

Sprocomm Intelligence Limited

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



2023 中報
INTERIM REPORT

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CORPORATE INFORMATION

Board of Directors

Executive Directors

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

Independent Non-executive Directors

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

Committees of the Board

Audit Committee

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

Remuneration Committee

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

Nomination Committee

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

Company Secretary

Ms. Jian Xuegen

Authorised Representatives

Mr. Xiong Bin
Ms. Jian Xuegen

公司資料

董事會

執行董事

李承軍先生 (*主席兼行政總裁*)
熊彬先生 (*副主席*)
郭慶林先生
溫川川先生

獨立非執行董事

洪為民先生
黃昆杰先生
呂永琛先生
曾瀾漪女士

董事會委員會

審核委員會

黃昆杰先生 (*主席*)
呂永琛先生
洪為民先生

薪酬委員會

洪為民先生 (*主席*)
黃昆杰先生
呂永琛先生
曾瀾漪女士

提名委員會

李承軍先生 (*主席*)
黃昆杰先生
呂永琛先生
曾瀾漪女士

公司秘書

簡雪艮女士

授權代表

熊彬先生
簡雪艮女士

Financial Adviser

Dakin Capital Limited
Suite 3111A, 31/F
Tower 2, Lippo Centre
89 Queensway
Hong Kong

Auditor

Moore Stephens CPA Limited
Certified Public Accountants
Public Interest Entity Auditors registered in accordance
with the Financial Reporting Council Ordinance
801-806 Silvercord, Tower 1
30 Canton Road
Tsimshatsui, Kowloon
Hong Kong

Registered Office in Cayman Islands

P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

Principal Place of Business and Headquarters in the PRC

5D-506 F1.6 Block
Tianfa Building
Tianan Chegongmiao Industrial Park
Futian District
Shenzhen, China

Place of Business in Hong Kong

Unit 702, 7/F
Greenfield Tower
Concordia Plaza
1 Science Museum Road
Tsim Sha Tsui East
Kowloon, Hong Kong

Principal Banks

Citibank
ICICI Bank Limited

財務顧問

德健融資有限公司
香港
金鐘道89號
力寶中心第二座
31樓3111A室

核數師

大華馬施雲會計師事務所有限公司
執業會計師
根據財務匯報局條例註冊的
公眾利益實體核數師
香港
九龍尖沙咀
廣東道30號
新港中心1座801-806室

開曼群島註冊辦事處

P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

中國主要營業地點及總部

中國深圳市
福田區
天安車公廟工業區
天發大廈
F1.6棟5D-506室

香港營業地點

香港
九龍
尖沙咀東
科學館道1號
康宏廣場南座
7樓702室

主要銀行

花旗銀行
ICICI Bank Limited

Share Registrars and Transfer Offices

Hong Kong

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Cayman Islands

Tricor Services (Cayman Islands) Limited
2nd Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

Stock Name

SPROCOMM INTEL

Stock Code

1401

Website

www.sprocomm.com

股份過戶登記處

香港

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

開曼群島

Tricor Services (Cayman Islands) Limited
2nd Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

股份名稱

SPROCOMM INTEL

股份代號

1401

公司網站

www.sprocomm.com

BUSINESS REVIEW AND PROSPECTS

The board (the “Board”) of directors (the “Directors”) of Sprocomm Intelligence Limited (the “Company”) announces the unaudited interim consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2023 to the shareholders of the Company.

Business Review

During the six months ended 30 June 2023, the Group, as one of the leading ODM mobile phone suppliers based in China, continued to focus on the research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets.

2023 is a challenging year for many enterprises amid economic volatility, high inflation, rising interest rates and weakening consumer confidence. It takes time for the global economy to gradually recover, and the Group has strived its best to improve its financial performance by developing new products, acquiring new customers and implementing effective cost controls. Revenue decreased by approximately 11.3% to RMB806.9 million for the six months ended 30 June 2023 from RMB909.3 million for the six months ended 30 June 2022. The decrease in revenue was fully offset by the increase in the amortisation of government subsidies. Overall, the Group achieved satisfactory results for the six months ended 30 June 2023. Net profit increased by approximately 11.5% to RMB8.7 million for the six months ended 30 June 2023 from RMB7.8 million for the six months ended 30 June 2022.

業務回顧及前景

Sprocomm Intelligence Limited (「本公司」) 董事(「董事」)會(「董事會」)向本公司股東公佈本公司及其附屬公司(統稱「本集團」)截至二零二三年六月三十日止六個月的未經審核中期綜合業績。

業務回顧

截至二零二三年六月三十日止六個月，本集團作為中國領先的ODM手機供應商之一，一直致力於研發、設計、生產以及銷售手機、手機的印刷電路板組裝以及物聯網相關產品，著力開拓新興市場。

在經濟波動、通脹高企、利率上升、消費者信心減弱的背景下，二零二三年對許多企業來說是充滿挑戰的一年。全球經濟逐步復甦仍需時日，本集團已透過開發新產品、獲取新客戶及實施有效成本控制，以盡力改善財務表現。收益由截至二零二二年六月三十日止六個月的人民幣909.3百萬元減少約11.3%至截至二零二三年六月三十日止六個月的人民幣806.9百萬元。收益的減少性被政府補貼攤銷的增加悉數抵銷。整體而言，本集團於截至二零二三年六月三十日止六個月取得令人滿意的業績。純利由截至二零二二年六月三十日止六個月的人民幣7.8百萬元增加約11.5%至截至二零二三年六月三十日止六個月的人民幣8.7百萬元。

Highlights of the unaudited results of the Group for the six months ended 30 June 2023, as compared to the corresponding period in 2022, are shown in the following table:

本集團截至二零二三年六月三十日止六個月未經審核業績的要點及其與二零二二年同期的對比如下表所示：

| | | Six months ended 30 June | |
|--|-----------------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Revenue (RMB'000) | 收益(人民幣千元) | 806,946 | 909,282 |
| Net profit for the period (RMB'000) | 期內純利 (人民幣千元) | 8,710 | 7,782 |
| Earnings per share – Basic and diluted (RMB cents) | 每股盈利 – 基本及攤薄(人民幣分) | 0.95 | 0.79 |

Outlook and Strategy

Going forward, China's ODM mobile phone market will be filled with challenges and opportunities. The Directors consider that the rapid roll-out of 5G telecommunication network in different parts of the world will drive the demand for smartphones and IoT related products.

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

前景及業務策略

展望未來，中國的ODM手機市場將會充滿挑戰及機遇。董事認為全球各地迅速推出5G電訊網絡，將帶動智能手機以及物聯網相關產品的需求。

為把握潛在市場機遇及使本公司及其股東的利益最大化，本集團會審慎發展業務以及逐步增加產能，提升研發能力，豐富產品組合及加大銷售及營銷力度，達致地域多元化。

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenue

Revenue by product categories

The Group's product portfolio includes smartphones, feature phones, PCBAs for mobile phones and IoT related products. During the six months ended 30 June 2023, the Group mainly derives its revenue from the sales of smartphones and IoT products. Set out below is a breakdown of the Group's total revenue by product categories and the revenue generated from each product category as a percentage of total revenue for the six months ended 30 June 2023 and 2022:

管理層討論及分析

財務回顧

收益

按產品類別劃分的收益

本集團的產品組合包括智能手機、功能型手機、手機的印刷電路板組裝及物聯網相關產品。截至二零二三年六月三十日止六個月，本集團的收益主要來自銷售智能手機及物聯網產品。下表載列截至二零二三年及二零二二年六月三十日止六個月按產品類別劃分的總收益明細及各產品類別產生的收益佔本集團總收益的百分比：

| | | Six months ended 30 June 截至六月三十日止六個月 | | | |
|----------------------|---------|---|-----------------------|---------------|-----------------------|
| | | 2023 二零二三年 | | 2022 二零二二年 | |
| | | RMB'000 | % of total revenue | RMB'000 | % of total revenue |
| | | 人民幣千元 | 佔總收益的% | 人民幣千元 | 佔總收益的% |
| Mobile phones | 手機 | | | | |
| - Smartphones | - 智能手機 | 452,520 | 56.1 | 549,562 | 60.4 |
| - Feature phones | - 功能型手機 | 115,210 | 14.3 | 126,928 | 14.0 |
| Sub-total: | 小計： | 567,730 | 70.4 | 676,490 | 74.4 |
| PCBAs | 印刷電路板組裝 | 55,588 | 6.9 | 9,854 | 1.1 |
| IoT related products | 物聯網相關產品 | 153,034 | 19.0 | 163,804 | 18.0 |
| Others (Note) | 其他(附註) | 30,594 | 3.7 | 59,134 | 6.5 |
| Total | 合計 | 806,946 | 100.0 | 909,282 | 100.0 |

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

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

The Group's total revenue decreased by approximately 11.3% to RMB806.9 million for the six months ended 30 June 2023 from RMB909.3 million for the six months ended 30 June 2022.

本集團的總收益由截至二零二二年六月三十日止六個月的人民幣909.3百萬元減少約11.3%，至截至二零二三年六月三十日止六個月的約人民幣806.9百萬元。

Revenue from mobiles phones decreased by 16.1% to RMB567.7 million for the six months ended 30 June 2023 from RMB676.5 million for the six months ended 30 June 2022, primarily attributed to the decrease in sales of smartphones to India and People's Republic of Bangladesh, but partially offset by the increase in sales of smartphones to China.

手機收益由截至二零二二年六月三十日止六個月的人民幣676.5百萬元減少16.1%，至截至二零二三年六月三十日止六個月的人民幣567.7百萬元，主要由於向印度及孟加拉人民共和國銷售的智能電話減少所致，惟因向中國銷售的智能電話增加而作部分抵銷。

Revenue from PCBAs increased to RMB55.6 million for the six months ended 30 June 2023 from RMB9.9 million for the six months ended 30 June 2022, primarily attributable to the increase in demand for PCBAs from China.

Revenue from IoT related products decreased by 6.6% to RMB153.0 million for the six months ended 30 June 2023 from RMB163.8 million for the six months ended 30 June 2022, primarily attributed to decrease in sales orders from major customers in the PRC.

