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**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)*

(Stock Code: 00085)

**ANNUAL RESULTS ANNOUNCEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

The board of directors (the “Board”) of China Electronics Huada Technology Company Limited (the “Company”) announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2021 as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	<b>Year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Revenue</b>	<b>1,681,654</b>	1,324,556
Cost of sales	<u>(1,111,122)</u>	<u>(874,111)</u>
<b>Gross profit</b>	<b>570,532</b>	450,445
Other income	<b>33,529</b>	36,153
Selling and marketing costs	<b>(83,002)</b>	(73,895)
Administrative expenses	<b>(388,115)</b>	(319,822)
Net reversal of impairment losses/(impairment losses) on trade and other receivables	<u><b>6,388</b></u>	<u>(11,690)</u>
<b>Operating profit</b>	<b>139,332</b>	81,191
Finance income	<u><b>2,428</b></u>	<u>6,437</u>
Finance costs	<u><b>(29,256)</b></u>	<u>(100,377)</u>
Finance costs – net	<b>(26,828)</b>	(93,940)
Share of results of associates	<b>108</b>	91,293
Loss on disposal of an associate	<u><b>–</b></u>	<u>(1,080,850)</u>
<b>Profit/(loss) before taxation</b>	<b>112,612</b>	(1,002,306)
Taxation	<u><b>14,707</b></u>	<u>(8,818)</u>
<b>Profit/(loss) for the year</b>	<u><u><b>127,319</b></u></u>	<u><u>(1,011,124)</u></u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS** *(Cont'd)*

	<b>Year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
<b>Profit/(loss) for the year attributable to:</b>		
Owners of the Company	<b>125,444</b>	(1,013,263)
Non-controlling interests	<b>1,875</b>	2,139
	<b><u>127,319</u></b>	<b><u>(1,011,124)</u></b>
<b>Dividend</b>	<b><u>38,568</u></b>	<b><u>–</u></b>
	<b><i>HK cents</i></b>	<b><i>HK cents</i></b>
<b>Basic earnings/(loss) per share</b>	<b><u>6.18</u></b>	<b><u>(49.92)</u></b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2021	2020
	HK\$'000	HK\$'000
<b>Profit/(loss) for the year</b>	<b>127,319</b>	<b>(1,011,124)</b>
<b>Other comprehensive income for the year, net of taxation:</b>		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of financial statements	<b>46,708</b>	146,178
Release of accumulated translation reserves	–	(1,196)
Items that will not be subsequently reclassified to profit or loss:		
Exchange differences on translation of financial statements of the Company	<b>(12,400)</b>	(31,567)
<b>Total comprehensive income for the year</b>	<b>161,627</b>	<b>(897,709)</b>
<b>Total comprehensive income for the year attributable to:</b>		
Owners of the Company	<b>159,331</b>	(901,463)
Non-controlling interests	<b>2,296</b>	3,754
	<b>161,627</b>	<b>(897,709)</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 December 2021 <i>HK\$'000</i>	31 December 2020 <i>HK\$'000</i>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	51,004	43,784
Right-of-use assets	56,331	63,059
Investment properties	53,491	51,494
Intangible assets	55,947	35,849
Investment in associates	16,669	15,936
Trade and other receivables	2,839	1,627
Deferred tax assets	73,561	50,615
Time deposits	244,618	–
	554,460	262,364
<b>Current assets</b>		
Inventories	531,651	500,110
Trade and other receivables	747,651	542,355
Financial assets at fair value through profit or loss	10,886	15,403
Cash and cash equivalents	517,932	465,411
Restricted cash	1,404	61,228
Time deposits	477,006	715,368
	2,286,530	2,299,875
<b>Total assets</b>	<b>2,840,990</b>	<b>2,562,239</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION** (*Cont'd*)

