

The logo for CEC, consisting of the letters 'CEC' in a bold, blue, sans-serif font.

华大科技
HUADA TECHNOLOGY

China Electronics Huada Technology Company Limited

中國電子華大科技有限公司

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

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

(Stock Code 股份代號: 00085)

Interim Report 中期報告

2023

CONTENTS 目錄

		Page 頁次
Corporate Information	公司資料	2
Consolidated Statement of Profit or Loss	綜合損益表	4
Consolidated Statement of Comprehensive Income	綜合全面收益表	5
Consolidated Statement of Financial Position	綜合財務狀況表	6
Condensed Consolidated Statement of Changes in Equity	簡明綜合權益變動表	8
Consolidated Statement of Cash Flows	綜合現金流量表	9
Notes to the Condensed Consolidated Interim Financial Statements	簡明綜合中期財務報表附註	11
Report on Review of Interim Financial Information	中期財務資料審閱報告	24
Management Discussion and Analysis	管理層討論及分析	26
Other Information	其他資料	33

CORPORATE INFORMATION

Board of Directors

Non-executive Directors

Xu Haidong (*Chairman*)
Liu Jinmei

Executive Directors

Chang Feng (*Deputy Chairman and
Deputy Managing Director*)
Luo Wenjing

Independent Non-executive Directors

Chan Kay Cheung
Qiu Hongsheng
Chow Chan Lum

Audit Committee

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

Remuneration and Nomination Committee

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

Company Secretary

Ng Kui Kwan

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Office in Hong Kong

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

公司資料

董事會

非執行董事

許海東 (*主席*)
劉勁梅

執行董事

常峰 (*副主席及副董事總經理*)
駱文菁

獨立非執行董事

陳棋昌
邱洪生
鄧燦林

審核委員會

陳棋昌 (*主席*)
邱洪生
鄧燦林

薪酬及提名委員會

邱洪生 (*主席*)
陳棋昌
鄧燦林
劉勁梅

公司秘書

伍舉鈞

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港主要辦事處

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港灣道26號
華潤大廈
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CORPORATE INFORMATION

Investor Relations

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Stock Code

00085

Principal Bankers

Bank of Beijing Co., Ltd
Bank of China (Hong Kong) Limited
China Construction Bank Corporation

Principal Share Registrar

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

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
17th floor, Far East Finance Centre
16 Harcourt Road
Hong Kong

Independent Auditor

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

Legal Advisor

Freshfields Bruckhaus Deringer

公司資料

投資者關係

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股份代號

00085

主要往來銀行

北京銀行股份有限公司
中國銀行(香港)有限公司
中國建設銀行股份有限公司

股份登記總處

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

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
夏慤道16號
遠東金融中心17樓

獨立核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師

法律顧問

富而德律師事務所

The board of directors (the “Board”) of China Electronics Huada Technology Company Limited (the “Company”) hereby presents the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2023 as follows:

中國電子華大科技有限公司(「本公司」)董事會(「董事會」)謹此呈報本公司及其附屬公司(「本集團」)截至2023年6月30日止六個月的未經審核簡明綜合業績如下：

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
	Note 附註	2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Revenue	收入	1,807,007	1,159,157
Cost of sales	銷售成本	(966,340)	(692,072)
Gross profit	毛利	840,667	467,085
Other income	其他收入	31,142	24,880
Selling and marketing costs	銷售及市場推廣成本	(26,116)	(34,714)
Administrative expenses	行政開支	(207,794)	(212,592)
Impairment losses on trade and other receivables	貿易及其他應收款項減值虧損	(1,284)	(4,937)
Operating profit	營運溢利	636,615	239,722
Finance income	融資收入	9,524	1,469
Finance costs	融資成本	(21,736)	(15,223)
Finance costs – net	融資成本 – 淨額	(12,212)	(13,754)
Share of result of an associate	應佔一間聯營公司業績	279	333
Profit before taxation	除稅前溢利	624,682	226,301
Taxation	稅項	(73,316)	(24,248)
Profit for the period	期內溢利	551,366	202,053
Profit for the period attributable to:	期內溢利歸屬於：		
Owners of the Company	本公司權益持有者	552,885	203,191
Non-controlling interests	非控股權益	(1,519)	(1,138)
		551,366	202,053
		HK cents 港仙	HK cents 港仙
Basic earnings per share	每股基本盈利	27.24	10.01

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Profit for the period	期內溢利	551,366	202,053
Other comprehensive income for the period, net of taxation:	期內扣除稅項後的其他全面收益：		
Items that may be subsequently reclassified to profit or loss:	期後可能重分類至溢利或虧損的項目：		
Exchange differences on translation of financial statements	換算財務報表的匯兌差額	(19,918)	(4,571)
Items that will not be subsequently reclassified to profit or loss:	期後不能重分類至溢利或虧損的項目：		
Exchange differences on translation of financial statements of the Company	換算本公司財務報表的匯兌差額	(54,284)	(45,735)
Total comprehensive income for the period	期內全面收益總額	477,164	151,747
Total comprehensive income for the period attributable to:	期內全面收益總額歸屬於：		
Owners of the Company	本公司權益持有者	478,441	154,617
Non-controlling interests	非控股權益	(1,277)	(2,870)
		477,164	151,747