Revenue by geographical regions

The Group's products are mainly sold to emerging markets which have high population and growing demands on mobile phones. Set out below is a breakdown of the Group's total revenue by geographical region and the revenue generated from each region as a percentage of total revenue for the six months ended 30 June 2023 and 2022:

印刷電路板組裝的收益由截至二零二二年六月三十日止六個月的人民幣9.9百萬元，增加至截至二零二三年六月三十日止六個月的人民幣55.6百萬元，主要由於中國對印刷電路板組裝的需求上升所致。

物聯網相關產品的收益由截至二零二二年六月三十日止六個月的人民幣163.8百萬元減少6.6%至截至二零二三年六月三十日止六個月的人民幣153.0百萬元，主要由於來自中國主要客戶的銷售訂單減少所致。

按地理位置劃分的收益

本集團主要向人口眾多且手機需求不斷增長的新興市場銷售產品。下表列載截至二零二三年及二零二二年六月三十日止六個月本集團按地區劃分的總收益明細及各地區產生的收益佔本集團總收益的百分比：

| | | Six months ended 30 June 截至六月三十日止六個月 | | | |
|---------------------------------|---------------|---|-----------------------|----------------|-----------------------|
| | | 2023 二零二三年 | | 2022 二零二二年 | |
| | | RMB'000 | % of total revenue | RMB'000 | % of total revenue |
| | | 人民幣千元 | 佔總收益的% | 人民幣千元 | 佔總收益的% |
| Emerging Asia | 亞洲新興國家 | | | | |
| India | 印度 | 381,143 | 47.2 | 511,480 | 56.3 |
| Pakistan | 巴基斯坦 | 33,688 | 4.2 | 7,366 | 0.8 |
| People's Republic of Bangladesh | 孟加拉人民共和國 | 29,333 | 3.6 | 79,250 | 8.7 |
| The PRC | 中國 | 354,891 | 44.0 | 286,704 | 31.5 |
| Sub-total: | 小計： | 799,055 | 99.0 | 884,800 | 97.3 |
| Other regions | 其他地區 | | | | |
| Algeria | 阿爾及利亞 | 7,865 | 1.0 | 9,287 | 1.0 |
| Others | 其他 | 26 | - | 15,195 | 1.7 |
| Sub-total: | 小計： | 7,891 | 1.0 | 24,482 | 2.7 |
| Total | 合計 | 806,946 | 100.0 | 909,282 | 100.0 |

Revenue from India decreased by 25.5% to RMB381.1 million for the six months ended 30 June 2023 from RMB511.5 million for the six months ended 30 June 2022, primarily attributed to the decrease in demand for smartphones from major customers.

Revenue from Pakistan increased by 3.6 times to RMB33.7 million for the six months ended 30 June 2023 from RMB7.4 million for the six months ended 30 June 2022, primarily attributed to the increase in demand for smartphones.

Revenue from People's Republic of Bangladesh decreased by 63.1% to RMB29.3 million for the six months ended 30 June 2023 as compared with 79.3 million for the six months ended 30 June 2022, primarily attributed to the decrease in sales orders for smartphones from a major customer.

Revenue from the PRC increased by 23.8% to RMB354.9 million for the six months ended 30 June 2023 from RMB286.7 million for the six months ended 30 June 2022, primarily attributed to increase in sales orders for smartphones and PCBAs from major customers in the PRC.

Revenue from Algeria decreased by 15.1% to RMB7.9 million for the six months ended 30 June 2023 from RMB9.3 million for the six months ended 30 June 2022, primarily attributed to the decrease in demand for smartphones.

Gross profit and gross profit margin

Gross profit decreased by 8.3% to RMB104.5 million for the six months ended 30 June 2023 from RMB113.9 million for the six months ended 30 June 2022, primarily attributed to the decrease in revenue. Gross profit margin increased to 13.0% for the six months ended 30 June 2023 from 12.5% for the six months ended 30 June 2022, primarily attributed to increase in the sales of products with higher gross profit margin.

來自印度的收益由截至二零二二年六月三十日止六個月的人民幣511.5百萬元減少25.5%至截至二零二三年六月三十日止六個月的人民幣381.1百萬元，主要是由於主要客戶對智能手機的需求減少所致。

來自巴基斯坦的收益由截至二零二二年六月三十日止六個月的人民幣7.4百萬元增加3.6倍至截至二零二三年六月三十日止六個月的人民幣33.7百萬元，主要是由於對智能手機的需求增加所致。

來自孟加拉人民共和國收益由截至二零二二年六月三十日止六個月的人民幣79.3百萬元減少63.1%至截至二零二三年六月三十日止六個月的人民幣29.3百萬元，主要是由於來自一名主要客戶的智能手機銷售訂單減少所致。

來自中國收益由截至二零二二年六月三十日止六個月的人民幣286.7百萬元增加23.8%至截至二零二三年六月三十日止六個月的人民幣354.9百萬元，主要是由於來自中國主要客戶的智能手機及印刷電路板組裝的銷售訂單增加所致。

來自阿爾及利亞的收益由截至二零二二年六月三十日止六個月的人民幣9.3百萬元減少15.1%至截至二零二三年六月三十日止六個月的人民幣7.9百萬元，主要是由於智能手機的需求減少所致。

毛利及毛利率

毛利由截至二零二二年六月三十日止六個月的人民幣113.9百萬元減少8.3%至截至二零二三年六月三十日止六個月的人民幣104.5百萬元，主要由於收益減少所致。毛利率由截至二零二二年六月三十日止六個月的12.5%增至截至二零二三年六月三十日止六個月的13.0%，主要由於具更高毛利率的產品的銷量增加所致。

Other gains and income

Other gains and income mainly include government subsidies, amortisation of government subsidies, net exchange gain, bank interest income and sundry income. The Group's other gains and income increased by 43.4% to RMB31.4 million for the six months ended 30 June 2023 from RMB21.9 million for the six months ended 30 June 2022, primarily attributed to the increase in amortisation of government subsidies and bank interest income, but partially offset by the decrease in net exchange gain.

Selling expenses

Selling expenses mainly represent transportation and custom declaration expenses, salaries and employee benefits of our sales and marketing staff, marketing expenses, business-related travelling and entertainment expenses. Selling expenses increased by 13.3% to RMB23.9 million for the six months ended 30 June 2023 from RMB21.1 million for the six months ended 30 June 2022, primarily attributed to the increase in marketing expenses to enhance the customer base.

Administrative and other expenses

Administrative and other expenses mainly represent salaries and benefits of our administrative and management staff, depreciation, amortisation of intangible assets, general office expenses, legal and professional fees, rental expenses, insurance expenses, bank charges and other miscellaneous administrative expenses. Administrative and other expenses decreased by 23.8% to RMB23.4 million for the six months ended 30 June 2023 from RMB30.7 million for six months ended 30 June 2022, primarily attributed to the decrease in office rent and staff redundancy costs.

Research and development expenses

Research and development expenses increased by 9.3% to RMB65.6 million for the six months ended 30 June 2023 from RMB60.0 million for the six months ended 30 June 2022, primarily attributed to the increase in staff costs and material costs for research and development.

其他收益及收入

其他收益及收入主要包括政府補貼、政府補助攤銷、匯兌收益淨額、銀行利息收入及雜項收入。本集團截至二零二三年六月三十日止六個月的其他收益及收入增加43.4%至人民幣31.4百萬元，而截至二零二二年六月三十日止六個月則為人民幣21.9百萬元，主要是由於政府補助攤銷及銀行利息收入增加所致，惟被匯兌收益淨額的減少部分抵銷。

銷售開支

銷售開支主要為運輸及清關費用、我們銷售及市場營銷員工的薪金及僱員福利、市場營銷開支、業務相關差旅及酬酢開支。銷售開支於截至二零二三年六月三十日止六個月增加13.3%至人民幣23.9百萬元，而於截至二零二二年六月三十日止六個月為人民幣21.1百萬元，主要由於營銷開支增加以加強客戶基礎。

行政及其他開支

行政及其他開支主要為我們行政及管理員工的薪金及福利、折舊、無形資產攤銷、一般辦公室開支、法律及專業費用、租金開支、保險開支、銀行費用及其他雜項行政開支。行政及其他開支於截至二零二三年六月三十日止六個月減少23.8%至人民幣23.4百萬元，而於截至二零二二年六月三十日止六個月為人民幣30.7百萬元，主要由於辦公室租金及裁員費用減少所致。

研發開支

研發開支於截至二零二三年六月三十日止六個月增加9.3%至人民幣65.6百萬元，而於截至二零二二年六月三十日止六個月為人民幣60.0百萬元，主要由於員工成本及研發的材料成本增加所致。

Finance costs

Finance costs mainly represent interests on discounted bills, interest portion of lease liabilities, bank borrowings and factoring loans. The Group's finance costs decreased by 33.9% to RMB7.6 million for the six months ended 30 June 2023 from RMB11.5 million for the six months ended 30 June 2022, primarily attributed to decrease in interest on discounted bills financing and factoring loans.

Income tax expenses

The Group's income tax expenses increased by 42.6% to RMB6.7 million for the six months ended 30 June 2023 from RMB4.7 million for the six months ended 30 June 2022, primarily attributed to the increase in tax assessable profits and under provision of income tax expenses in prior years. The effective income tax rate for the six months ended 30 June 2023 was 43.6% (six months ended 30 June 2022: 37.7%).

Profit for the period

As a result of the above factors, the Group recorded a net profit of RMB8.7 million for the six months ended 30 June 2023 (six months ended 30 June 2022: RMB7.8 million).

Dividend

The Board does not recommend the payment of dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: nil).

Trade and bills receivables

As at 30 June 2023, the Group's trade and bills receivables amounted to RMB571.6 million (31 December 2022: RMB191.7 million). The Group generally grants credit period of 90 days to its customers and allows its PRC customers to settle their purchases by way of bills with maturity period ranging from three to seven months.

融資成本

融資成本主要為貼現票據、租賃負債的利息部分、銀行借貸及保理貸款利息。本集團的融資成本由截至二零二二年六月三十日止六個月的人民幣11.5百萬元減少33.9%至截至二零二三年六月三十日止六個月的人民幣7.6百萬元，主要是由於貼現票據融資及保理貸款的利息減少所致。

所得稅開支

本集團的所得稅開支由截至二零二二年六月三十日止六個月的人民幣4.7百萬元增加42.6%至截至二零二三年六月三十日止六個月的人民幣6.7百萬元，主要因為應課稅溢利增加及於過往年度所得稅開支撥備不足所致。截至二零二三年六月三十日止六個月的實際所得稅率為43.6%（截至二零二二年六月三十日止六個月：37.7%）。

期內溢利

由於上述各項因素，本集團於截至二零二三年六月三十日止六個月錄得純利人民幣8.7百萬元（截至二零二二年六月三十日止六個月：人民幣7.8百萬元）。

股息

董事會不建議派付截至二零二三年六月三十日止六個月的股息（二零二二年六月三十日止六個月：零）。

貿易應收款項及應收票據

於二零二三年六月三十日，本集團的貿易應收款項及應收票據為人民幣571.6百萬元（二零二二年十二月三十一日：人民幣191.7百萬元）。本集團通常向客戶授出90天的信貸期，並容許中國客戶以到期期限介乎三至七個月的票據結付彼等之採購款。

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

The increase in the Group's trade and bills receivables as at 30 June 2023 was primarily attributed to a majority of sales were made in the second quarter of 2023, which were still within the credit period granted by the Group. Based on the dates of the relevant sales invoices, 96.8% of the Group's trade and bills receivables as at 30 June 2023 aged within 90 days and the Group did not notice any substantial long outstanding balances.