	<b>31 December 2021 HK\$'000</b>	31 December 2020 HK\$'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital and premium	225,454	825,454
Reserves	(392,772)	(651,237)
Retained earnings	<u>1,415,208</u>	<u>914,342</u>
	<b>1,247,890</b>	1,088,559
<b>Non-controlling interests</b>	<u>26,107</u>	<u>23,811</u>
	<b>1,273,997</b>	<u>1,112,370</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Lease liabilities	27,441	37,935
Trade and other payables	7,577	15,936
Deferred tax liabilities	<u>14,915</u>	<u>12,474</u>
	<u>49,933</u>	<u>66,345</u>
<b>Current liabilities</b>		
Deferred government grants	59,211	58,454
Contract liabilities	34,968	11,760
Trade and other payables	718,651	559,125
Bank and other borrowings	672,701	712,300
Lease liabilities	31,429	29,132
Income tax payable	<u>100</u>	<u>12,753</u>
	<u>1,517,060</u>	<u>1,383,524</u>
<b>Total liabilities</b>	<u>1,566,993</u>	<u>1,449,869</u>
<b>Total equity and liabilities</b>	<u><u>2,840,990</u></u>	<u><u>2,562,239</u></u>

## **GENERAL INFORMATION**

The Company is incorporated in the Cayman Islands and continued in Bermuda with limited liability. The Company has its shares listed on The Stock Exchange of Hong Kong Limited. The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The ultimate holding company of the Company is China Electronics Corporation Limited, which is established in the People's Republic of China (the "PRC").

The principal activities of the Group are the design and sale of integrated circuit chips.

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated.

## **BASIS OF PREPARATION**

### **(a) Compliance with HKFRSs, HKASs, Interpretations and Listing Rules**

The consolidated financial statements 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. These consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and certain financial assets at fair value through profit or loss which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs, HKASs and Interpretations requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

**(b) Significant accounting policies**

In the current year, the Group has adopted for the first time of all the new or amended HKFRSs and HKASs, and Interpretations issued by the Hong Kong Institute of Certified Public Accountants that are relevant to the Group's operations and effective for the accounting period beginning on 1 January 2021. The 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 consolidated financial statements.

**REVENUE AND SEGMENT INFORMATION**

**(a) Revenue**

	<b>2021</b>	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Sale of integrated circuit products	<b><u>1,681,654</u></b>	<b><u>1,324,556</u></b>

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

**(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.

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

Revenues of HK\$353,350,000, HK\$284,348,000 and HK\$252,121,000 (2020: HK\$373,222,000, HK\$225,583,000, HK\$184,946,000 and HK\$138,444,000), respectively, derived from 3 (2020: 4) external customers of the Group have exceeded 10% of the revenue of the Group. Save as disclosed herein, no revenue derived from a single external customer has exceeded 10% of the revenue of the Group.

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

**OTHER INCOME**

	<b>2021</b>	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Government grants	<b>8,057</b>	21,100
Fair value gains on financial assets at fair value through profit or loss	<b>985</b>	332
Gain on modification of lease	<b>5</b>	863
Interest income	<b>20,161</b>	11,122
Rental income	<b>2,604</b>	2,432
Others	<b>1,717</b>	304
	<b>33,529</b>	36,153



## EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing costs and administrative expenses are analysed as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Depreciation and amortisation expenses	41,384	33,451
Depreciation of right-of-use assets	22,439	26,834
Employee benefit expenses	248,882	180,951
Changes in inventories of finished goods and work in progress	9,969	33,900
Raw materials used and outsourcing expenses	1,106,308	815,599
(Reversal of provision)/provision for inventories	(5,206)	24,566
Rental expenses for short-term leases and leases of low-value asset	7,366	35
Auditor's remuneration		
– Audit services	2,530	3,007
– Non-audit services	–	574
	<u>                    </u>	<u>                    </u>

Research and development costs recognised as expense and charged to administrative expenses for the year ended 31 December 2021 were HK\$271,795,000 (2020: HK\$211,995,000) and mainly comprised of employee costs of HK\$150,170,000 (2020: HK\$103,627,000) and material costs of HK\$49,702,000 (2020: HK\$52,597,000). No research and development costs were capitalised during the year ended 31 December 2021 (2020: nil).

