6月20日
	-	800	-	-	800	0.463	NA/0.455	25 May 2023	25 May 2023	25 May 2023 to 25 May 2025
								2023年5月25日	2023年5月25日	由2023年5月25日至 2025年5月25日
	1,600	800	-	-	2,400					
Subtotal 小計	5,600	2,400	(800)	-	7,200					
Executive Directors 執行董事										
Wang Wah Chi, Raymond 王華志	3,000	-	-	-	3,000	0.840	NA/0.790	1 June 2021	1 June 2021	1 June 2022 to 31 May 2024
								2021年6月1日	2021年6月1日	2022年6月1日至 2024年5月31日
	3,000	-	-	-	3,000	0.530	NA/0.520	22 June 2022	22 June 2022	From 23 June 2023 to 20 June 2025
								2022年6月22日	2022年6月22日	由2023年6月23日至 2025年6月20日
	-	3,000	-	-	3,000	0.463	NA/0.455	25 May 2023	25 May 2023	25 May 2023 to 25 May 2025
								2023年5月25日	2023年5月25日	由2023年5月25日至 2025年5月25日
Subtotal 小計	6,000	3,000	-	-	9,000					

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name of Directors 董事名稱	Unaudited 未經審核 Number of share options (in thousand units) 購股權數目(以千位計)					Exercise price for the share options granted per share HK\$ 行使價 港元	*Share price of the Company immediately before the exercise/ grant date of share options (note) HK\$ *緊接購股權行使/ 授出日期之前 本公司股價(附註)	Grant date 授出日期	Vesting period 歸屬期	Exercise period 行使期
	Held on 1 January 2023 於2023年 1月1日持有	Grant during the year 年內已授出	Exercised during the year 年內已行使	Lapsed/ forfeited during the year 年內 已註銷/放棄	Held on 30 June 2023 於2023年 6月30日持有					
Senior management & others 高級管理層及其他	50	-	-	-	50	0.159	NA/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
	1,000	-	(500)	(500)	-	0.2454	0.52/0.221	17 July 2020 2020年7月17日	17 July 2020 to 16 July 2022 2020年7月17日至 2022年7月16日	19 July 2022 to 18 July 2024 2022年7月19日至 2024年7月18日
	5,600	-	-	(440)	5,160	0.790	NA/0.770	8 December 2021 2021年12月8日	8 December 2021 to 7 June 2022 2021年12月8日至 2022年6月7日	8 June 2022 to 7 June 2024 2022年6月8日至 2024年6月7日
	8,400	-	-	(660)	7,740	0.790	NA/0.770	8 December 2021 2021年12月8日	8 December 2021 to 7 June 2023 2021年12月8日至 2023年6月7日	8 June 2023 to 6 June 2025 2023年6月8日至 2025年6月6日
	250	-	-	-	250	0.530	NA/0.520	22 June 2022 2022年6月22日	22 June 2022 to 21 June 2023 由2022年6月22日 至2023年6月21日	From 23 June 2023 to 20 June 2025 由2023年6月23日 至2025年6月20日
	250	-	-	-	250	0.530	NA/0.520	22 June 2022 2022年6月22日	22 June 2022 to 21 June 2024 由2022年6月22日 至2024年6月21日	From 24 June 2024 to 23 June 2026 由2024年6月24日 至2026年6月23日
	-	250	-	-	250	0.546	NA/0.500	24 March 2023 2023年3月24日	24 March 2023 to 24 March 2024 由2023年3月24日 至2024年3月24日	25 March 2024 to 24 March 2026 由2024年3月25日 至2026年3月24日
	-	250	-	-	250	0.546	NA/0.500	24 March 2023 2023年3月24日	24 March 2023 to 24 March 2025 由2023年3月24日 至2025年3月24日	25 March 2025 to 24 March 2027 由2025年3月25日 至2027年3月24日
Subtotal 小計	15,550	500	(500)	(1,600)	13,950					
Total 總計	27,150	5,900	(1,300)	(1,600)	30,150					

* The weighted average share closing price of the shares immediately before the date on which the options were exercised or the closing price of the shares immediately before the dates on which the options were granted (as applicable)

* 緊接購股權行使日之前的股份加權平均收市價或緊接購股權行使日之前的股份收市價(視情況而定)

The Company uses the Binomial Valuation Model (the "Model") to value the share options granted. The key parameters used in the Model and the corresponding fair values of the share options granted during the period under review and the year ended 31 December 2022 are listed below:

本公司使用二項訂價模式(「模式」)計算已授出的購股權。於回顧期內及2022年12月31日止已授出購股權的公平值及應用此模式的主要參考數據如下：

Date of grant	授出日期	2023 25 May 5月25日	2023 24 March 3月24日	2022 22 June 6月22日
Number of share options granted (in thousand units)	已授出購股權數目 (以千位計)	5,400	500	5,900
Total share option value	購股權總值			
– HK\$'000	– 千港元	887	110	1,267
– US\$'000 equivalent	– 千美元等值	114	14	163
Share price at date of grant (HK\$)	授出日期的股價(港元)	0.455	0.500	0.510
Closing price immediately before the date of grant (HK\$)	緊接授出日前之收市價 (港元)	0.455	0.580	0.520
Exercise price (HK\$)	行使價(港元)	0.463	0.546	0.530
Expected life of options (years)	購股權的預定期限(年)	2	3-4	3-4
Annualised volatility	年度波幅	76.9%	77.2%-83.6%	71.6%-79.3%
Risk free interest rate	無風險利率	3.64%	2.78%-2.84%	3.46%-3.47%
Dividend payout rate	派息率	2.33%	2.33%	2.97%

The Binomial Valuation Model is used to estimate the fair values of share options. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the Model used. The value of a share option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of a share option.