Trade and bills payables

As at 30 June 2023, the Group's trade and bills payables amounted to RMB827.3 million (31 December 2022: RMB940.6 million). Suppliers generally grant the Group credit period ranging from 30 to 60 days, with certain suppliers require the Group to make advance payment before product delivery. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe. Certain suppliers allow the Group to settle its purchases by way of bank acceptance bills and the Group may also endorse certain bills receivables to its suppliers in order to settle the trade payable due to them.

Capital Structure, Liquidity, Financial Resources and Gearing

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

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

本集團於二零二三年六月三十日的貿易應收款項及應收票據增加，主要由於大部分銷售於二零二三年第二季度進行，其仍在本集團授予的信貸期內。根據相關銷售發票日期，於二零二三年六月三十日，本集團96.8%的貿易應收款項及應收票據於90日內到期，且本集團並無發現任何重大長期未付結餘。

貿易應付款項及應付票據

於二零二三年六月三十日，本集團的貿易應付款項及應付票據為人民幣827.3百萬元（二零二二年十二月三十一日：人民幣940.6百萬元）。供應商通常授予本集團介乎30至60日的信貸期，其中若干供應商要求本集團於交付產品前提前付款。本集團訂有財務風險管理政策以確保所有應付款項於信貸期限內結清。若干供應商允許本集團以銀行承兌票據的方式結算採購款。本集團亦向若干供應商背書若干應收票據，以償付結欠彼等之貿易應付款項。

資本架構、流動資金、財務資源及資本負債

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

The funding mix will be adjusted depending on the costs of funding and the actual needs of the Group. As at 30 June 2023, the Group had net current assets of RMB227.1 million (31 December 2022: RMB225.7 million), cash and cash equivalents amounted to RMB61.6 million (31 December 2022: RMB36.6 million), pledged bank deposits of RMB317.3 million (31 December 2022: RMB764.4 million) and borrowings amounted to RMB116.4 million (31 December 2022: RMB51.8 million). The Group's cash and cash equivalents and borrowings as at 30 June 2023 were mainly denominated in RMB. As at 30 June 2023, the Group had no borrowings (31 December 2022: RMB10.0 million) subject to fixed interest rates and borrowings of RMB116.4 million (31 December 2022: RMB41.8 million) subject to variable interest rates. As at 30 June 2023, the Group had a current ratio of 1.2 times (31 December 2022: 1.2 times) and gearing ratio of 0.4 (calculated by dividing total debt by total equity) (31 December 2022: 0.2).

As at 30 June 2023, the Group's unutilised borrowing facilities amounted to RMB11.3 million (31 December 2022: RMB110.4 million).

Capital Expenditure

For the six months ended 30 June 2023, the Group incurred cash flows on capital expenditures for the purchase of properties, plant and equipment in the amount of RMB4.7 million (six months ended 30 June 2022: RMB4.3 million).

Capital Commitments

As at 30 June 2023, the Group did not have capital commitments (31 December 2022: RMB1.7 million).

Contingent Liabilities

As at 30 June 2023, the Group did not have any material contingent liabilities or guarantees (31 December 2022: nil).

資金組合將根據資金成本及本集團實際需求進行調整。於二零二三年六月三十日，本集團的流動資產淨值為人民幣227.1百萬元（二零二二年十二月三十一日：人民幣225.7百萬元），現金及現金等價物為人民幣61.6百萬元（二零二二年十二月三十一日：人民幣36.6百萬元），已抵押銀行存款為人民幣317.3百萬元（二零二二年十二月三十一日：人民幣764.4百萬元）及借款為人民幣116.4百萬元（二零二二年十二月三十一日：人民幣51.8百萬元）。本集團於二零二三年六月三十日的現金及現金等價物和借款主要以人民幣計值。於二零二三年六月三十日，本集團概無固定利息借款（二零二二年十二月三十一日：人民幣10.0百萬元）及浮息借款人民幣116.4百萬元（二零二二年十二月三十一日：人民幣41.8百萬元）。於二零二三年六月三十日，本集團流動比率為1.2倍（二零二二年十二月三十一日：1.2倍），而資本負債比率（按總債務除以總權益計算得出）為0.4（二零二二年十二月三十一日：0.2）。

於二零二三年六月三十日，本集團的未動用借貸融資為人民幣11.3百萬元（二零二二年十二月三十一日：人民幣110.4百萬元）。

資本開支

截至二零二三年六月三十日止六個月，本集團就收購物業、廠房及設備產生資本開支現金流人民幣4.7百萬元（截至二零二二年六月三十日止六個月：人民幣4.3百萬元）。

資本承擔

於二零二三年六月三十日，本集團並無資本承擔（二零二二年十二月三十一日：1.7百萬元）。

或然負債

於二零二三年六月三十日，本集團並無任何重大或然負債或擔保（二零二二年十二月三十一日：零）。

Pledge of Assets

As at 30 June 2023, the Group pledged trade and bills receivables with carrying amount of RMB32.1 million (31 December 2022: RMB24.0 million), bank deposits with carrying amount of RMB317.3 million (31 December 2022: RMB764.4 million) and land and building with carrying amount of RMB49.1 million (31 December 2022: RMB50.6 million) to secure its borrowings and banking facilities.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the six months ended 30 June 2023 and 2022, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures.

Significant Investments Held by the Group

Saved as disclosed herein, the Group did not make any other significant investments during the six months ended 30 June 2023.

Future Plan for Material Investments and Capital Assets

As part of its future plans, the Group will also devote more resources into research and development to enrich its product offering on both mobile phone related products and IoT related products. These future plans will be funded by a balanced mix of internal resources and borrowings. To further enhance the value the Group and its shareholders, the Group will also consider potential investment opportunities when they arise.

資產抵押

於二零二三年六月三十日，為取得借款及銀行融資，本集團已抵押賬面值為人民幣32.1百萬元的貿易應收款項及應收票據（二零二二年十二月三十一日：人民幣24.0百萬元）、賬面值為人民幣317.3百萬元的銀行存款（二零二二年十二月三十一日：人民幣764.4百萬元）及賬面值為人民幣49.1百萬元的土地及樓宇（二零二二年十二月三十一日：人民幣50.6百萬元）。

重大收購及出售附屬公司、聯營公司及合資企業

截至二零二三年及二零二二年六月三十日止六個月，本集團並無任何重大收購及出售附屬公司、聯營公司或合資企業。

本集團持有的重大投資

除本文所披露者外，截至二零二三年六月三十日止六個月，本集團並無任何其他重大投資。

重大投資及資本資產的未來計劃

根據未來計劃，本集團亦將會投入更多資源進行研發，以豐富手機相關產品及物聯網相關產品的產品供應。本集團將透過平衡地動用內部資源及借款撥付該等未來計劃。為進一步提高本集團及其股東的價值，本集團亦將會在潛在的投資機會出現時考慮有關投資機會。

On 26 November 2020, Shanghai Hemiao Chuangxian Intelligent Technology Co., Ltd. (formerly known as Sprocomm Intelligence Limited) ("Sprocomm Hemiao"), an indirect wholly-owned subsidiary of the Company, entered into an investment agreement with the Management Committee of New Lingang Area of PRC (Shanghai) Pilot Free Trade Zone* (中國(上海)自由貿易試驗區臨港新片區管理委員會) (the "Lingang Committee"), pursuant to which, among others, (i) Sprocomm Hemiao agreed to set up a smart device R&D headquarters at New Lingang Area with an investment of fixed assets of not less than RMB120 million (equivalent to approximately HK\$142 million); and (ii) Lingang Committee agreed to provide various kinds of support and subsidy to Sprocomm Hemiao. For the investment amount and schedule and other details of this investment agreement, please refer to the Company's announcement dated 26 November 2020.

In the first quarter of 2022, the public bidding for the relevant land parcel took place. The Group and the Lingang Committee entered into a land use right transfer agreement, pursuant to which the Lingang Committee agreed to transfer the land use right for the land parcel situated at Nanhui New Town, Pudong New Area (a site area of 6,373.3 square metres) to the Group at a consideration of approximately RMB14.3 million. The Group has submitted the application for the land use right permit for this land parcel.

Saved as disclosed herein, the Group did not have any future plans for material investments and capital assets during the six months ended 30 June 2023.

本公司間接全資附屬公司上海禾苗創先智能科技有限公司(前稱禾苗智能科技有限公司)(「禾苗創先」)於二零二零年十一月二十六日與中國(上海)自由貿易試驗區臨港新片區管理委員會(「臨港管理委員會」)訂立投資協議，其中包括(i)禾苗創先同意於臨港新片區設立智能設備研發總部，固定資產投資額不少於人民幣120百萬元(相當於約142百萬港元)；及(ii)臨港管理委員會同意向禾苗創先提供多方面支援及補貼。有關投資金額及時間表以及本投資協議的其他詳情，請參閱本公司日期為二零二零年十一月二十六日之公告。

二零二二年第一季度，就相關地塊進行公開競投。本集團及臨港管理委員會訂立土地使用權轉讓協議，據此，臨港管理委員會同意轉讓位於浦東新區南匯新城鎮的地塊的土地使用權(地盤面積為6,373.3平方米)予本集團，代價為約人民幣14.3百萬元。本集團已就該地塊的土地使用權許可呈交申請。

除本報告所披露者外，本集團於截至二零二三年六月三十日止六個月並無任何有關重大投資及資本資產的未來計劃。

* For identification purpose only

Foreign Exchange Risks

For the six months ended 30 June 2023, the Group derived 56.0% (2022: 68.5%) of its total revenue from export sales and these export sales were principally denominated in USD. As at 30 June 2023, the Group had USD-denominated monetary assets with carrying amount of RMB185.8 million (31 December 2022: RMB128.7 million) and USD-denominated monetary liabilities of RMB87.9 million (31 December 2022: RMB33.9 million). The Group is exposed to foreign exchange risk arising from its export sales, monetary assets and liabilities denominated in foreign currencies. The Group did not enter into any foreign exchange hedging instruments during the six months ended 30 June 2023. Management of the Group regularly reviews the impact of exchange risk exposure on the Group's financial performance and may use foreign exchange hedging instruments to reduce the Group's exchange risk exposure if appropriate.

