

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

华大科技

HUADA TECHNOLOGY

China Electronics

Huada Technology Company Limited

中國電子華大科技有限公司

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

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

(Stock Code 股份代號: 00085)

Interim Report 中期報告

2022

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CORPORATE INFORMATION

Board of Directors

Non-executive Directors

Xu Haidong (*Chairman*)
Liu Jinmei

Executive Directors

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

Independent Non-executive Directors

Chan Kay Cheung
Qiu Hongsheng
Chow Chan Lum

Audit Committee

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

Remuneration and Nomination Committee

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

Company Secretary

Ng Kui Kwan

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Office in Hong Kong

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

公司資料

董事會

非執行董事

許海東 (*主席*)
劉勁梅

執行董事

劉紅洲 (*副主席及董事總經理*)

常峰

獨立非執行董事

陳棋昌
邱洪生
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

香港
灣仔
港灣道26號
華潤大廈
34樓3403室

CORPORATE INFORMATION

Investor Relations

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Stock Code

00085

Principal Bankers

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

Principal Share Registrar

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

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
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
招商銀行股份有限公司深圳分行
興業銀行股份有限公司深圳分行

股份登記總處

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

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
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 2022 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2022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	2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
Revenue	收入		
Cost of sales	銷售成本	1,159,157 (692,072)	836,761 (581,909)
Gross profit	毛利	467,085	254,852
Other income	其他收入	24,880	13,490
Selling and marketing costs	銷售及市場推廣成本	(34,714)	(42,798)
Administrative expenses	行政開支	(212,592)	(156,249)
(Impairment losses)/net reversal of impairment losses on trade and other receivables	貿易及其他應收款項(減值虧損)/減值虧損淨撥回	(4,937)	7,159
Operating profit	營運溢利	239,722	76,454
Finance income	融資收入	1,469	1,406
Finance costs	融資成本	(15,223)	(14,281)
Finance costs – net	融資成本 – 淨額	(13,754)	(12,875)
Share of result of an associate	應佔一間聯營公司業績	333	(36)
Profit before taxation	除稅前溢利	226,301	63,543
Taxation	稅項	(24,248)	(4,498)
Profit for the period	期內溢利	202,053	59,045
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	203,191	59,256
Non-controlling interests	非控股權益	(1,138)	(211)
		202,053	59,045
		HK cents 港仙	HK cents 港仙
Basic earnings per share	每股基本盈利	10.01	2.92

**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	
		2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
Profit for the period	期內溢利	202,053	59,045
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	(4,571)	17,085
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	(45,735)	(4,760)
Total comprehensive income for the period	期內全面收益總額	151,747	71,370
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	154,617	71,531
Non-controlling interests	非控股權益	(2,870)	(161)
		151,747	71,370

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

			30 June 2022	31 December 2021
			2022年6月30日 (Unaudited)	2021年12月31日 (Audited)
			(未經審核)	(經審核)
		<i>Note</i>	HK\$'000	HK\$'000
		<i>附註</i>	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	47,625	51,004
Right-of-use assets	使用權資產	11	43,760	56,331
Investment properties	投資物業		51,272	53,491
Intangible assets	無形資產		38,039	55,947
Investment in associates	於聯營公司投資		16,259	16,669
Trade and other receivables	貿易及其他應收款項	12	209,853	2,839
Deferred tax assets	遞延稅項資產		66,954	73,561
Time deposits	定期存款		233,866	244,618
			707,628	554,460
Current assets	流動資產			
Inventories	存貨		596,528	531,651
Trade and other receivables	貿易及其他應收款項	12	1,103,895	747,651
Financial assets at fair value through profit or loss	按公允值計入損益 金融資產		10,518	10,886
Cash and cash equivalents	現金及現金等價物		610,045	517,932
Restricted cash	受限制現金		6,995	1,404
Time deposits	定期存款		420,959	477,006
			2,748,940	2,286,530
Total assets	資產總額		3,456,568	2,840,990

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

綜合財務狀況表

		30 June 2022 2022年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2021 2021年12月31日 (Audited) (經審核) HK\$'000 千港元
	<i>Note 附註</i>		
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	(441,346)	(392,772)
Retained earnings	保留溢利	1,579,831	1,415,208
		1,363,939	1,247,890
Non-controlling interests	非控股權益	23,237	26,107
Total equity	權益總額	1,387,176	1,273,997
Liabilities	負債		
Non-current liabilities	非流動負債		
Lease liabilities	租賃負債	14,732	27,441
Trade and other payables	貿易及其他應付款項	321,635	7,577
Deferred tax liabilities	遞延稅項負債	16,103	14,915
Contract liabilities	合約負債	31,178	-
		383,648	49,933
Current liabilities	流動負債		
Deferred government grants	遞延政府補助	56,101	59,211
Contract liabilities	合約負債	58,727	34,968
Trade and other payables	貿易及其他應付款項	896,950	718,651
Bank and other borrowings	銀行及其他借貸	643,132	672,701
Lease liabilities	租賃負債	25,153	31,429
Income tax payable	應付所得稅款項	5,681	100
		1,685,744	1,517,060
Total liabilities	負債總額	2,069,392	1,566,993
Total equity and liabilities	權益及負債總額	3,456,568	2,840,990