## FINANCE COSTS – NET

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Finance cost		
– Interest expense on borrowings	26,364	97,590
– Interest expense on lease liabilities	2,892	2,787
	<u>                    </u>	<u>                    </u>
	29,256	100,377
Finance income		
– Interest income	(2,428)	(6,437)
	<u>                    </u>	<u>                    </u>
Finance costs – net	<u>                    </u>	<u>                    </u>
	26,828	93,940

## TAXATION

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current taxation		
– PRC corporate income tax	488	10,291
– Withholding tax on distributed profits ( <i>Note (c)</i> )	<u>3,900</u>	<u>5,218</u>
	<u>4,388</u>	<u>15,509</u>
Deferred taxation		
– PRC corporate income tax	(20,810)	(4,986)
– Withholding tax on undistributed profits ( <i>Note (c)</i> )	<u>1,715</u>	<u>(1,705)</u>
	<u>(19,095)</u>	<u>(6,691)</u>
	<u>(14,707)</u>	<u>8,818</u>

- (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 year ended 31 December 2021 (2020: nil).
- (b) In accordance with the regulation of the corporate income tax laws of the PRC, the applicable statutory tax rate of CEC Huada Electronic Design Co., Ltd (“Huada Electronics”) and Shanghai Huahong Integrated Circuit Co., Ltd (“Huahong”) is 25%. However, Huada Electronics qualified as a “High and New Technology Enterprise” and Huahong qualified as a “State-encouraged Key Integrated Circuit Design Enterprise” for the year ended 31 December 2021 and thus enjoyed a 15% and 10% preferential tax rate, respectively, in 2021 (2020: Huada Electronics and Huahong enjoyed a 10% preferential tax rate). Based on management’s self-assessment and their track record of success in obtaining such types of qualifications, it is highly likely that Huada Electronics and Huahong will qualify as a “High and New Technology Enterprise” after the year ended 31 December 2021 and thus will enjoy a 15% preferential tax rate.
- (c) According to the relevant regulations of the corporate income tax laws of the PRC, when a foreign investment enterprise in the PRC distributes dividends out of the profits earned from 1 January 2008 onwards to its overseas investors, such dividends are subject to withholding tax at a rate of 10%.

- (d) Reconciliation between the taxation on the Group's profit/(loss) before taxation and the theoretical taxation that would arise using the respective applicable statutory tax rates is as follows:

	<b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Profit/(loss) before taxation	<b>112,612</b>	(1,002,306)
Calculated at respective applicable statutory tax rates	<b>32,998</b>	4,159
Effect of tax concession	<b>(18,695)</b>	(18,639)
Research and development costs additional deductions	<b>(24,482)</b>	(13,118)
Income not subject to tax	<b>(411)</b>	(431)
Expenses not deductible for taxation purposes	<b>985</b>	24,105
Effect of change in tax rate on deferred taxation	<b>(18,867)</b>	(777)
Withholding tax on distributed profits and current year's undistributed profits	<b>5,615</b>	3,513
Tax losses for which no deferred tax asset was recognised	<b>8,570</b>	4,007
Over/(under) provision on taxation in prior years	<b>(420)</b>	5,999
Taxation	<b>(14,707)</b>	8,818

## **DIVIDEND**

	<b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Proposed dividend	<b>38,568</b>	–

The Board recommends the payment of a dividend of HK1.9 cents per share for the year ended 31 December 2021 (2020: nil). Subject to approval by the shareholders of the Company at the forthcoming annual general meeting of the Company, the dividend will be distributed on or before 29 July 2022. The proposed dividend of HK\$38,568,000 (2020: nil), calculated based on the Company's number of shares issued at the date of this announcement, is not recognised as a liability in the consolidated financial statements.

## EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share is based on the following data:

	2021	2020
Profit/(loss) for the year attributable to owners of the Company ( <i>HK\$'000</i> )	125,444	(1,013,263)
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share	2,029,872,000	2,029,872,000
Basic earnings/(loss) per share ( <i>HK cents</i> )	<u>6.18</u>	<u>(49.92)</u>

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

## TRADE RECEIVABLES

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

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current to 30 days	149,221	114,637
31 – 60 days	187,225	71,648
61 – 180 days	190,526	250,734
Over 180 days and within 1 year	7,398	49,245
Over 1 year	1,914	21,652
	<u>536,284</u>	<u>507,916</u>