Employees, Remuneration Policy and Training

As at 30 June 2023, the Group had approximately 1,019 employees (31 December 2022: 890 employees), whose remunerations and benefits are determined based on market rates, government policies and individual performance. For the six months ended 30 June 2023, the Group's total staff costs amounted to RMB71.0 million (2022: RMB72.7 million). To provide incentives or rewards to its employees, the Company adopted a share option scheme, particulars of which are set out in the section headed "Share option scheme" in this interim report. The Group provides comprehensive training and development opportunities to its employees on a regular basis. The trainings are arranged according to needs of employees, which are identified annually by individual departments.

外匯風險

截至二零二三年六月三十日止六個月，本集團總收益的56.0%乃來自出口銷售，而該等出口銷售主要以美元計值（二零二二年：68.5%）。於二零二三年六月三十日，本集團有賬面值為人民幣185.8百萬元之貨幣資產以美元計值（二零二二年十二月三十一日：人民幣128.7百萬元）及賬面值為人民幣87.9百萬元的貨幣負債以美元計值（二零二二年十二月三十一日：人民幣33.9百萬元）。本集團因出口銷售以及以外幣計值的貨幣資產及負債而面臨外匯風險。截至二零二三年六月三十日止六個月，本集團並無訂立任何外匯對沖工具。本集團管理層定期檢討外匯風險敞口對本集團財務表現的影響，並在適當的情況下使用外匯對沖工具降低本集團的外匯風險敞口。

僱員、薪酬政策及培訓

於二零二三年六月三十日，本集團有約1,019名僱員（二零二二年十二月三十一日：890名僱員）。僱員的薪酬及福利乃按市場水平、政府政策及個人表現釐定。截至二零二三年六月三十日止六個月，本集團的總員工成本為人民幣71.0百萬元（二零二二年：人民幣72.7百萬元）。為激勵及獎勵僱員，本公司已採納一項購股權計劃，有關詳情載於本中期報告「購股權計劃」一節。本集團定期為僱員提供全面的培訓及發展機會。本集團按僱員需求安排培訓，僱員需求每年由各部門確定。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2023

截至二零二三年六月三十日止六個月

| | | Six months ended 30 June | | |
|---|---------------|---------------------------------|------------------|-----------|
| | | 截至六月三十日止六個月 | | |
| | | 2023 | | 2022 |
| | | 二零二三年 | 二零二二年 | |
| | | RMB'000 | RMB'000 | |
| | | 人民幣千元 | 人民幣千元 | |
| | | (Unaudited) | (Unaudited) | |
| | | (未經審核) | (未經審核) | |
| | | Notes | | |
| | | 附註 | | |
| Revenue | 收益 | 4 | 806,946 | 909,282 |
| Cost of sales | 銷售成本 | | (702,442) | (795,413) |
| Gross profit | 毛利 | | 104,504 | 113,869 |
| Other gains and income | 其他收益及收入 | 6 | 31,383 | 21,926 |
| Selling expenses | 銷售開支 | | (23,926) | (21,076) |
| Administrative and other expenses | 行政及其他開支 | | (23,377) | (30,689) |
| Research and development expenses | 研發開支 | | (65,555) | (60,024) |
| Finance costs | 財務費用 | 7 | (7,598) | (11,522) |
| Profit before tax | 除稅前溢利 | | 15,431 | 12,484 |
| Income tax expenses | 所得稅開支 | 8 | (6,721) | (4,702) |
| Profit for the period | 期內溢利 | 9 | 8,710 | 7,782 |
| Other comprehensive income/ (expense) for the period: | 期內其他全面 | | | |
| <i>Item that may be reclassified subsequently to profit or loss</i> | 收益／(開支)： | | | |
| | 其後可能重新分類至 | | | |
| | 損益的項目 | | | |
| Exchange difference arising on translation of foreign operations | 換算海外業務產生的匯兌差額 | | (885) | (936) |
| Total comprehensive income for the period | 期內全面收益總額 | | 7,825 | 6,846 |

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

**簡明綜合損益及其他全面收益表
(續)**

For the six months ended 30 June 2023

截至二零二三年六月三十日止六個月

| | | Six months ended 30 June | |
|---|------------------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| Notes | | RMB'000 | RMB'000 |
| 附註 | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Profit/(loss) attributable to: | 以下各方應佔溢利／ (虧損)： | | |
| Owners of the Company | 本公司擁有人 | 9,511 | 7,865 |
| Non-controlling interests | 非控股權益 | (801) | (83) |
| | | 8,710 | 7,782 |
| Total comprehensive income/ (expense) attributable to: | 以下各方應佔全面 收益／(開支)總額： | | |
| Owners of the Company | 本公司擁有人 | 8,610 | 6,929 |
| Non-controlling interests | 非控股權益 | (785) | (83) |
| | | 7,825 | 6,846 |
| Earnings per share | 每股盈利 | | |
| Basic and diluted (RMB cents) | 基本及攤薄(人民幣分) | 0.95 | 0.79 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2023

簡明綜合財務狀況表

於二零二三年六月三十日

| | | | 30 June 2023 | 31 December 2022 |
|--|----------------------|-------------|---|--|
| | | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | Notes 附註 | RMB'000 人民幣千元 (Unaudited) (未經審核) | RMB'000 人民幣千元 (Audited) (經審核) |
| Non-current Assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 12 | 100,788 | 103,614 |
| Right-of-use assets | 使用權資產 | | 2,541 | 5,649 |
| Intangible assets | 無形資產 | 13 | 6,479 | 7,659 |
| Long-term prepayment | 預付款項 | 15 | 18,280 | 18,280 |
| Deferred tax assets | 遞延稅項資產 | | 208 | 248 |
| | | | 128,296 | 135,450 |
| Current Assets | 流動資產 | | | |
| Inventories | 存貨 | | 226,170 | 187,428 |
| Trade and bills receivables | 貿易應收款項及 應收票據 | 14 | 571,614 | 191,704 |
| Prepayments and other receivables | 預付款項及其他 應收款項 | 15 | 81,774 | 139,048 |
| Amounts due from shareholders | 應收股東款項 | 16 | 6,341 | 6,341 |
| Pledged bank deposits | 已質押銀行存款 | 17 | 317,263 | 764,383 |
| Bank balances and cash | 銀行結餘及現金 | | 61,596 | 36,635 |
| | | | 1,264,758 | 1,325,539 |
| Current Liabilities | 流動負債 | | | |
| Trade and bills payables | 貿易應付款項及 應付票據 | 18 | 827,302 | 940,627 |
| Accruals and other payables | 應計費用及其他 應付款項 | | 78,555 | 76,702 |
| Contract liabilities | 合約負債 | 19 | 22,144 | 30,251 |
| Borrowings | 借款 | 20 | 103,119 | 37,006 |
| Lease liabilities | 租賃負債 | | 2,626 | 5,855 |
| Deferred income | 遞延收入 | | - | 3,490 |
| Income tax payable | 應付所得稅 | | 3,901 | 5,952 |
| | | | 1,037,647 | 1,099,883 |
| Net current assets | 流動資產淨值 | | 227,111 | 225,656 |
| Total assets less current liabilities | 總資產減流動 負債 | | 355,407 | 361,106 |

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

At 30 June 2023

簡明綜合財務狀況表 (續)

於二零二三年六月三十日

| | | 30 June 2023 | 31 December 2022 |
|---|----------------|-------------------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Non-current liabilities | 非流動負債 | | |
| Deferred income | 遞延收入 | - | 12,096 |
| Deferred tax liability | 遞延稅項負債 | 13,556 | 13,484 |
| Borrowings | 借款 | 13,317 | 14,817 |
| | | 26,873 | 40,397 |
| Net assets | 淨資產 | 328,534 | 320,709 |
| Capital and Reserves | 資本及儲備 | | |
| Share capital | 股本 | 8,945 | 8,945 |
| Reserves | 儲備 | 319,887 | 311,277 |
| Equity attributable to owners of the Company | 本公司擁有人 應佔權益 | 328,832 | 320,222 |
| Non-controlling interests | 非控股權益 | (298) | 487 |
| Total Equity | 權益總額 | 328,534 | 320,709 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2023

截至二零二三年六月三十日止六個月

Attributable to owners of the Company

本公司擁有人應佔

| | | Share capital | Share premium | Statutory reserve | Translation reserve | Merger reserve | Other reserves | Retained profits | Sub-total | Non-controlling interests | Total |
|--|-------------------|---------------|---------------|-------------------|---------------------|----------------|----------------|------------------|-----------|---------------------------|---------|
| | | 股本 | 股份溢價 | 法定儲備 | 換算儲備 | 合併儲備 | 其他儲備 | 保留溢利 | 小計 | 非控股權益 | 總計 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| At 1 January 2023 | 於二零二三年一月一日 | 8,945 | 89,439 | 32,766 | (4,694) | (26,744) | 85,809 | 134,701 | 320,222 | 487 | 320,709 |
| Profit/(loss) for the period | 期內溢利/(虧損) | - | - | - | - | - | - | 9,511 | 9,511 | (801) | 8,710 |
| Exchange difference arising on translation of foreign operations | 換算海外業務產生的匯兌差額 | - | - | - | (901) | - | - | - | (901) | 16 | (885) |
| Total comprehensive (expense)/income for the period | 期內全面(開支)/收益總額 | - | - | - | (901) | - | - | 9,511 | 8,610 | (785) | 7,825 |
| Appropriation to statutory reserve | 轉移至法定儲備 | - | - | 1,302 | - | - | - | (1,302) | - | - | - |
| At 30 June 2023 (Unaudited) | 於二零二三年六月三十日(未經審核) | 8,945 | 89,439 | 34,068 | (5,595) | (26,744) | 85,809 | 142,910 | 328,832 | (298) | 328,534 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

簡明綜合權益變動表(續)