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

			30 June 2023	31 December 2022
			2023年6月30日 (Unaudited)	2022年12月31日 (Audited)
			(未經審核)	(經審核)
		Note 附註	HK\$'000	HK\$'000
			千港元	千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	37,028	44,026
Right-of-use assets	使用權資產	11	19,457	33,124
Investment properties	投資物業		47,769	49,199
Intangible assets	無形資產		71,111	23,410
Investment in associates	於聯營公司投資		16,038	16,514
Trade and other receivables	貿易及其他應收款項	12	150,461	200,985
Deferred tax assets	遞延稅項資產		47,942	44,948
Time deposits	定期存款		109,087	89,559
			498,893	501,765
Current assets	流動資產			
Inventories	存貨		1,050,897	884,693
Trade and other receivables	貿易及其他應收款項	12	888,972	731,544
Restricted cash	受限制現金		3	33,859
Time deposits	定期存款		942,754	732,141
Cash and cash equivalents	現金及現金等價物		1,216,178	1,172,748
			4,098,804	3,554,985
Total assets	資產總額		4,597,697	4,056,750

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		30 June 2023	31 December 2022
		2023年6月30日	2022年12月31日
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
EQUITY AND LIABILITIES	權益及負債		
Equity attributable to owners of the Company	歸屬於本公司權益 持有者權益		
Share capital and premium	股本及溢價	225,454	225,454
Reserves	儲備	(783,302)	(546,468)
Retained earnings	保留溢利	2,499,524	1,946,639
		1,941,676	1,625,625
Non-controlling interests	非控股權益	25,781	27,058
Total equity	權益總額	1,967,457	1,652,683
Liabilities	負債		
Non-current liabilities	非流動負債		
Lease liabilities	租賃負債	7,159	11,795
Trade and other payables	貿易及其他應付款項	342,570	319,546
Deferred tax liabilities	遞延稅項負債	49,313	33,789
Contract liabilities	合約負債	15,899	22,700
		414,941	387,830
Current liabilities	流動負債		
Deferred government grants	遞延政府補助	50,630	51,046
Contract liabilities	合約負債	407,391	383,516
Trade and other payables	貿易及其他應付款項	1,146,245	942,128
Bank and other borrowings	銀行及其他借貸	596,542	615,715
Lease liabilities	租賃負債	14,456	23,768
Income tax payable	應付所得稅款項	35	64
		2,215,299	2,016,237
Total liabilities	負債總額	2,630,240	2,404,067
Total equity and liabilities	權益及負債總額	4,597,697	4,056,750

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

		Unaudited 未經審核						
		Attributable to owners of the Company 歸屬於本公司權益持有者						
		Share capital	Share premium	Reserves	Retained earnings	Total	Non- controlling interests	Total equity
		股本	股份溢價	儲備	保留溢利	總額	非控股 權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2022	於2022年1月1日	20,299	205,155	(392,772)	1,415,208	1,247,890	26,107	1,273,997
Total comprehensive income	全面收益總額	-	-	(46,574)	203,191	154,617	(2,670)	151,747
Dividend	股息	-	-	(38,568)	-	(38,568)	-	(38,568)
At 30 June 2022	於2022年6月30日	20,299	205,155	(479,914)	1,618,399	1,363,939	23,237	1,387,176
At 1 January 2023	於2023年1月1日	20,299	205,155	(546,468)	1,946,639	1,625,625	27,058	1,652,683
Total comprehensive income	全面收益總額	-	-	(74,444)	552,885	478,441	(1,277)	477,164
Dividend	股息	-	-	(162,390)	-	(162,390)	-	(162,390)
At 30 June 2023	於2023年6月30日	20,299	205,155	(783,302)	2,499,524	1,941,676	25,781	1,967,457

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Cash flows from operating activities	營運活動之現金流量		
Cash flows generated from operations	營運產生之現金流量	460,540	153,020
Interest paid	支付利息	(12,403)	(16,702)
Income tax paid	支付所得稅	(60,640)	(13,095)
Net cash flows generated from operating activities	營運活動產生之現金流量淨額	387,497	123,223
Cash flows from investing activities	投資活動之現金流量		
Interest received	收取利息	5,938	4,192
Purchase of property, plant and equipment, and intangible assets	購買物業、廠房及設備、和無形資產	(29,254)	(29,536)
(Increase)/decrease in time deposits	定期存款(增加)/減少	(266,728)	36,219
Proceeds from disposal of property, plant and equipment	處置物業、廠房及設備所得款項	-	125
Net cash flows (used in)/generated from investing activities	投資活動(所用)/產生之現金流量淨額	(290,044)	11,000

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023	2022
		2023年	2022年
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from financing activities	融資活動之現金流量		
Principal portion of lease payments	租賃付款本金部份	(14,330)	(18,656)
Net cash flows used in financing activities	融資活動所用之現金流量淨額	(14,330)	(18,656)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	83,123	115,567
Effect of exchange rate changes	匯率變動之影響	(39,693)	(23,454)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	1,172,748	517,932
Cash and cash equivalents at end of the period	期末之現金及現金等價物	1,216,178	610,045

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

1 Basis of preparation

Compliance with HKFRSs, HKASs, Interpretations and Listing Rules

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

The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2022, which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants.

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

1 編製基準

符合香港財務報告準則，香港會計準則， 詮釋及上市規則

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

簡明綜合中期財務報表應連同根據香港會計師公會頒佈之所有適用香港財務報告準則（「香港財務報告準則」），香港會計準則（「香港會計準則」）及詮釋而編製之本集團截至2022年12月31日止年度之綜合財務報表一併閱讀。

簡明綜合中期財務報表是按歷史成本常規法編製，並就投資物業（按公允值列賬）的重估而作出修訂。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2 Principal accounting policies

Except for the adoption for the first time of all the new or amended HKFRSs and HKASs, and Interpretations issued by the Hong Kong Institute of Certified Public Accountants that are relevant to the Group's operations and effective for the accounting period beginning on 1 January 2023, the accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those adopted in the preparation of the consolidated financial statements of the Group for the year ended 31 December 2022.

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

3 Financial risk management

3.1 Financial risk factors

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

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in a complete set of financial statements which have been prepared in accordance with HKFRSs, HKASs and Interpretations, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2022.

There have been no significant changes in the financial risk management policies since 31 December 2022.