## TRADE PAYABLES

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

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current to 30 days	207,890	138,695
31 – 60 days	110,108	62,257
Over 60 days	89,513	83,152
	<u>407,511</u>	<u>284,104</u>

## **BUSINESS REVIEW**

### **Results overview**

Revenue of the Group for the year ended 31 December 2021 amounted to HK\$1,681.7 million, representing an increase of 27.0% when comparing with last year. Profit attributable to owners of the Company amounted to HK\$125.4 million, as compared to a loss of HK\$1,013.3 million last year. Excluding the loss of HK\$1,080.9 million arising from the disposal of China Electronics Optics Valley Union Holding Company Limited recorded last year, profit attributable to owners of the Company increased by HK\$57.8 million, or 85.6%. Basic earnings per share was HK6.18 cents (2020: basic loss per share was HK49.92 cents).

### **Integrated circuits design operation**

The Group's integrated circuits design operation comprises the design of security smart card chips and the development of application system. Currently, the Group's products are mainly used in the sectors of identity authentication, financial payment, government utilities, telecommunications, smart Internet of Vehicles and Internet of Things security. For the year ended 31 December 2021, the Group has obtained 26 new patents and registered 1 new software copyright and 3 new integrated circuit layout designs.

The global integrated circuits market demand was stable in 2021, and the domestic economic situation has been improving with industry boom rebounding and market demand recovering. Despite industry competition remaining intense, selling prices of the Group's major products increased slightly due to shortage of integrated circuits production capacity resulting in demand for smart card chip products outstripping supply. During the year, through enriching the product portfolio of telecommunication card chips and increasing promotion efforts, market share grew and sales volume of telecommunication card chips increased when comparing with last year. With the market competitiveness of domestic-made bank card chips further strengthened, sales volume of bank card chips increased when comparing with last year. The market demand for third generation social security cards has gradually increased as the issuance of third generation social security cards has started on a large scale in all provinces and cities nationwide, and sales volume of social security card chips increased when comparing with last year. The promotion of 5G network applications has increased the demand for information security, which has led the Group to achieve better results in the promotion of smart Internet of Vehicles and Internet of Things security chips application market, and sales volume of smart Internet of Vehicles and Internet of Things security products increased significantly when comparing with last year. The peak for replacing identity authentication products has passed, and the demand as well as sales volume of identity authentication products decreased when comparing with last year. For the year ended 31 December 2021, the Group's total sales volume increased by 20.6% when comparing with last year. The Group's revenue for the year ended 31 December 2021 was HK\$1,681.7 million, representing an increase of 27.0% when comparing with last year. Overall gross profit margin for the year ended 31 December 2021 was 33.9%, at a level similar to that of last year.

Selling and marketing costs for the year ended 31 December 2021 amounted to HK\$83.0 million (2020: HK\$73.9 million). The percentage of selling and marketing costs to revenue decreased to 4.9% from 5.6% last year. The Group continued to implement stringent cost control measures during the year.

Administrative expenses for the year ended 31 December 2021 amounted to HK\$388.1 million, representing an increase of 21.4% when comparing with last year. The increase in administrative expenses was primarily due to an increase in research and development costs during the year. The percentage of administrative expenses to revenue decreased to 23.1% from 24.1% last year. The Group continued to implement stringent cost control measures during the year.

Research and development costs for the year ended 31 December 2021 amounted to HK\$271.8 million (2020: HK\$212.0 million). The percentage of research and development costs to revenue was 16.2% (2020: 16.0%). Research and development during the year primarily focused on the research and development of security chip and secure microcontroller unit chip products, the continuous improvements in smart card products' performance and competitiveness, research on the application of security chips in the smart Internet of Vehicles sector and Internet of Things sector, and the development of application systems and solutions, etc.

#### **Other income**

Government grants recognised as income decreased by 61.8% to HK\$8.1 million for the year ended 31 December 2021, resulting from fewer government subsidies received for research and development costs incurred in the year.