For the six months ended 30 June 2022

截至二零二二年六月三十日止六個月

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | | |
|---|--------------------|---|-----------------------|---------------------------|-----------------------------|------------------------|------------------------|--------------------------|------------------|------------------------------------|------------------|
| | | Share capital 股本 | Share premium 股份溢價 | Statutory reserve 法定儲備 | Translation reserve 換算儲備 | Merger reserve 合併儲備 | Other reserves 其他儲備 | Retained profits 保留溢利 | Sub-total 小計 | Non-controlling interests 非控股權益 | Total 總計 |
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| At 1 January 2022 | 於二零二二年一月一日 | 8,945 | 89,439 | 29,420 | (2,486) | (26,744) | 85,809 | 131,541 | 315,924 | (87) | 315,837 |
| Profit/(loss) for the period | 期內溢利/(虧損) | - | - | - | - | - | - | 7,865 | 7,865 | (83) | 7,782 |
| Exchange difference arising on translation of foreign operations | 換算海外業務產生的匯兌差額 | - | - | - | (936) | - | - | - | (936) | - | (936) |
| Total comprehensive (expense)/income for the period | 期內全面(開支)/收益總額 | - | - | - | (936) | - | - | 7,865 | 6,929 | (83) | 6,846 |
| Capital contribution from non-controlling interest on setting up a new subsidiary | 非控股權益對設立一間新附屬公司的注資 | - | - | - | - | - | (337) | - | (337) | 538 | 201 |
| Appropriation to statutory reserve | 轉移至法定儲備 | - | - | 2,780 | - | - | - | (2,780) | - | - | - |
| At 30 June 2022 (Unaudited) | 於二零二二年六月三十日(未經審核) | 8,945 | 89,439 | 32,200 | (3,422) | (26,744) | 85,472 | 136,626 | 322,516 | 368 | 322,884 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023

簡明綜合現金流量表

截至二零二三年六月三十日止六個月

| | | Six months ended 30 June | |
|--|---------------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| NET CASH (USED IN)/FROM OPERATING ACTIVITIES | 經營活動(所用)/所得 現金淨額 | (484,845) | 431,763 |
| INVESTING ACTIVITIES | 投資活動 | | |
| Purchase of property, plant and equipment | 就物業、廠房及 設備付款 | (4,715) | (4,263) |
| Placement in pledged bank deposits | 存入已質押銀行存款 | (381,376) | (625,402) |
| Withdrawal of pledged bank deposits | 提取已質押銀行存款 | 828,496 | 183,777 |
| Interest received | 已收利息 | 8,586 | 3,436 |
| NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES | 投資活動所得/(所用) 現金淨額 | 450,991 | (442,452) |
| FINANCING ACTIVITIES | 融資活動 | | |
| Government subsidies received | 已收政府補貼 | 5,501 | 8,014 |
| New borrowings raised | 新籌集借款 | 102,958 | 171,762 |
| Repayment of borrowings | 償還借款 | (39,556) | (150,883) |
| Payments of lease liabilities | 租賃負債的付款 | (3,229) | (6,028) |
| Interest paid | 已付利息 | (7,598) | (11,522) |
| Contribution from non-controlling shareholder | 非控股股東注資 | - | 201 |
| NET CASH FROM FINANCING ACTIVITIES | 融資活動所得現金淨額 | 58,076 | 11,544 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等價物增加 淨額 | 24,222 | 855 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 期初現金及現金等價物 | 36,635 | 82,904 |
| Effect of foreign exchange rate changes | 匯率變動的影響 | 739 | 1,668 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 期末現金及現金等價物 | 61,596 | 85,427 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2023

1. GENERAL INFORMATION

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

The address of the registered office is located in P.O. BOX 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands and the principal place of business of the Company is located in 5D-506, F1.6 Block, Tianfa Building, Tianan Chegongmiao Industrial Park, Futian District, Shenzhen, China.

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

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

簡明綜合財務報表附註

截至二零二三年六月三十日止六個月

1. 一般資料

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

本公司註冊辦事處地址為P.O. BOX 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands及主要營業地點為中國深圳市福田區天安車公廟工業區天發大廈F1.6棟5D-506室。

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

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

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2023 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Other than changes in accounting policies resulting from the application of new amendments to Hong Kong Financial Reporting Standards and application of the accounting policies which become relevant to the Group, the accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2022.

2. 編製基準

本集團截至二零二三年六月三十日止六個月的簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」編製以及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十六的適用披露規定。

3. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製。歷史成本一般根據為交換貨品及服務提供的代價的公平值。

除因採用香港財務報告準則的新修訂及採用與本集團相關的會計政策而導致的會計政策變動外，簡明綜合財務報表所採用的會計政策乃與編製本集團截至二零二二年十二月三十一日止年度的年度綜合財務報表所採用者一致。

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Application of new and amendments to Hong Kong Financial Reporting Standards

In the current interim period, the Group has applied the amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2023 for the preparation of the Group's condensed consolidated financial statements:

| | |
|---|--|
| HKFRS 17 and Amendments to HKFRS 17 | Insurance Contracts and related Amendments |
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current related amendments to Hong Kong Interpretation 5(2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause |
| Amendments to HKAS 1 and HKFRS Practice Statement 2 | Disclosure of Accounting Policies |
| Amendments to HKAS 8 | Definition of Accounting Estimates |
| Amendments to HKAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |
| Amendments to HKAS 12 | International Tax Reform – Pillar Two Model Rules |

The application of the amendments to HKFRSs in the current interim period did not have material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策 (續)

採用新訂及經修訂香港財務報告準則

於本中期內，本集團已就編製本集團的簡明綜合財務報表首次採納香港會計師公會頒佈的香港財務報告準則修訂本，其於二零二三年一月一日或之後開始的年度期間強制生效：

| | |
|--------------------------------|---|
| 香港財務報告準則第17號及香港財務報告準則第17號(修訂本) | 保險合約及相關修訂 |
| 香港會計準則第1號(修訂本) | 將負債分類為流動或非流動香港詮釋第5號(二零二零年)的相關修訂財務報表的呈列— 借款人對包含按要求償還條款的定期貸款的分類]之相關修訂 |
| 香港會計準則第1號及香港財務報告準則常務說明第2號(修訂本) | 披露會計政策 |
| 香港會計準則第8號(修訂本) | 會計估計定義 |
| 香港會計準則第12號(修訂本) | 來自單一交易的資產及負債相關遞延稅項 |
| 香港會計準則第12號(修訂本) | 國際稅務改革 – 支柱二立法模板 |

於本中期應用香港財務報告準則之修訂對本集團本期間及過往期間及／或於有關簡明綜合財務報表所披露的財務狀況及表現並無任何重大影響。

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Application of new and amendments to Hong Kong Financial Reporting Standards (Continued)

The Group has not applied any new standards or interpretation that is not yet effective for the current period.

4. REVENUE

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

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

3. 主要會計政策 (續)

採用新訂及經修訂香港財務報告準則 (續)

本集團於本期間並無採用任何尚未生效的新訂準則或詮釋。

4. 收益

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

按主要產品類型分列的客戶合約收益分析如下：

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|----------------------|---------|--|--|
| | | 2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核) | 2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核) |
| Mobile phones | 手機 | 567,730 | 676,490 |
| PCBAs | 印刷電路板組裝 | 55,588 | 9,854 |
| IoT related products | 物聯網相關產品 | 153,034 | 163,804 |
| Others | 其他 | 30,594 | 59,134 |
| | | 806,946 | 909,282 |

Transaction price allocated to the remaining performance obligations

The sales contracts are with an original expected duration of less than one year. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price for the performance obligation that is unsatisfied as of the end of respective reporting period.

分配予餘下履約責任的交易價格

銷售合約的原預期期限少於一年。因此，本集團選擇了實際的權宜的方式，並無披露各報告期末尚未達成的履約責任的交易價格金額。

5. SEGMENT INFORMATION

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

Geographical information

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

5. 分部資料

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

地域資料

按客戶位置呈列的本集團外部客戶收益資料如下：

| | | Revenue from external customers | |
|--|----------------|---------------------------------|-------------|
| | | 外部客戶收益 | |
| | | Six months ended 30 June | |
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| India | 印度 | 381,143 | 511,480 |
| Algeria | 阿爾及利亞 | 7,865 | 9,287 |
| The People's Republic of China (the "PRC") | 中華人民共和國 (「中國」) | 354,891 | 286,704 |
| Pakistan | 巴基斯坦 | 33,688 | 7,366 |
| People's Republic of Bangladesh | 孟加拉人民共和國 | 29,333 | 79,250 |
| Other regions | 其他地區 | 26 | 15,195 |
| | | 806,946 | 909,282 |

The Group's non-current assets, excluding deferred tax assets, amounted to RMB128,088,000 (31 December 2022: RMB135,202,000), and are all located in the PRC.

本集團的非流動資產（不包括遞延稅項資產）為人民幣128,088,000元（二零二二年十二月三十一日：人民幣135,202,000元），並均位於中國。

6. OTHER GAINS AND INCOME

6. 其他收益及收入

| | | Six months ended 30 June | |
|---|---------------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Bank interest income | 銀行利息收入 | 8,586 | 3,436 |
| Net exchange gain | 匯兌收益淨額 | 343 | 7,037 |
| Gain on reversal of credit loss for trade and bills receivables | 貿易應收款項及應收票據信貸虧損撥回收益 | - | 174 |
| Government subsidies (Note) | 政府補貼(附註) | 5,501 | 8,014 |
| Amortisation of government grants | 政府補助攤銷 | 16,831 | 3,262 |
| Sundry income | 雜項收入 | 122 | 3 |
| | | 31,383 | 21,926 |

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

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

7. FINANCE COSTS

7. 融資成本

| | | Six months ended 30 June | |
|--|-------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Interest on: | 以下各項的利息： | | |
| Lease liabilities | 租賃負債 | 149 | 662 |
| Discounted bills financing and factoring loans | 票據融資貼現及保理貸款 | 6,420 | 10,129 |
| Borrowings | 借款 | 1,029 | 731 |
| | | 7,598 | 11,522 |

8. INCOME TAX EXPENSES

8. 所得稅開支

| | | Six months ended 30 June | |
|--|-------------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Current Tax: | 即期稅項： | | |
| Hong Kong profits tax | 香港利得稅 | 397 | 316 |
| PRC enterprise income tax ("EIT") | 中國企業所得稅 (「企業所得稅」) | 4,305 | 3,097 |
| (Over)/under provision in prior years: | 過往年度撥備不足／(超額撥備)： | | |
| Hong Kong profits tax | 香港利得稅 | (14) | - |
| EIT | 企業所得稅 | 1,921 | 2,197 |
| | | 6,609 | 5,610 |
| Deferred tax: | 遞延稅項： | | |
| Charge to current period | 於本期間扣除 | 112 | 152 |
| Over provision in prior years | 過往年度超額撥備 | - | (1,060) |
| Income tax expenses | 所得稅開支 | 6,721 | 4,702 |

9. PROFIT FOR THE PERIOD

9. 期內溢利

| | | Six months ended 30 June | |
|--|------------------------------|---------------------------------|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Profit for the period has been arrived at after charging (crediting): | 期內溢利經扣除(計入)下列各項後達致: | | |
| Directors' emoluments | 董事酬金 | 1,554 | 1,274 |
| Salaries, allowances and other benefits (excluding directors' emoluments) | 薪金、津貼及其他福利(不包括董事酬金) | 61,446 | 64,069 |
| Contributions to retirement benefits scheme (excluding directors' emoluments) | 退休福利計劃供款(不包括董事酬金) | 8,008 | 7,374 |
| Total staff costs | 員工成本總額 | 71,008 | 72,717 |
| Amortisation of intangible assets | 無形資產攤銷 | 1,181 | 1,140 |
| Amount of inventories recognised as an expense | 已確認為開支的存貨金額 | 702,442 | 795,413 |
| Net foreign exchange gains | 匯兌收益淨額 | (343) | (7,037) |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 7,542 | 11,106 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 3,108 | 7,092 |
| Impairment loss/(reversal of impairment loss) recognised in respect of trade and bills receivables | 就貿易應收款項及應收票據確認的減值虧損/(減值虧損撥回) | 722 | (174) |

10. DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2023 and 2022, nor has any dividend been proposed since the end of the reporting period.