簡明綜合中期財務報表附註

2 主要會計政策

除首次採納香港會計師公會所頒佈之所有與本集團業務相關及於2023年1月1日開始之會計期間生效之新訂或經修訂之香港財務報告準則和香港會計準則，及詮釋外，編製簡明綜合中期財務報表所採納之會計政策與編製本集團截至2022年12月31日止年度綜合財務報表所採納者一致。

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

3 財務風險管理

3.1 財務風險因素

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

簡明綜合中期財務報表並不包括一份根據香港財務報告準則，香港會計準則及詮釋編製之完整財務報表應有的所有財務風險管理資料及披露，並應與本集團截至2022年12月31日止年度之綜合財務報表一併閱讀。

自2022年12月31日以來，財務風險管理政策並無重大變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3.2 Liquidity risk

Details of the Group's financial liabilities by maturity groupings analysed based on the remaining period at the statement of financial position date to the contractual maturity date are set out below. The amounts disclosed in the table are based on the contractual undiscounted cash flows of the financial liabilities.

3 財務風險管理 (續)

3.2 流動資金風險

本集團的金融負債的到期組別詳情載列如下，此乃根據由財務狀況表日至合約到期日的剩餘期間進行分析。於表中披露的金融負債金額乃根據合約的未折現現金流量計算。

		30 June 2023 2023年6月30日			
		More than 1 year but less than 2 years	More than 2 years but less than 5 years		Total 合計
Within 1 year 一年內		一年以上但 不超過二年	二年以上 但不超過五年	HK\$'000 千港元	HK\$'000 千港元
Bank and other borrowings	銀行及其他借貸	602,690	-	-	602,690
Lease liabilities	租賃負債	14,612	5,662	1,536	21,810
Trade and other payables (excluding salary and welfare payables and other taxes payables)	貿易及其他應付款項 (不包括應付薪金 和福利及其他 應付稅項)	882,911	248,579	108,462	1,239,952
		1,500,213	254,241	109,998	1,864,452

		31 December 2022 2022年12月31日			
		More than 1 year but less than 2 years	More than 2 years but less than 5 years		Total 合計
Within 1 year 一年內		一年以上但 不超過二年	二年以上 但不超過五年	HK\$'000 千港元	HK\$'000 千港元
Bank and other borrowings	銀行及其他借貸	634,157	-	-	634,157
Lease liabilities	租賃負債	24,072	7,559	4,790	36,421
Trade and other payables (excluding salary and welfare payables and other taxes payables)	貿易及其他應付款項 (不包括應付薪金 和福利及其他 應付稅項)	843,423	18,499	350,370	1,212,292
		1,501,652	26,058	355,160	1,882,870

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3 財務風險管理(續)

3.3 Fair value estimation

3.3 公允值估計

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

期內以公允值計量之投資物業之變動如下：

Investment properties	投資物業	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Unaudited	未經審核				
At 1 January 2023	於2023年1月1日	-	-	49,199	49,199
Exchange differences	匯兌差額	-	-	(1,537)	(1,537)
Changes in fair value	公允值變動	-	-	107	107
At 30 June 2023	於2023年6月30日	-	-	47,769	47,769
Audited	經審核				
At 1 January 2022	於2022年1月1日	-	-	53,491	53,491
Exchange differences	匯兌差額	-	-	(4,540)	(4,540)
Changes in fair value	公允值變動	-	-	248	248
At 31 December 2022	於2022年12月31日	-	-	49,199	49,199

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

有關使用重大的難以觀察之數據(第三級)作公允值計量的資料如下：

Description 詳情	Fair value at 30 June 2023 於2023年 6月30日 之公允值 HK\$'000 千港元	Valuation technique(s) 估值方法	Unobservable inputs 難以觀察 之數據	Range of unobservable inputs/weighted average 難以觀察之 數據範圍/ 加權平均值	Relationship of unobservable inputs to fair value 難以觀察之數據 與公允值 的關係
Office building and carparks – Beijing 辦公樓及車位 – 北京	47,769	Direct comparison method 直接比較法	Market price 市場價格	RMB31,704 per square metre 每平方米 人民幣 31,704 元	The higher the market price, the higher the fair value 市場價格越高， 公允值越高

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

4 Revenue and segment information

4 收入及分部資料

(a) Revenue

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Sale of integrated circuit products and provision of services	銷售集成電路產品及提供服務	1,807,007	1,159,157

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

本集團大部份的收入來自銷售貨品，乃按照貨品的控制權轉移至顧客的時間點確認。

(b) Segment information

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

(b) 分部資料

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

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

董事會認為本集團之業務以單一分部營運及管理，故並無披露分部資料。

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

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

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

5 Other income

5 其他收入

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Government grants	政府補助		
Interest income	利息收入	11,317	9,867
Rental income	租金收入	17,565	10,650
Others	其他	1,242	1,326
		1,018	3,037
		31,142	24,880

6 Finance costs – net

6 融資成本-淨額

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Finance costs	融資成本		
– Interest expense on borrowings	– 借貸之利息支出	12,403	13,977
– Interest expense on lease liabilities	– 租賃負債之利息支出	422	1,246
– Interest expense arose from guarantee deposits received	– 已收保證金產生之利息支出	8,911	–
		21,736	15,223
Finance income	融資收入		
– Interest income on cash and cash equivalents	– 現金及現金等價物之利息收入	(3,837)	(1,469)
– Interest income arose from guarantee deposits paid	– 已付保證金產生之利息收入	(5,687)	–
		(9,524)	(1,469)
Finance costs – net	融資成本-淨額	12,212	13,754

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

7 Profit before taxation

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

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	10,972	10,879
Depreciation of right-of-use assets	使用權資產折舊	10,975	12,150
Amortisation of intangible assets	無形資產攤銷	12,909	16,009
Provision/(reversal of provision) for inventories	存貨撥備/(撥備撥回)	30,898	(11,408)

Research and development costs recognised as expenses and included in administrative expenses for the six months ended 30 June 2023 were HK\$162,991,000 (2022: HK\$158,517,000), mainly comprised of employee costs of HK\$97,079,000 (2022: HK\$85,686,000) and material costs of HK\$24,458,000 (2022: HK\$31,151,000). No research and development costs were capitalised during the six months ended 30 June 2023 (2022: nil). For the six months ended 30 June 2023, provision for inventories of HK\$30,898,000 (2022: reversal of provision for inventories of HK\$11,408,000) has been charged/credited to cost of sales.