## **OUTLOOK**

Looking ahead, the global integrated circuits industry will generally maintain a stable development while the domestic integrated circuits design industry and market will gain further momentum. With the further implementation of the application of domestic integrated circuits and the application of the state cryptographic algorithm, as well as the promotion of the 5G application, the rapid development of the smart Internet of Vehicles and Internet of Things market boosting and raising the demand for information security, there will be market opportunities for the Group's business. Global semiconductor production capacity is expected to remain tight in 2022, and maintaining production capacity and the provision of products will continue to pose a lot of challenges to the Group's operations. In the face of both opportunities and challenges, the Group will continue to closely monitor the domestic market demand, further strengthen close cooperation with suppliers and seize market opportunities, thereby consolidating the Group's leading position in the smart card chips sector.

On the other hand, using security chip design and application technologies accumulated over the years, the Group will continue to strengthen investment in research and development in the sector of security chips for the Internet of Things with a market-oriented approach, optimise product structure with technological innovation, strive to meet customers' needs and create a sustainable future. At the same time, the Group will perfect the expansion of the application industries such as the smart Internet of Vehicles and Internet of Things, and strengthen efforts to promote its brand so as to capture future development opportunities and enhance the Group's core competitiveness in the security chips industry.

## **FINANCIAL RESOURCES AND LIQUIDITY**

The Group consistently employs a prudent treasury policy and generally finances its working capital and funding requirements through internal resources, and bank and other borrowings. At 31 December 2021, the Group had cash and cash equivalents amounting to HK\$517.9 million, of which 98.1% was denominated in Renminbi, 1.6% in United States dollars and 0.3% in Hong Kong dollars (2020: HK\$465.4 million, of which 95.3% was denominated in Renminbi, 2.9% in Hong Kong dollars and 1.8% in United States dollars).

At 31 December 2021, the Group had bank and other borrowings of HK\$672.7 million, all were due within one year, and all were denominated in Renminbi (2020: HK\$712.3 million, all were due within one year, and all were denominated in Renminbi). Among these borrowings, (i) all were unsecured (2020: HK\$58.8 million were secured by deposits of the Group and HK\$653.5 million were unsecured), and (ii) all were borrowed at fixed interest rates (2020: all were borrowed at fixed interest rates). At 31 December 2021, committed borrowing facilities available to the Group but not drawn amounted to HK\$806.8 million.

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 31 December 2021, the Group had net current assets of HK\$769.5 million (2020: HK\$916.4 million). The gearing ratio of the Group is calculated as net debt divided by total equity and net debt of the Group. At 31 December 2021 and 31 December 2020, the Group was in net cash position.

## **CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

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



## **EMPLOYEE AND REMUNERATION POLICIES**

At 31 December 2021, the Group had approximately 410 employees, the majority of whom were based in the PRC. Employee benefit expenses for the year were HK\$248.9 million.

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

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

## **AUDIT COMMITTEE**

The audit committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2021.

## **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 year ended 31 December 2021.

## **CORPORATE GOVERNANCE CODE**

The Company has complied with all the applicable code provisions in the Corporate Governance Code as set out in Appendix 14 to the Listing Rules throughout the year ended 31 December 2021.

## **SCOPE OF WORK OF PRICEWATERHOUSECOOPERS**

The figures in respect of the Group's audited consolidated statement of profit or loss, audited consolidated statement of comprehensive income, audited consolidated statement of financial position and the related notes thereto for the year ended 31 December 2021 as set out in this announcement have been agreed by the Company's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the results announcement.

## **PUBLICATION OF ANNUAL REPORT**

The 2021 annual report will be published on the website of the Company ([www.cecht.com.cn](http://www.cecht.com.cn)) and on the website of The Stock Exchange of Hong Kong Limited ([www.hkex.com.hk](http://www.hkex.com.hk)) in due course.

By Order of the Board  
**China Electronics Huada Technology Company Limited**  
**Xu Haidong**  
*Chairman*

Hong Kong, 28 March 2022

*As at the date of this announcement, the Board comprises two Non-executive Directors, namely Mr. Xu Haidong (Chairman) and Ms. Liu Jinmei, two Executive Directors, namely Mr. Liu Hongzhou (Deputy Chairman and Managing Director) and Mr. Chang Feng, and three Independent Non-executive Directors, namely Mr. Chan Kay Cheung, Mr. Qiu Hongsheng and Mr. Chow Chan Lum.*