10. 股息

截至二零二三年及二零二二年六月三十日止六個月，概無支付或建議宣派任何股息，自報告期末起亦無建議宣派任何股息。

11. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

11. 每股盈利

本公司擁有人應佔每股基本盈利之計算乃基於以下數據：

| | | For the six months ended 30 June | |
|---|-------------------------|-------------------------------------|-----------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Earnings | 盈利 | | |
| Earnings for the period attributable to owners of the Company for the purpose of calculating basic earnings per share | 用於計算每股基本盈利的本公司擁有人應佔期內盈利 | 9,511 | 7,865 |
| | | '000 | '000 |
| | | 千股 | 千股 |
| Number of shares | 股份數目 | | |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | 用於計算每股基本盈利的普通股加權平均數 | 1,000,000 | 1,000,000 |

(a) Basic earnings per share

The number of shares used for the purpose of calculating basic earnings per share for the six months ended 30 June 2023 and 2022 is calculated on the basis of the weighted average number of ordinary shares of the Company in issue during the interim period.

(b) Diluted earnings per share

The Company's potentially dilutive ordinary shares comprise share options. Performance-related employee share options are treated as contingently issuable shares. Contingently issuable shares are considered outstanding and where applicable, included in the calculation of diluted earnings per share as if the conditions of the contingency are deemed to have been met, based on the information available, at the end of reporting period.

(a) 每股基本盈利

截至二零二三年及二零二二年六月三十日止六個月，用於計算每股基本盈利的股份數目乃基於中期期間本公司之已發行普通股加權平均數目計算。

(b) 每股攤薄盈利

本公司的潛在攤薄普通股包括購股權。與業績相關的員工購股權被視為或然可發行股份。或然可發行股份被視為已發行，並在適用的情況下，計入每股攤薄盈利的計算，猶如於報告期末，根據可得資料，或然條件被視為已達成。

11. EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share (Continued)

As at 30 June 2023 and 30 June 2022, none of the performance conditions of the share options were met, and thus the dilutive potential ordinary shares are not included in the calculation of diluted earnings per share. As a result, diluted earnings per share is the same as basic earnings per share for the periods ended 30 June 2023 and 30 June 2022.

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2023, the Group has an addition of approximately RMB4,715,000 of property, plant and equipment and no disposal of property, plant and equipment (six months ended 30 June 2022: RMB4,263,000 and RMB32,000).

13. MOVEMENTS IN INTANGIBLE ASSETS

During the six months ended 30 June 2023, the Group has no addition of intangible assets (six months ended 30 June 2022: nil).

14. TRADE AND BILLS RECEIVABLES

The gross amount of trade and bills receivables arising from contracts with customers amounted to approximately RMB574,841,000 as at 30 June 2023 (31 December 2022: RMB194,209,000).

11. 每股盈利(續)

(b) 每股攤薄盈利(續)

於二零二三年六月三十日及二零二二年六月三十日，並無導致任何購股權的績效條件，故於計算每股攤薄盈利時並無計及潛在攤薄普通股。因此，截至二零二三年六月三十日及二零二二年六月三十日止期間的每股攤薄盈利與每股基本盈利相同。

12. 物業、廠房及設備變動

截至二零二三年六月三十日止六個月，本集團添置物業、廠房及設備約人民幣4,715,000元及無出售物業、廠房及設備(截至二零二二年六月三十日止六個月：人民幣4,263,000元及人民幣32,000元)。

13. 無形資產變動

截至二零二三年六月三十日止六個月，本集團並無添置無形資產(截至二零二二年六月三十日止六個月：無)。

14. 貿易應收款項及應收票據

| | | 30 June 2023 | 31 December 2022 |
|---|------------------------|-----------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Trade receivables | 貿易應收款項 | 542,007 | 190,849 |
| Bills receivables | 應收票據 | 32,834 | 3,360 |
| Less: Loss allowance for trade and bills receivables | 減：貿易應收款項及應收 票據的虧損撥備 | (3,227) | (2,505) |
| Trade and bills receivables | 貿易應收款項及應收票據 | 571,614 | 191,704 |

於二零二三年六月三十日，客戶合約產生的貿易應收款項及應收票據總額約為人民幣574,841,000元(二零二二年十二月三十一日：人民幣194,209,000元)。

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

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

14. 貿易應收款項及應收票據(續)

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

| | | 30 June 2023 | 31 December 2022 |
|----------------|-----------|-------------------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Within 30 days | 30天以內 | 265,285 | 128,352 |
| 31 to 60 days | 31至60天 | 246,005 | 23,240 |
| 61 to 90 days | 61至90天 | 41,818 | 31,722 |
| Over 90 days | 90天以上 | 18,506 | 8,390 |
| Total | 總計 | 571,614 | 191,704 |

No interest is charged on the trade and bills receivables.

概無就貿易應收款項及應收票據收取利息。

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

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

| | | Average expected loss rate 平均預期 虧損率 | Gross carrying amount 總賬面值 RMB'000 人民幣千元 | Loss allowance 虧損撥備 RMB'000 人民幣千元 |
|------------------------|---------------|---|---|---|
| As at 30 June 2023 | 於二零二三年六月三十日 | | | |
| Low risk (Unaudited) | 低風險 (未經審核) | 0.56% | 574,841 | 3,227 |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | | | |
| Low risk | 低風險 | 1.29% | 194,209 | 2,505 |

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

14. 貿易應收款項及應收票據(續)

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

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

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

Movement of impairment loss allowances of trade and bills receivables is as follows:

| | | RMB'000 人民幣千元 |
|---|------------------------|------------------|
| As at 1 January 2022 | 於二零二二年一月一日 | 2,581 |
| Reversal of credit loss for trade and bills receivables | 貿易應收款項及應收票據信貸虧損撥回 | (76) |
| As at 31 December 2022 (Audited) | 於二零二二年十二月三十一日 (經審核) | 2,505 |
| Credit loss for trade and bills receivables | 貿易應收款項及應收票據信貸虧損 | 722 |
| As at 30 June 2023 (Unaudited) | 於二零二三年六月三十日 (未經審核) | 3,227 |

During the six months ended 30 June 2023, there has been no change in the estimation techniques or significant assumptions made.

As at 30 June 2023, the Group discounted and factored trade and bills receivables in aggregate amounts of approximately RMB32,054,000 (31 December 2022: RMB24,006,000) to banks and factoring company for short term financing.

Transfers of financial assets

The following were the Group's trade and bills receivables as at 30 June 2023 and 31 December 2022 that were transferred to banks and factoring company by discounting those trade and bills receivables on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these trade and bills receivables, it continues to recognise the full carrying amount of the trade and bills receivables and has recognised the cash received on the transfer as secured borrowings. These trade and bills receivables are carried at amortised cost in the condensed consolidated statements of financial position.

14. 貿易應收款項及應收票據(續)

貿易應收款項及應收票據的減值虧損撥備變動如下：

| | | RMB'000 人民幣千元 |
|---|------------------------|------------------|
| As at 1 January 2022 | 於二零二二年一月一日 | 2,581 |
| Reversal of credit loss for trade and bills receivables | 貿易應收款項及應收票據信貸虧損撥回 | (76) |
| As at 31 December 2022 (Audited) | 於二零二二年十二月三十一日 (經審核) | 2,505 |
| Credit loss for trade and bills receivables | 貿易應收款項及應收票據信貸虧損 | 722 |
| As at 30 June 2023 (Unaudited) | 於二零二三年六月三十日 (未經審核) | 3,227 |

截至二零二三年六月三十日止六個月內，估計方法或所作重大假設並無變動。

於二零二三年六月三十日，本集團就短期融資向銀行及保理公司貼現及保理總額為約人民幣32,054,000元(二零二二年十二月三十一日：人民幣24,006,000元)的貿易應收款項及應收票據。

金融資產轉讓

下文載列本集團於二零二三年六月三十日及二零二二年十二月三十一日的貿易應收款項及應收票據，而該等貿易應收款項及應收票據透過按全面追索權基準貼現已轉讓予銀行及保理公司。由於本集團並無轉讓該等貿易應收款項及應收票據相關的重大風險及回報，其繼續確認該等貿易應收款項及應收票據的賬面總值，並已將因轉讓而收到的現金確認為有抵押借貸。該等貿易應收款項及應收票據於簡明綜合財務狀況表按攤銷成本列賬。

14. TRADE AND BILLS RECEIVABLES (CONTINUED)

Transfers of financial assets (Continued)

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

14. 貿易應收款項及應收票據(續)

金融資產轉讓(續)

已向銀行及保理公司貼現及保理且具全面追索權的貿易應收款項及應收票據如下：

| | | 30 June 2023 | 31 December 2022 |
|---|-----------|-------------------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Carrying amount of transferred assets | 已轉讓資產的賬面值 | 32,054 | 24,006 |
| Carrying amount of associated liabilities | 相關負債的賬面值 | (32,054) | (24,006) |
| Net position | 淨額 | - | - |

15. PREPAYMENTS AND OTHER RECEIVABLES

15. 預付款項及其他應收款項

| | | 30 June 2023 | 31 December 2022 |
|---|----------------------|-------------------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Non-current portion | 非流動部分 | | |
| Prepayment for property, plant and equipment and land use right | 物業、廠房及設備以及土地使用權之預付款項 | 18,280 | 18,280 |
| Current portion | 流動部分 | | |
| Prepayment to suppliers | 向供應商預付款項 | 19,293 | 56,320 |
| Lease Deposits and other deposits | 租賃按金及其他按金 | 21,915 | 21,093 |
| VAT tax recoverable (Note) | 可收回增值稅(附註) | 30,007 | 51,384 |
| Interest receivables | 應收利息 | 3,930 | 7,865 |
| Others | 其他 | 6,629 | 2,386 |
| Total | 總計 | 81,774 | 139,048 |

Note: VAT recoverable includes the input VAT and prepaid VAT that is expected to be deducted within one year.