7 除稅前溢利

本集團之除稅前溢利已扣除/(計入)以下各項：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	10,972	10,879
Depreciation of right-of-use assets	使用權資產折舊	10,975	12,150
Amortisation of intangible assets	無形資產攤銷	12,909	16,009
Provision/(reversal of provision) for inventories	存貨撥備/(撥備撥回)	30,898	(11,408)

截至2023年6月30日止六個月確認為開支並計入行政開支的研究及開發成本為162,991,000港元(2022年: 158,517,000港元)，主要包括僱員成本97,079,000港元(2022年: 85,686,000港元)及材料成本24,458,000港元(2022年: 31,151,000港元)。於截至2023年6月30日止六個月內，並無研究及開發成本予以資本化(2022年: 無)。截至2023年6月30日止六個月，為數30,898,000港元存貨撥備(2022年: 11,408,000港元存貨撥備撥回)已計入/抵免銷售成本。

8 Taxation

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Current taxation	本期間稅項		
- PRC corporate income tax	- 中國企業所得稅	51,816	12,825
- Withholding tax on distributed profits (Note (c))	- 已分配溢利之預扣所得稅(附註(c))	-	6,036
		51,816	18,861
Deferred taxation	遞延稅項		
- PRC corporate income tax	- 中國企業所得稅	4,212	3,632
- Withholding tax on undistributed profits (Note (c))	- 未分配溢利之預扣所得稅(附註(c))	17,288	1,755
		21,500	5,387
Taxation	稅項	73,316	24,248

8 稅項

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Current taxation	本期間稅項		
- PRC corporate income tax	- 中國企業所得稅	51,816	12,825
- Withholding tax on distributed profits (Note (c))	- 已分配溢利之預扣所得稅(附註(c))	-	6,036
		51,816	18,861
Deferred taxation	遞延稅項		
- PRC corporate income tax	- 中國企業所得稅	4,212	3,632
- Withholding tax on undistributed profits (Note (c))	- 未分配溢利之預扣所得稅(附註(c))	17,288	1,755
		21,500	5,387
Taxation	稅項	73,316	24,248

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8 Taxation (Continued)

- (a) No provision for Hong Kong profits tax had been made as the Group did not generate any assessable profit in Hong Kong for the six months ended 30 June 2023 (2022: nil).
- (b) In accordance with the relevant regulations of the corporate income tax laws of the PRC, the applicable statutory tax rate of CEC Huada Electronic Design Co., Ltd (“Huada Electronics”) and Shanghai Huahong Integrated Circuit Co., Ltd (“Huahong”) is 25%. Nevertheless, since Huada Electronics qualifies as an “Integrated Circuit Design Enterprise in National Planning Layout” and Huahong qualifies as a “High and New Technology Enterprise” for the year ending 31 December 2023, Huada Electronics and Huahong have adopted a preferential tax rate of 10% and 15% respectively for the six months ended 30 June 2023 (2022: a preferential tax rate of 15% and 10% respectively).
- (c) According to the relevant regulations of the corporate income tax laws of the PRC, when the Group’s foreign investment enterprises distribute dividends out of their profits earned from 1 January 2008 onwards to its shareholders outside Mainland China, such dividends are subject to withholding tax at a rate of 10%.

9 Dividend

The Board has resolved not to declare any dividend for the six months ended 30 June 2023 (2022: nil).

簡明綜合中期財務報表附註

8 稅項(續)

- (a) 由於本集團於截至2023年6月30日止六個月於香港並無產生任何應課稅溢利，故並無就香港利得稅作出撥備(2022年：無)。
- (b) 根據中國企業所得稅法的有關規定，北京中電華大電子設計有限責任公司(「華大電子」)及上海華虹集成電路有限責任公司(「華虹」)之適用法定稅率為25%。然而，由於截至2023年12月31日止年度華大電子擁有「國家規劃佈局內集成電路設計企業」資格，而華虹擁有「高新技術企業」資格，因此華大電子及華虹於截至2023年6月30日止六個月分別採納10%和15%之優惠稅率(2022年：分別為15%和10%之優惠稅率)。
- (c) 根據中國企業所得稅法的有關規定，本集團之外商投資企業以股息向其中國內地以外股東分配自2008年1月1日起產生的溢利，該等股息須繳納10%的預扣所得稅。

9 股息

董事會已決議就截至2023年6月30日止六個月不派付任何股息(2022年：無)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

10 Earnings per share

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

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年	2022 2022年
Profit for the period attributable to owners of the Company (HK\$'000)	歸屬於本公司權益持有者之期內溢利(千港元)	552,885	203,191
Weighted average number of ordinary shares for the purposes of basic earnings per share	用以計算每股基本盈利之普通股加權平均數目	2,029,872,000	2,029,872,000
Basic earnings per share (HK cents)	每股基本盈利(港仙)	27.24	10.01

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

10 每股盈利

每股基本盈利乃根據下列數據計算：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年	2022 2022年
Profit for the period attributable to owners of the Company (HK\$'000)	歸屬於本公司權益持有者之期內溢利(千港元)	552,885	203,191
Weighted average number of ordinary shares for the purposes of basic earnings per share	用以計算每股基本盈利之普通股加權平均數目	2,029,872,000	2,029,872,000
Basic earnings per share (HK cents)	每股基本盈利(港仙)	27.24	10.01

由於本公司並無任何未發行潛在攤薄性普通股，故並無披露每股攤薄盈利。

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

During the six months ended 30 June 2023, the Group acquired property, plant and equipment for considerations of HK\$3,803,000 (2022: HK\$9,402,000).