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	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 2021	於2021年1月1日	20,299	805,155	(651,237)	914,342	1,088,559	23,811	1,112,370
Total comprehensive income	全面收益總額	-	-	12,275	59,256	71,531	(161)	71,370
Transfer of share premium to contributed surplus	轉撥股份溢價至實繳盈餘	-	(600,000)	600,000	-	-	-	-
Elimination of accumulated losses of the Company	撇銷本公司累計虧損	-	-	(389,035)	389,035	-	-	-
At 30 June 2021	於2021年6月30日	20,299	205,155	(427,997)	1,362,633	1,160,090	23,650	1,183,740
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	-	-	(48,574)	203,191	154,617	(2,870)	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	(441,346)	1,579,831	1,363,939	23,237	1,387,176

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	
		2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
Cash flows from operating activities	營運活動之現金流量		
Cash flows generated from/(used in) operations	營運產生/(所用)之現金流量	153,020	(101,424)
Interest paid	支付利息	(16,702)	(20,424)
Income tax paid	支付所得稅	(13,095)	(16,794)
Net cash flows generated from/(used in) operating activities	營運活動產生/(所用)之現金流量淨額	123,223	(138,642)
Cash flows from investing activities	投資活動之現金流量		
Interest received	收取利息	4,192	10,755
Purchase of property, plant and equipment and intangible assets	購買物業、廠房及設備和無形資產	(29,536)	(15,146)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公允值計入損益金融資產所得款項	-	5,170
Decrease in time deposits	定期存款減少	36,219	390,880
Proceeds from disposal of property, plant and equipment	處置物業、廠房及設備所得款項	125	55
Net cash flows generated from investing activities	投資活動產生之現金流量淨額	11,000	391,714

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	
		2022	2021
		2022年	2021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		
Repayment of bank and other borrowings	償還銀行及其他借貸	-	(51,306)
Decrease in restricted cash	受限制現金減少	-	61,228
Principal portion of lease payments	租賃付款本金部份	(18,656)	(7,574)
Net cash flows (used in)/generated from financing activities	融資活動(所用)/產生之現金流量淨額	(18,656)	2,348
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	115,567	255,420
Effect of exchange rate changes	匯率變動之影響	(23,454)	8,465
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	517,932	465,411
Cash and cash equivalents at end of the period	期末之現金及現金等價物	610,045	729,296

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

1 Basis of preparation

Compliance with HKFRSs, HKASs, Interpretations and Listing Rules

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

The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2021, which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants.

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

1 編製基準

符合香港財務報告準則，香港會計準則， 詮釋及上市規則

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

簡明綜合中期財務報表應連同根據香港會計師公會頒佈之所有適用的香港財務報告準則（「香港財務報告準則」），香港會計準則（「香港會計準則」）及詮釋而編製之本集團截至2021年12月31日止年度之綜合財務報表一併閱讀。

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2 Principal accounting policies

Except for the adoption for the first time of all the new or amended HKFRSs and HKASs, and Interpretations issued by the Hong Kong Institute of Certified Public Accountants that are relevant to the Group's operations and effective for the accounting period beginning on 1 January 2022, 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 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 condensed consolidated interim financial statements.

3 Financial risk management

3.1 Financial risk factors

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

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in a complete set of financial statements which have been prepared in accordance with HKFRSs, HKASs and Interpretations, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2021.

There have been no significant changes in the financial risk management policies since 31 December 2021.

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2022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2021年12月31日止年度綜合財務報表所採納者一致。

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

3 財務風險管理

3.1 財務風險因素

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

簡明綜合中期財務報表並不包括一份根據香港財務報告準則、香港會計準則及詮釋編製之完整財務報表應有的所有財務風險管理資料及披露，並應與本集團截至2021年12月31日止年度之綜合財務報表一併閱讀。

自2021年12月31日以來，財務風險管理政策並無重大變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3 財務風險管理(續)

3.2 Liquidity risk

3.2 流動資金風險

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

本集團於報告期末的金融負債到期情況(根據合約的未折現現金流量計算)如下:

		30 June 2022 2022年6月30日			
		More than 1 year but less than 2 years	More than 2 years but less than 5 years		Total
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		總額
HK\$'000		HK\$'000	HK\$'000		HK\$'000
千港元		千港元	千港元		千港元
Bank and other borrowings	銀行及其他借貸	651,167	-	-	651,167
Lease liabilities	租賃負債	24,994	7,687	7,796	40,477
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)	766,597	25,515	344,806	1,136,918
		1,442,758	33,202	352,602	1,828,562