附註：待抵扣增值稅包括預期在一年內抵扣的進項增值稅及預繳增值稅。

As at 30 June 2023 and 31 December 2022, there was no significant impairment for the prepayments and other receivables.

於二零二三年六月三十日及二零二二年十二月三十一日，預付款項及其他應收款項並無重大減值。

16. AMOUNTS DUE FROM SHAREHOLDERS

The amount was unsecured, interest-free and non-trade in nature. Details of the amounts due from shareholders are set out in Note 41 of the Company's annual report for the year ended 31 December 2022.

Expected credit loss risk of amounts due from shareholders is assessed to be remote as there is no significant change in the credit risk on the amounts due from shareholders since initial recognition.

17. PLEDGED BANK DEPOSITS

As at 30 June 2023, pledged bank deposits of approximately RMB317,263,000 (31 December 2022: approximately nil) carried fixed interest ranged from 1.5% to 2.25% per annum (31 December 2022: N/A) and no pledged bank deposits (31 December 2022: approximately RMB764,383,000) carried floating interest rate (31 December 2022: 0.05% to 3.1%) per annum.

18. TRADE AND BILLS PAYABLES

16. 應收股東款項

該款項為無抵押、免息及非貿易性質。應收股東款項的詳情載於本公司截至2022年12月31日止年度之年報附註41。

應收股東的預期信貸虧損風險被評為極微，因為應收股東款項自初始確認後，信貸風險並無重大變動。

17. 已抵押銀行存款

於二零二三年六月三十日，已抵押銀行存款約人民幣317,263,000元（二零二二年十二月三十一日：無）按固定利息年利率介乎1.5%至2.25%（二零二二年十二月三十一日：不適用）計息及並無已抵押銀行存款（二零二二年十二月三十一日：約人民幣764,383,000元）按浮動年利率（二零二二年十二月三十一日：0.05%至3.1%）計息。

18. 貿易應付款項及應付票據

| | | 30 June 2023 | 31 December 2022 |
|--------------------------|-------------|-------------------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Trade payables | 貿易應付款項 | 503,745 | 132,735 |
| Bills payables | 應付票據 | 323,557 | 807,892 |
| Trade and bills payables | 貿易應付款項及應付票據 | 827,302 | 940,627 |

18. TRADE AND BILLS PAYABLES (CONTINUED)

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

| | | 30 June 2023 | 31 December 2022 |
|----------------|-----------|-------------------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Within 30 days | 30天內 | 345,705 | 68,049 |
| 31 to 60 days | 31至60天 | 97,553 | 49,145 |
| 61 to 90 days | 61至90天 | 40,536 | 8,435 |
| Over 90 days | 90天以上 | 19,951 | 7,106 |
| Total | 總計 | 503,745 | 132,735 |

The average credit period on purchases of goods is ranging from 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

The following is an ageing analysis of bills payables at the end of the reporting period.

| | | 30 June 2023 | 31 December 2022 |
|----------------|-----------|-------------------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Within 30 days | 30天內 | 49,982 | 34,415 |
| 31 to 60 days | 31至60天 | 22,960 | 30,910 |
| 61 to 90 days | 61至90天 | 30,132 | 39,307 |
| Over 90 days | 90天以上 | 220,483 | 703,260 |
| Total | 總計 | 323,557 | 807,892 |

18. 貿易應付款項及應付票據(續)

於報告期末，貿易應付款項按發票日期呈列的賬齡分析如下。

| | 30 June 2023 | 31 December 2022 |
|--|-------------------------|----------------------|
| | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 |
| | (Unaudited) | (Audited) |
| | (未經審核) | (經審核) |

採購貨品的平均信貸期介乎30至60天。本集團已制定金融風險管理政策以確保所有應付款項可於信貸期內償付。

於報告期末，應付票據的賬齡分析如下。

| | 30 June 2023 | 31 December 2022 |
|--|-------------------------|----------------------|
| | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 |
| | (Unaudited) | (Audited) |
| | (未經審核) | (經審核) |

18. TRADE AND BILLS PAYABLES (CONTINUED)

All the bills payables of the Group are not yet due at the end of each reporting period. Bills payables as at 30 June 2023 were secured by pledged bank deposit amounts of approximately RMB311,292,000 (31 December 2022: RMB758,989,000).

19. MOVEMENTS IN CONTRACT LIABILITIES

During the current interim period, the Group received approximately RMB28,093,000 advance from customers. The decrease is due to decreased advance payments for IoT products (six months ended 30 June 2022: RMB41,156,000).

20. MOVEMENTS IN BORROWINGS

During the current interim period, the Group raised borrowings of approximately RMB102,958,000 (six months ended 30 June 2022 approximately RMB171,762,000) and repaid borrowings of approximately RMB39,556,000 (six months ended 30 June 2022 approximately RMB150,883,000).

The weighted average effective interest rate of borrowings for the six months ended 30 June 2023 was 3.3% per annum (six months ended 30 June 2022: 4% per annum).

18. 貿易應付款項及應付票據(續)

於各報告期末，本集團所有應付票據尚未到期。於二零二三年六月三十日的應付票據以已抵押銀行存款金額約人民幣311,292,000元(二零二二年十二月三十一日：人民幣758,989,000元)作抵押。

19. 合約負債變動

於本中期，本集團收到來自客戶的墊款約人民幣28,093,000元。減少乃由於物聯網產品的墊付款額減少(截至二零二二年六月三十日止六個月：人民幣41,156,000元)。

20. 借款變動

於本中期，本集團籌集借款約人民幣102,958,000元(截至二零二二年六月三十日止六個月：約人民幣171,762,000元)及償還借款約人民幣39,556,000元(截至二零二二年六月三十日止六個月：約人民幣150,883,000元)。

截至二零二三年六月三十日止六個月，借款的加權平均實際利率為每年3.3%(截至二零二二年六月三十日止六個月：每年4%)。

21. SHARE-BASED PAYMENT TRANSACTIONS

Share-option scheme

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

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

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

21. 股份支付交易

購股權計劃

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

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

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

21. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Share-option scheme (Continued)

The following table discloses movements of the Company's share options held by employees during the period ended 30 June 2023:

| Grantee: | | Outstanding at 1 January 2023 於 二零二三年 一月一日 尚未行使 | Granted during the period 期內已授出 | Lapsed during the period 期內已失效 | Outstanding at 30 June 2023 於 二零二三年 六月三十日 尚未行使 |
|---|------------|---|--|---|--|
| Employees | 僱員 | | | | |
| 14 April 2020 | 二零二零年四月十四日 | 24,900,000 | - | 1,100,000 | 23,800,000 |
| Exercisable at the end of the period | 期末可行使 | - | - | - | - |
| Exercise price | 行使價 | HK\$0.51 0.51港元 | - | HK\$0.51 0.51港元 | HK\$0.51 0.51港元 |

The following table discloses movements of the Company's share options held by directors and employees during the period ended 30 June 2022:

| Grantee: | | Outstanding at 1 January 2022 於 二零二二年 一月一日 尚未行使 | Granted during the period 期內已授出 | Lapsed during the period 期內已失效 | Outstanding at 30 June 2022 於 二零二二年 六月三十日 尚未行使 |
|---|------------|---|--|---|--|
| Employees | 僱員 | | | | |
| 14 April 2020 | 二零二零年四月十四日 | 27,400,000 | - | 2,500,000 | 24,900,000 |
| Exercisable at the end of the period | 期末可行使 | - | - | - | - |
| Exercise price | 行使價 | HK\$0.51 0.51港元 | - | HK\$0.51 0.51港元 | HK\$0.51 0.51港元 |

21. 股份支付交易(續)

購股權計劃(續)

下表載列截至二零二三年六月三十日止期間僱員持有本公司購股權的變動：

下表載列截至二零二二年六月三十日止期間董事及僱員持有本公司購股權的變動：

21. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Share-option scheme (Continued)

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

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

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

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

21. 股份支付交易(續)

購股權計劃(續)

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

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

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

21. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Share-option scheme (Continued)

During the six months ended 30 June 2023, no share-based payment expenses were recognised (six months ended 30 June 2022: nil) based on the management's best available estimate of the number of share options expected to vest.

22. PLEDGE OF ASSETS

At 30 June 2023, the Group had pledged or discounted the following assets to secure banking and borrowing facilities and factoring loan granted to the Group:

| | | 30 June 2023 | 31 December 2022 |
|--|-------------|-------------------------|----------------------|
| | | 二零二三年 六月三十日 | 二零二二年 十二月 三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| Trade and bills receivables | 貿易應收款項及應收票據 | 32,054 | 24,006 |
| Pledged bank deposits | 已抵押銀行存款 | 317,263 | 764,383 |
| Ownership interests in land and building | 土地及樓宇所有權權益 | 49,092 | 50,632 |
| Total | 總計 | 398,409 | 839,021 |

23. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

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

21. 股份支付交易 (續)

購股權計劃 (續)

截至二零二三年六月三十日止六個月，基於管理層對預期歸屬的購股權數量的可得最佳估計，概無確認股份支付開支(截至二零二二年六月三十日止六個月：無)。

22. 資產抵押

於二零二三年六月三十日，為取得授予本集團銀行及借款融資以及保理貸款，本集團已抵押或折現以下資產：

23. 關聯方交易

主要管理人員之薪酬

本公司董事及其他主要管理人員於本期間的薪酬如下：

| | | For the six months ended 30 June | |
|--------------------------|-------|---|-------------|
| | | 截至六月三十日止六個月 | |
| | | 2023 | 2022 |
| | | 二零二三年 | 二零二二年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Short-term benefits | 短期福利 | 1,601 | 1,315 |
| Post-employment benefits | 離職後福利 | 227 | 215 |
| | | 1,828 | 1,530 |

OTHER INFORMATION

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

As at 30 June 2023, interests and short positions of the Directors and chief executive of the Company in the shares and underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transaction By Directors of Listed Issuers (the "Model Code") are as follows:

Interest in the Company

| Name of Director | Capacity/nature of interest | Number of shares/underlying shares held 所持股份／ 相關股份數目 (Note 1) (附註1) | Percentage of shareholding in the Company 於本公司持股 百分比 (Approximate) (概約) |
|--|---|---|---|
| Mr. Li Chengjun (Note 2) 李承軍先生(附註2) | Founder of a discretionary trust 全權信託創辦人 | 369,967,204 (L) | 37.0% |
| Mr. Xiong Bin (Note 3) 熊彬先生(附註3) | Founder of a discretionary trust 全權信託創辦人 | 305,032,256 (L) | 30.5% |

其他資料

董事及最高行政人員於本公司或任何相聯法團的股份、相關股份及債券之權益及淡倉

於二零二三年六月三十日，董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉)或根據證券及期貨條例第352條須載入本公司存置的登記冊的權益及淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

於本公司權益

Notes:

1. The letter "L" denotes long position of the shares.
2. Leap Elite Limited is legally owned as to 100% by Mr. Li Chengjun for the benefit of the beneficiaries of the family trust found by himself. Accordingly, Mr. Li Chengjun is deemed to be interested in the shares held by Leap Elite Limited pursuant to the SFO.
3. Beyond Innovation Limited is legally owned as to 100% by Mr. Xiong Bin for the benefit of the beneficiaries of the family trust found by himself. Accordingly, Mr. Xiong Bin is deemed to be interested in the shares held by Beyond Innovation Limited pursuant to the SFO.