During the six months ended 30 June 2023, the Group recognised right-of-use assets for leasing of office buildings of HK\$19,457,000 (2022: HK\$1,673,000).

11 物業、廠房及設備和使用權資產

於截至2023年6月30日止六個月內，本集團以對價3,803,000港元(2022年：9,402,000港元)添置物業、廠房及設備。

於截至2023年6月30日止六個月內，本集團就租賃辦公樓確認19,457,000港元(2022年：1,673,000港元)使用權資產。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

12 Trade and other receivables

The majority of the Group's sales are with credit terms of 30 days to 180 days. The remaining sales are due immediately after the delivery of goods or provision of services. The ageing analysis of the Group's trade receivables (net of loss allowance for impairment) is as follows:

Within 30 days	30日內
31 days to 60 days	31日至60日
61 days to 180 days	61日至180日
Over 180 days and within 1 year	180日以上及1年內
Over 1 year	1年以上

12 貿易及其他應收款項

本集團的銷售大部份的信貨期為30日至180日，其餘銷售於緊隨貨品交付或提供服務時到期。本集團貿易應收款項(扣除減值虧損撥備)的賬齡分析如下：

30 June 2023 2023年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2022 2022年12月31日 (Audited) (經審核) HK\$'000 千港元
207,816	48,961
235,957	113,489
123,016	235,362
38,542	3,469
1,923	—
607,254	401,281

13 Trade and other payables

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

Within 30 days	30日內
31 days to 60 days	31日至60日
Over 60 days	60日以上

13 貿易及其他應付款項

本集團貿易應付款項的賬齡分析如下：

30 June 2023 2023年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2022 2022年12月31日 (Audited) (經審核) HK\$'000 千港元
420,143	358,690
133,842	66,313
45,198	177,463
599,183	602,466

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

14 Contingent liabilities

The Group did not have any material contingent liability at 30 June 2023 (31 December 2022: nil).

14 或有負債

於2023年6月30日，本集團並無任何重大或有負債（2022年12月31日：無）。

15 Related party transactions and balances

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

15 關聯方交易及結餘

於期內本集團於日常業務過程中與關聯方進行了下列各項重大交易：

(a) Significant transactions with related parties

(a) 與關聯方之重大交易

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
China Electronics Corporation Limited ("CEC")	中國電子信息產業集團有限公司（「中國電子集團」）		
Interest expenses	利息支出	1,225	1,393
Guarantee fee	擔保費	-	1,479
Companies under common control of CEC	受中國電子集團共同控制之公司		
Sale of products and services	銷售產品及服務	188,403	140,905
Purchase of products and services	採購產品及服務	50,305	127,119
Interest income	利息收入	9,039	9,705
Interest expenses	利息支出	11,148	-
Rental income	租金收入	1,242	1,326
Property management fee	物業管理費	3,361	3,424
Additions of right-of-use assets	新增使用權資產	447	1,673
Maximum daily balance of financial assistances provided to the Group	向本集團提供財務資助之最高每日結餘	126,039	72,995
Maximum daily balance of deposits (together with interests accrued thereon) placed by the Group	本集團存放之存款之最高每日結餘（包括所產生之利息）	758,493	840,880
Guarantee deposits received	收取保證金	-	60,365
Associate	聯營公司		
Purchase of products and services	採購產品及服務	4,052	5,519

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

15 Related party transactions and balances (Continued)

15 關聯方交易及結餘(續)

(b) Significant balances with related parties

(b) 與關聯方之重大結餘

		30 June 2023 2023年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2022 2022年12月31日 (Audited) (經審核) HK\$'000 千港元
CEC	中國電子集團		
Other payables	其他應付款項	3,254	-
Borrowings	借貸	65,077	67,169
Companies under common control of CEC	受中國電子集團 共同控制之公司		
Trade receivables	貿易應收款項	47,117	48,314
Other receivables	其他應收款項		
– Accrued interest income and other receivables	– 應計利息收入及 其他應收款項	18,836	23,062
– Prepayments	– 預付款項	51	52
Cash and deposits	現金及存款	699,712	749,852
Contract liabilities	合約負債	89,272	82,070
Trade payables	貿易應付款項	35,079	27,637
Other payables	其他應付款項	55,392	57,718
Loan from a shareholder	股東貸款	531,465	548,546
Associate	聯營公司		
Trade payables	貿易應付款項	1,947	3,675
Other payables	其他應付款項	70	1,192

Other than the cash and deposits and the borrowings which are interest bearing, the above balances with related parties were unsecured, interest-free and settled according to the relevant contract terms. The borrowings from related parties are unsecured and with weighted average interest rate of 4.0% (2022: 4.35%) per annum.