二項訂價模式是用來估算購股權的公平值。計算出的公平值受給定假設和模式自身限制而具有固有的主觀性及不確定。購股權的價值會隨著某些主觀假設的不同變數而改變。所採用的變數的任何改變可能會對購股權公平值的估算造成重大影響。

The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily closing share prices over the last few years.

波幅乃基於過去波幅乃基於過去數年每日股份收市價的統計分析之股份複合回報之標準差計算出來。

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 2023.

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 2023. In addition, during the six months ended 30 June 2023, the Company was not aware of any non compliance of Model Code by the relevant employees of the Group.

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 2023.

Review of Interim Condensed Consolidated Financial Information

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

The unaudited interim condensed consolidated 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2023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2023年6月30日止6個月期間，彼等均一直遵守該等指引。此外，本公司未獲悉本集團相關僱員於截至2023年6月30日止6個月期間有任何不遵守標準守則之情況。

購買、出售或贖回本公司上市股份

於截至2023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。

審閱中期簡明綜合財務資料

審核委員會由3名獨立非執行董事及1名非執行董事組成。未經審核的中期簡明綜合財務資料，已通過管理層聯同審核委員會審閱。

該等未經審核的中期簡明綜合財務資料，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 2023, 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) 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) and the Company's website (www.solomon-systech.com) on 15 August 2023.

On behalf of the Board

Solomon Systech (International) Limited
WANG Wah Chi, Raymond
Chief Executive Officer

Hong Kong, 15 August 2023

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2023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)，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2023年8月15日於聯交所網站(www.hkexnews.hk)及本公司網站(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
晶門半導體有限公司
王華志
行政總裁

香港，2023年8月15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 CECl, 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 through its interests in Huada
CECl	深圳中電國際信息科技有限公司 (CECl 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
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
Huada	Huada Semiconductors Co. Ltd., a PRC company with limited liability to consolidate all IC businesses under CEC group. It is a substantial shareholder of the Company
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
UK	United Kingdom
USA/US/United States	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，通過控制華大的權益為本公司主要股東
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	晶門半導體有限公司，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
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
華大	華大半導體有限公司，一家CEC為整合旗下IC企業而組建於中國的有限公司，乃本公司之主要股東
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	無源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
英國	大英聯合王國
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

15 August 2023

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

2,495,652,351 (as at 30 June 2023)

Principal Share Registrar and Transfer Agent

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

Hong Kong Branch Share Registrar

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong
Tel: (852) 2980 1333
Fax: (852) 2810 8185
Website: www.tricoris.com

Independent Auditor

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

Solicitors

Loeb & Loeb LLP

財務日誌

財政年度結算日

12月31日

公佈中期業績

2023年8月15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

2,495,652,351 (於2023年6月30日)

股份過戶登記總處

Tricor Services (Cayman Islands) Limited
Third 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
夏慤道16號
遠東金融中心17樓
電話：(852) 2980 1333
傳真：(852) 2810 8185
網址：www.tricoris.com

獨立核數師

安永會計師事務所
執業會計師
註冊公眾利益實體核數師

法律顧問

樂博律師事務所有限法律責任合夥

Board Members

Executive Director

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

Non-executive Directors

Mr. Ma Yuchuan (*Chairman*)

Mr. Wang Hui

Dr. Kang Jian

Independent Non-executive Directors

Mr. Leung Heung Ying

Mr. Sheu Wei Fu

Dr. Chan Philip Ching Ho

Authorized Representatives

Mr. Wang Wah Chi, Raymond

Mr. Yu Chon Man

Company Secretary & Qualified Accountant

Mr. Yu Chon Man

CPA, FCCA

Corporate Communications/Investor Relations

Email: ir@solomon-systech.com

Principal Office

Unit 607-613, 6/F. Wireless Centre,

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

董事成員

執行董事

王華志先生 (*行政總裁*)

非執行董事

馬玉川先生 (*主席*)

王輝先生

康劍博士

獨立非執行董事

梁享英先生

許維夫先生

陳正豪博士

授權代表

王華志先生

余俊敏先生

公司秘書及合資格會計師

余俊敏先生

CPA, FCCA

企業傳訊／投資者關係

電郵： ir@solomon-systech.com

總辦事處

香港

新界沙田

香港科學園

科技大道東3號無線電中心

6樓607-613室

電話：(852) 2207 1111

傳真：(852) 2267 0800

網址

www.solomon-systech.com

CORPORATE AND SHAREHOLDER INFORMATION (continued)

公司及股東資料 (續)

This 2023 Interim Report (bilingual version in English and Chinese) has been posted on the Company's website at 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 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or by sending an email to solomon2878-ecom@hk.tricorglobal.com.

本2023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。

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,地址為香港夏慤道16號遠東金融中心17樓,或將該通知電郵至 solomon2878-ecom@hk.tricorglobal.com。



www.solomon-systech.com



Solomon Systech (International) Limited

晶門半導體有限公司

Unit 607-613, 6/F Wireless Centre,
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
無線電中心6樓607-613室
電話：(852) 2207 1111 傳真：(852) 2267 0800