Save as disclosed above, none of the Directors or chief executive of the Company had registered any interests or short positions in any shares and underlying shares in, and debentures of, the Company or any associated corporations as at 30 June 2023, as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

Arrangement for Directors to Purchase Shares or Debentures

Saved as disclosed in this report, at no time during the six months ended 30 June 2023 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

附註：

1. 字母「L」代表於股份中的好倉。
2. 立堅有限公司由李承軍先生為其建立的家庭信託受益人的利益而合法擁有100%權益。因此，根據證券及期貨條例，李承軍先生被視為於立堅有限公司所持股份中擁有權益。
3. 超新有限公司由熊彬先生為其建立的家庭信託受益人的利益而合法擁有100%權益。因此，根據證券及期貨條例，熊彬先生被視為於超新有限公司所持股份中擁有權益。

除上文所披露者外，於二零二三年六月三十日，概無本公司董事或最高行政人員於本公司或任何相聯法團的任何股份、相關股份及債券中，擁有記入本公司根據證券及期貨條例第352條須存置的登記冊或根據證券及期貨條例第XV部或標準守則須另行知會本公司及聯交所的任何權益或淡倉。

董事購買股份或債券的安排

除本報告所披露者外，截至二零二三年六月三十日止六個月任何時間，概無向本公司任何董事或彼等各自之配偶或未成年子女授出任何可藉收購本公司股份或債券而獲得利益之權利，彼等亦無行使任何該等權利，且本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使本公司董事可藉收購本公司或任何其他法團股份或債務證券（包括債券）而獲得利益。

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

So far as is known to the Directors, as at 30 June 2023, the following corporation/persons (other than the interests of the Directors or chief executives of the Company as disclosed above) had interests of 5% or more in the issued shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

主要股東及其他人士於本公司股份及相關股份中擁有的權益及淡倉

就董事所知，於二零二三年六月三十日，下列法團／人士（上文所披露之本公司董事或最高行政人員權益除外）擁有本公司已發行股份中5%或以上的權益且根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露或須記入本公司根據證券及期貨條例第336條須存置的登記冊：

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

Notes:

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

Save as disclosed above, as at 30 June 2023, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2023.

Directors' and Controlling Shareholders' Interest in Competing Business

Apart from the Group's business, none of the Directors, the Controlling Shareholders (including Mr. Li Chengjun, Leap Elite Limited, Mr. Xiong Bin and Beyond Innovation Limited) or any of their respective close associates was engaged in or had any interest in any business that competes or may compete with the principal business of the Group, which would require disclosure under Rule 8.10 of the Listing Rules, or has any other conflict of interest with the Group during the six months ended 30 June 2023 and up to the date of this report.

附註：

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

除上文所披露者外，於二零二三年六月三十日，本公司概無獲悉本公司已發行股本中根據證券及期貨條例第 XV 部第 2 及 3 分部條文須向本公司披露之任何相關權益或淡倉，或須記入本公司根據證券及期貨條例第 336 條須存置的登記冊之任何相關權益或淡倉。

購買、出售或贖回本公司上市證券

截至二零二三年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

董事及控股股東於競爭業務的權益

除本集團業務外，截至二零二三年六月三十日止六個月內及截至本報告日期，概無董事、控股股東（包括李承軍先生、立堅有限公司、熊彬先生及超新有限公司）或任何彼等各自緊密聯繫人從事根據上市規則第 8.10 條須予披露與本集團主要業務競爭或可能競爭的任何業務或於其中擁有利益，或與本集團有任何其他利益衝突。

Share Option Scheme

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

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

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

As at 30 June 2023, the number of shares of the Company available for issue under the Share Option Scheme upon the exercise of all above outstanding share options was 23,800,000, representing 2.38% of the total issued shares of the Company.

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

購股權計劃

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

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

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

於二零二三年六月三十日，上述所有尚未行使的購股權獲行使後，本公司於購股權計劃項下可發行的股份數目為23,800,000股，相當於本公司已發行股份總數2.38%。

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

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

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

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

Subject to earlier termination by the Company in general meeting or by the Directors, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date. As at 30 June 2023, the remaining life of the Share Option Scheme is approximately six years and 3.5 months.

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

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

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

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

除非本公司經由股東大會或經由董事提前終止，否則購股權計劃自採納日期起十年期間內合法及有效。於二零二三年六月三十日，購股權計劃的餘下年期約為六年及3.5個月。

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

(i) **Outstanding options**

During the six months ended 30 June 2023, the Company did not grant share options and no share options were exercised and 1,100,000 share options lapsed. Details of the Company's share options from 1 January 2023 to 30 June 2023 are as follows:

(i) **尚未行使的購股權**

截至二零二三年六月三十日止六個月，本公司並無授出購股權，概無購股權獲行使及1,100,000份購股權失效。二零二三年一月一日至二零二三年六月三十日的本公司購股權的詳情載列如下：

| | Date of grant | Exercise price | Vesting period | Exercise period | Outstanding as at 1 January 2023 於 二零二三年 一月一日 尚未行使 | Number of share options granted 已授出 購股權數目 | Number of share options exercised 已行使 購股權數目 | Number of share options lapsed 已失效 購股權數目 | Outstanding as at 30 June 2023 於 二零二三年 六月三十日 尚未行使 |
|----------------------------|----------------|----------------|-----------------------------------|----------------------------------|--|---|---|--|---|
| Category: Employees | | | | | | | | | |
| 類別：僱員 | | | | | | | | | |
| Tranche 1 | 14 April 2020 | HK\$0.51 | 14 April 2020 to 30 June 2021 | 1 July 2021 to 13 April 2025 | 7,470,000 | - | - | (330,000) | 7,140,000 |
| 第一期 | 二零二零年 四月十四日 | 0.51港元 | 二零二零年 四月十四日至 二零二一年 六月三十日 | 二零二一年 七月一日至 二零二五年 四月十三日 | | | | | |
| Tranche 2 | 14 April 2020 | HK\$0.51 | 14 April 2020 to 30 June 2022 | 1 July 2022 to 13 April 2025 | 7,470,000 | - | - | (330,000) | 7,140,000 |
| 第二期 | 二零二零年 四月十四日 | 0.51港元 | 二零二零年 四月十四日至 二零二二年 六月三十日 | 二零二二年 七月一日至 二零二五年 四月十三日 | | | | | |
| Tranche 3 | 14 April 2020 | HK\$0.51 | 14 April 2020 to 30 June 2023 | 1 July 2023 to 13 April 2025 | 9,960,000 | - | - | (440,000) | 9,520,000 |
| 第三期 | 二零二零年 四月十四日 | 0.51港元 | 二零二零年 四月十四日至 二零二三年 六月三十日 | 二零二三年 七月一日至 二零二五年 四月十三日 | | | | | |
| Total | | | | | 24,900,000 | - | - | (1,100,000) | 23,800,000 |
| 總計 | | | | | | | | | |

(ii) Valuation of share options

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

(ii) 購股權的估值

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

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

- (2) Expected volatility was determined by calculating the historical volatility of the price of listed companies with businesses similar to the Group. The expected dividend yield is determined by the directors based on the expected future performance and dividend policy of the Group.
- (3) The Group did not recognise share-based payment expenses for the six months ended 30 June 2023 (six months ended 30 June 2022: nil) in relation to share options granted by the Company.
- (2) 預計波幅乃透過計算與本集團業務相似的上市公司的過往價格波幅釐定。預計股息率乃由董事根據預期未來表現及本集團股息政策釐定。
- (3) 本集團並無就本公司授出之購股權於截至二零二三年六月三十日止六個月確認股份支付開支(截至二零二二年六月三十日：無)。

Audit Committee

The Company's interim results for the six months ended 30 June 2023 have been reviewed by the Audit Committee and the Audit Committee have also discussed the related financial matters with the Board.

Model Code for Directors' Securities Transactions

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. All Directors of the Company have confirmed that, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code for the six months ended 30 June 2023 and up to the date of the report.

審核委員會

本公司截至二零二三年六月三十日止六個月的中期業績已經審核委員會審閱，且審核委員會已與董事會討論相關財務事宜。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則，作為其有關董事進行證券交易之行為守則。經本公司作出具體查詢後，所有本公司董事確認彼等於截至二零二三年六月三十日止六個月及直至本報告日期一直遵守標準守則所載之規定準則。

Corporate Governance

The Company has adopted a set of corporate governance practices which aligns with the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Listing Rules since the Listing Date. Except for code provision C.2.1, the Company has complied with the code provisions set out in the CG Code for the six months ended 30 June 2023.

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

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

企業管治

自上市日期，本公司已採納一套企業管治常規，符合上市規則附錄十四所載之企業管治守則（「企業管治守則」）的守則條文。除守則條文第C.2.1條外，本公司於截至二零二三年六月三十日止六個月已遵守企業管治守則所載的守則條文。

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

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

Public Float

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained a public float of no less than 25% of the issued shares for the six months ended 30 June 2023 and up to the date of this report.

Event After the Reporting Period

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

Publication

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

公眾持股量

根據本公司經公開可得資料及就董事所知，於截至二零二三年六月三十日止六個月及直至本報告日期，本公司已維持不少於已發行股份 25% 的公眾持股量。

報告期後事項

於報告期後，並無發生影響本集團的重大事件。

刊發

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

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

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

Hong Kong, 28 August 2023

香港，二零二三年八月二十八日



Sprocomm Intelligence Limited