除現金及存款和借貸為附息外，上述關聯方結餘為無抵押、免息並根據相關的合同條款結算。關聯方借貸為無抵押及按加權平均年利率4.0% (2022年：4.35%) 計息。

**NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**

簡明綜合中期財務報表附註

15 Related party transactions and balances (Continued)

15 關聯方交易及結餘 (續)

(c) Key management compensation

(c) 主要管理人員酬金

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 HK\$'000 千港元	2022 2022年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,184	2,964
Contributions to retirement schemes	退休計劃供款	139	302
		1,323	3,266

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



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

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

Introduction

We have reviewed the interim financial information set out on pages 4 to 23, which comprises the consolidated statement of financial position of China Electronics Huada Technology Company Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2023 and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

中期財務資料 審閱報告

羅兵咸永道

致中國電子華大科技有限公司董事會

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

引言

本核數師(以下簡稱「我們」)已審閱列載於第4至23頁的中期財務資料，此中期財務資料包括中國電子華大科技有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)於2023年6月30日的綜合財務狀況表與截至該日止六個月期間的綜合損益表、綜合全面收益表、簡明綜合權益變動表和綜合現金流量表，以及選定的解釋附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料擬備的報告必須符合以上規則的有關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計師公會頒佈的香港會計準則第34號「中期財務報告」擬備及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論，並僅按照我們協定的業務約定條款向閣下(作為整體)報告我們的結論，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Scope of Review

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

Conclusion

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 30 August 2023

中期財務資料 審閱報告

審閱範圍

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

結論

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

羅兵咸永道會計師事務所
執業會計師

香港，2023年8月30日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

Results overview

Revenue of the Group for the six months ended 30 June 2023 amounted to HK\$1,807.0 million, representing an increase of 55.9% when comparing with the corresponding period of last year. Profit attributable to owners of the Company amounted to HK\$552.9 million, representing an increase of 172.1% when comparing with the corresponding period of last year. The basic earnings per share was HK27.24 cents (2022: HK10.01 cents).

Integrated circuits design operation

The Group's integrated circuits design operation comprises the design of smart cards and security chips and the development of application system. Currently, the Group's products are mainly used in the sectors of identity authentication, financial payment, government utilities, telecommunications, Internet of Things and intelligent connected vehicles. For the six months ended 30 June 2023, the Group obtained 18 new patents and registered 1 new software copyright.

業績回顧

業績概述

本集團截至2023年6月30日止六個月之收入為1,807.0百萬港元，較去年同期上升55.9%。歸屬於本公司權益持有者溢利為552.9百萬港元，較去年同期上升172.1%。每股基本盈利為27.24港仙（2022年：10.01港仙）。

集成電路設計業務

本集團之集成電路設計業務涵蓋智能卡及安全芯片之設計及應用系統開發。目前，本集團的產品主要覆蓋身份識別、金融支付、政府公共事業、電信、物聯網及智能網聯車應用領域。截至2023年6月30日止六個月，本集團新增18項專利及新登記1項軟件著作。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

The global integrated circuits market demand remained stable in the first half of 2023 and the shortage of integrated circuits production capacity in Mainland China has gradually alleviated. The Group seized the industry opportunities and dynamically adjusted production and sales strategies to meet the market demand for some of the Group's major products which had not been able to meet due to the shortage of integrated circuits production capacity in the past. In addition, the results of the Group's promotion in the Internet of Things and the intelligent connected vehicles secure element chips application markets have gradually surfaced, and the sales volume of eSIM chips, intelligent connected vehicles secure element chips and high-end SIM chips also increased when comparing with the corresponding period of last year. For the six months ended 30 June 2023, the Group's total sales volume increased by 13.7% when comparing with the corresponding period of last year.

In the first half of 2023, the supply and demand relationship began to gradually reverse in the integrated circuit chips market with intensified industry competition, causing the selling price of smart card chips began to gradually decline. However, due to the impact of the shortage of supply of smart card chip products caused by the continuous shortage of integrated circuits production capacity in 2022, the selling prices of some of the Group's major products remained high in the first quarter of 2023, resulting in the increase in the average selling price of the products sold during the period when comparing with the corresponding period of last year, coupled with the impact of the increase in sales volume when comparing with the corresponding period of last year, the Group's revenue for the six months ended 30 June 2023 amounted to HK\$1,807.0 million, representing a significant increase of 55.9% when comparing with the corresponding period of last year.

業務回顧(續)

2023年上半年全球集成電路市場需求保持平穩，國內集成電路產能緊缺的情況逐步緩解。本集團抓住行業契機，動態調整生產及銷售策略，以滿足市場對本集團部份主要產品過往因集成電路產能緊缺而未能滿足的需求。此外，本集團在物聯網及智能網聯車安全芯片應用市場推廣的成效亦逐漸浮現，eSIM芯片、智能網聯車安全芯片及高端SIM芯片的銷售量較去年同期也有所上升。截至2023年6月30日止六個月，本集團總銷售量較去年同期上升13.7%。

2023年上半年集成電路芯片市場供求關係開始逐步逆轉，行業競爭加劇，導致智能卡芯片銷售價格開始逐步下降。然而，受2022年集成電路產能持續緊缺導致的智能卡芯片產品供不應求的影響，本集團部份主要產品2023年第一季度的銷售價格仍然高企，導致期內售出產品的平均銷售價格仍較去年同期有所提升，疊加銷售量較去年同期有所上升的影響，本集團截至2023年6月30日止六個月的收入為1,807.0百萬港元，較去年同期大幅上升55.9%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

業務回顧 (續)

Benefiting from the increase in the average selling price of some of the Group's major products when comparing with the corresponding period of last year, as well as the optimisation of product mix and effective cost control, the overall gross profit margin for the six months ended 30 June 2023 increased when comparing with the corresponding period of last year.

受惠於本集團部份主要產品平均銷售價格較去年同期有所提升，加上產品結構的優化和有效的成本控制，截至2023年6月30日止六個月的整體毛利率較去年同期有所上升。

Selling and marketing costs for the six months ended 30 June 2023 amounted to HK\$26.1 million, representing a decrease of 24.8% when comparing with the corresponding period of last year. The percentage of selling and marketing costs to revenue decreased to 1.4% from 3.0% of the corresponding period of last year. The Group continued to implement stringent cost control measures during the period.

截至2023年6月30日止六個月的銷售及市場推廣成本為26.1百萬港元，較去年同期下降24.8%。銷售及市場推廣成本佔收入的百分比由去年同期的3.0%下降至1.4%。期內本集團繼續實施嚴格的成本控制措施。

Administrative expenses for the six months ended 30 June 2023 amounted to HK\$207.8 million, representing a decrease of 2.3% when comparing with the corresponding period of last year. The percentage of administrative expenses to revenue was 11.5% (2022: 18.3%). The Group continued to implement stringent cost control measures during the period.

截至2023年6月30日止六個月的行政開支為207.8百萬港元，較去年同期下降2.3%。行政開支佔收入的百分比為11.5% (2022年：18.3%)。期內本集團繼續實施嚴格的成本控制措施。

Research and development costs included in the administrative expenses for the six months ended 30 June 2023 amounted to HK\$163.0 million (2022: HK\$158.5 million). The percentage of research and development costs to revenue was 9.0% (2022: 13.7%). Research and development of the Group during the period mainly focused on the research and development of secure element chip and secure microcontroller unit chip series of products, the continuous improvements of the performance of smart card products, research in the application of secure element chips for the Internet of Things sector and the intelligent connected vehicles sector, as well as the development of application systems and solutions.

截至2023年6月30日止六個月計入行政開支的研究及開發成本為163.0百萬港元 (2022年：158.5百萬港元)，研究及開發成本佔收入的百分比為9.0% (2022年：13.7%)。期內本集團研究及開發主要側重於安全芯片及安全主控芯片系列產品的研究及開發、智能卡產品性能的持續提升、應用於物聯網領域及智能網聯車領域的安全芯片研究以及應用系統和解決方案的開發。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

業務回顧 (續)

Outlook

展望

In 2023, the shortage of integrated circuits production capacity in Mainland China has gradually alleviated and the supply shortage of integrated circuit chip products has reversed with increasingly fierce industry competition. The selling prices of integrated circuit chip products will be on a declining trend, which will have repercussions on the Group's operation in the second half of 2023. On the other hand, in view of the extensive application demand in Mainland China integrated circuit chips market, coupled with the rising demand for secure element chips in industries such as intelligent connected vehicles and smart manufacturing, the demand for secure element chips in some innovative sectors will increase, bringing growth opportunities for the Group's secure element chips business.

2023年國內集成電路產能緊缺的情況逐步緩解，集成電路芯片產品供不應求情況已發生逆轉，行業競爭日趨劇烈，集成電路芯片產品銷售價格將呈現不斷下降的趨勢，將對本集團2023年下半年的經營帶來一定沖擊。另一方面，基於國內集成電路芯片市場廣泛的應用需求，在智能網聯車、智能製造等行業對安全芯片需求不斷上升的情況下，部份創新領域的安全芯片需求將逐步增大，為本集團的安全芯片業務帶來增長契機。

The Group will closely monitor changes in Mainland China and international market trends and gradually strengthen investment in research and development in the sectors of the Internet of Things and the intelligent connected vehicles secure element chips, optimise product mix and enhance product competitiveness through technological innovation, in order to meet the needs of customers, thereby safeguarding the Group's sustainable and healthy development, and bringing positive returns to shareholders.

本集團將密切留意國內外市場趨勢變化，逐步加強物聯網及智能網聯車安全芯片領域的研究及開發投入，以技術創新優化產品結構及提升產品競爭力，致力切合客戶需要，保障本集團可持續和健康發展及為股東帶來正面回報。

Dividend

The Board has resolved not to declare any dividend for the six months ended 30 June 2023 (2022: nil).

股息

董事會已決議就截至2023年6月30日止六個月不派付任何股息(2022年：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review

The Group consistently employs a prudent treasury policy and generally finances its working capital requirements through internal resources, and bank and other borrowings. At 30 June 2023, the Group had cash and cash equivalents amounting to HK\$1,216.2 million, of which 99.7% was denominated in Renminbi, 0.2% in United States dollars and 0.1% in Hong Kong dollars (31 December 2022: HK\$1,172.7 million, of which 99.3% was denominated in Renminbi, 0.4% in United States dollars and 0.3% in Hong Kong dollars).

At 30 June 2023, the Group had bank and other borrowings of HK\$596.5 million, all were due within one year and all were denominated in Renminbi (31 December 2022: HK\$615.7 million, all were due within one year and all were denominated in Renminbi). Among these borrowings, (i) all were unsecured (31 December 2022: all were unsecured), and (ii) all were borrowed at fixed interest rates (31 December 2022: all were borrowed at fixed interest rates). At 30 June 2023, committed borrowing facilities available to the Group but not drawn amounted to HK\$864.3 million.

At 30 June 2023, the Group did not pledge any assets as collateral for its borrowings (31 December 2022: nil).

財務回顧

本集團一貫採用審慎的庫務政策及通常通過內部資源和銀行及其他借貸來滿足其營運資金的需求。於2023年6月30日，本集團持有現金及現金等價物為1,216.2百萬港元，其中有99.7%以人民幣、0.2%以美元及0.1%以港元持有（2022年12月31日：1,172.7百萬港元，分別有99.3%以人民幣、0.4%以美元及0.3%以港元持有）。

於2023年6月30日，本集團的銀行及其他借貸為596.5百萬港元，全數於一年內到期及全數以人民幣計值（2022年12月31日：615.7百萬港元，全數於一年內到期及全數以人民幣計值）。該等借貸中(i)全數為無抵押（2022年12月31日：全數為無抵押），及(ii)全數以固定利率借貸（2022年12月31日：全數以固定利率借貸）。於2023年6月30日，本集團尚未動用之已承諾借貸備用額為864.3百萬港元。

於2023年6月30日，本集團並無為其借貸抵押任何資產（2022年12月31日：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review (Continued)

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

At 30 June 2023, the Group had net current assets of HK\$1,883.5 million (31 December 2022: HK\$1,538.7 million). The gearing ratio of the Group is calculated as net debt divided by total equity and net debt of the Group. At 30 June 2023 and 31 December 2022, the Group was in net cash position.

At 30 June 2023, the Group did not have any material outstanding capital commitment for the acquisition of fixed assets and intangible assets (31 December 2022: nil). The Group did not have any material contingent liability at 30 June 2023 (31 December 2022: nil).

財務回顧 (續)

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

於2023年6月30日，本集團流動資產淨值為1,883.5百萬港元(2022年12月31日：1,538.7百萬港元)。本集團資本負債比率以本集團的債務淨額除以權益總額及債務淨額計算。於2023年6月30日及2022年12月31日，本集團處於淨現金狀況。

於2023年6月30日，本集團就購買固定資產及無形資產並無任何重大尚未履行之資本承擔(2022年12月31日：無)。於2023年6月30日，本集團並無任何重大或有負債(2022年12月31日：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Employee and Remuneration Policies

僱員及薪酬政策

At 30 June 2023, the Group had approximately 410 employees, the majority of whom were based in Mainland China. Employee benefit expenses during the period were HK\$141.9 million.

於2023年6月30日，本集團僱用約410名僱員，大部份於中國內地工作。期內僱員福利開支為141.9百萬港元。

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

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

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

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

OTHER INFORMATION

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

At 30 June 2023, (i) Ms. Liu Jinmei was interested in 197,250 ordinary shares of the Company (long position) (representing 0.01% of the issued share capital of the Company), and (ii) Mr. Chang Feng was interested in 28,000 ordinary shares of the Company (long position) (representing 0.01% of the issued share capital of the Company). Save as disclosed herein, none of the directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Directors' Rights to Acquire Shares or Debentures

At no time during the six months ended 30 June 2023 was the Company, its holding companies or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company or their respective close associates (as defined under the Listing Rules) to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

其他資料

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於2023年6月30日，(i)劉勁梅女士持有197,250股本公司普通股好倉權益(佔本公司已發行股本0.01%之股份)，及(ii)常峰先生持有28,000股本公司普通股好倉權益(佔本公司已發行股本0.01%之股份)。除本文所披露者外，概無本公司董事及最高行政人員於本公司或任何其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中持有任何須記錄於本公司根據證券及期貨條例第352條備存之登記冊內之權益或淡倉，或根據上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯合交易所有限公司之權益或淡倉。

董事購買股份或債券之權利

於截至2023年6月30日止六個月內，本公司、其控股公司或其任何附屬公司或同系附屬公司並無訂立任何使本公司董事或彼等各自之緊密聯繫人(定義見上市規則)可藉着購入本公司或任何其他法人團體之股份或債券而獲益之安排。

OTHER INFORMATION

Shareholders with Notifiable Interests

At 30 June 2023, the register maintained by the Company pursuant to Section 336 of the SFO showed that the following persons (other than the directors or chief executive of the Company) had notified the Company that they had an interest of 5% or more in the issued share capital of the Company:

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

Notes:

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

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

Save as disclosed above, at 30 June 2023, the Company had not been notified of any other interest or short position in the shares or underlying shares of the Company which were required to be recorded in the register required to be kept under Section 336 of the SFO.

其他資料

擁有須申報權益之股東

於2023年6月30日，根據證券及期貨條例第336條本公司須備存之登記冊所示，下列人士(本公司董事或最高行政人員除外)已知會本公司彼等持有本公司已發行股本5%或以上之權益：

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

附註：

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

所有上述所披露之權益均為本公司股份之好倉。

除上文披露者外，於2023年6月30日，本公司並未獲知會有任何其他人士持有本公司股份或相關股份須記錄於根據證券及期貨條例第336條須備存之登記冊內之權益或淡倉。

OTHER INFORMATION

Purchase, Sale or Redemption of Securities

Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's shares and the Company had not redeemed any of its shares during the six months ended 30 June 2023.

Corporate Governance Code

The Company is committed to achieving the best corporate governance practices by emphasising on accountability, transparency, independence, responsibility and fairness. The Company is dedicated to exercise corporate governance through regular reviews of its adopted practices with reference to the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules. The Company has complied with all applicable code provisions in the CG Code throughout the six months ended 30 June 2023.

The Model Code for Securities Transactions by Directors

The Company has adopted the Model Code to regulate the directors' securities transactions. All directors have confirmed, following specific enquiry by the Company, that they have fully complied with the Model Code throughout the six months ended 30 June 2023.

其他資料

購回、出售或贖回證券

於截至2023年6月30日止六個月內，本公司及其任何附屬公司並無購回或出售任何本公司股份，且本公司亦無贖回其任何股份。

企業管治守則

本公司努力實踐最高水平的企業管治常規，尤其注重問責性、透明度、獨立性、責任和公平方面。本公司認真執行企業管治，通過參考上市規則附錄14所載之企業管治守則（「企業管治守則」）定期檢討所採納的常規。本公司於截至2023年6月30日止六個月內已遵守企業管治守則的所有適用守則條文。

董事進行證券交易的標準守則

本公司已採納標準守則，以規管董事進行的證券交易。經本公司作出具體查詢後，所有董事均已確認，於截至2023年6月30日止六個月內，彼等均已全面遵守標準守則。

OTHER INFORMATION

Audit Committee

The audit committee of the Board has reviewed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2023.

By Order of the Board

Xu Haidong
Chairman

Hong Kong, 30 August 2023

其他資料

審核委員會

董事會轄下的審核委員會已審閱本集團截至2023年6月30日止六個月之未經審核簡明綜合中期財務報表。

承董事會命

主席
許海東

香港，2023年8月30日



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