		31 December 2021 2021年12月31日			
		More than 1 year but less than 2 years	More than 2 years but less than 5 years		Total
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		總額
HK\$'000		HK\$'000	HK\$'000		HK\$'000
千港元		千港元	千港元		千港元
Bank and other borrowings	銀行及其他借貸	694,982	-	-	694,982
Lease liabilities	租賃負債	33,474	16,938	11,867	62,279
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)	639,965	7,577	-	647,542
		1,368,421	24,515	11,867	1,404,803

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 公允價值估計

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

期內以公允價值計量之金融資產之變動如下：

Wealth management products	財富管理產品	Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Unaudited	未經審核				
At 1 January 2022	於2022年1月1日	-	10,886	-	10,886
Exchange differences	匯兌差額	-	(482)	-	(482)
Changes in fair value	公允價值變動	-	114	-	114
At 30 June 2022	於2022年6月30日	-	10,518	-	10,518
Audited	經審核				
At 1 January 2021	於2021年1月1日	-	10,368	-	10,368
Exchange differences	匯兌差額	-	308	-	308
Additions	增加	-	210	-	210
At 31 December 2021	於2021年12月31日	-	10,886	-	10,886

The investments at 30 June 2022 represent certain wealth management products purchased from commercial banks in the People's Republic of China (the "PRC"). These wealth management products are with non-guaranteed return, denominated in Renminbi ("RMB" or "Renminbi") and can be redeemed either at any time or at certain time within three months. The fair values of these investments were determined with reference to either the statements provided by the commercial banks or the discounted cash flow method.

於2022年6月30日的投資乃指於中華人民共和國(「中國」)商業銀行購買的若干財富管理產品。該等財富管理產品乃非保證回報，以人民幣(「人民幣」)計值及可於任何時間或三個月內的若干時間贖回。該等投資的公允價值乃經參考商業銀行所提供的對賬單或折現現金流量法而釐定。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3 Financial risk management (Continued)

3 財務風險管理(續)

3.3 Fair value estimation (Continued)

3.3 公允價值估計(續)

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

期內以公允價值計量之投資物業之變動如下：

Investment properties	投資物業	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Unaudited	未經審核				
At 1 January 2022	於2022年1月1日	-	-	53,491	53,491
Exchange differences	匯兌差額	-	-	(2,356)	(2,356)
Changes in fair value	公允價值變動	-	-	137	137
At 30 June 2022	於2022年6月30日	-	-	51,272	51,272
Audited	經審核				
At 1 January 2021	於2021年1月1日	-	-	51,494	51,494
Exchange differences	匯兌差額	-	-	1,521	1,521
Changes in fair value	公允價值變動	-	-	476	476
At 31 December 2021	於2021年12月31日	-	-	53,491	53,491

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

使用重大的難以觀察之數據作公允價值計量(第三級)的有關資料如下：

Description 詳情	Fair value at 30 June 2022 於2022年 6月30日 之公允價值 HK\$'000 千港元	Valuation technique(s) 估值方法	Unobservable inputs 難以觀察 之數據	Range of unobservable inputs/weighted average 難以觀察之 數據範圍/ 加權平均值	Relationship of unobservable inputs to fair value 難以觀察之數據 與公允價值 的關係
Office building and carparks – Beijing 寫字樓及車位 – 北京	51,272	Direct comparison method 直接比較法	Market price 市場價格	RMB31,564 per square metre 每平方米 人民幣31,564元	The higher the market price, the higher the fair value 市場價格越高， 公允價值越高

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

4 Revenue and segment information

4 收入及分部資料

(a) Revenue

(a) 收入

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
Sale of integrated circuit products	銷售集成電路產品	1,159,157	836,761

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

本集團所有的收入來自銷售貨品，乃按照貨品的控制權轉移至客戶的時間點確認。

(b) Segment information

(b) 分部資料

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.

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

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

董事會認為本集團之業務以單一分部營運及管理，故並無披露分部資料。

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

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

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

5 Other income

5 其他收入

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
Government grants	政府補助	9,867	2,650
Fair value gains on financial assets at fair value through profit or loss	按公允價值計入損益 金融資產公允價值收益	251	176
Interest income	利息收入	10,650	9,349
Rental income	租金收入	1,326	1,848
Others	其他	2,786	(533)
		24,880	13,490

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	
		2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
Finance costs	融資成本		
– Interest expense on borrowings	– 借貸之利息支出	13,977	12,934
– Interest expense on lease liabilities	– 租賃負債之利息支出	1,246	1,347
		15,223	14,281
Finance income	融資收入		
– Interest income	– 利息收入	(1,469)	(1,406)
Finance costs – net	融資成本-淨額	13,754	12,875

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:

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

7 除稅前溢利

本集團之除稅前溢利已扣除／(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

2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
10,879	4,843
12,150	11,076
16,009	12,291
(11,408)	(3,931)
96	5,487

Research and development costs recognised as expense and charged to administrative expenses for the six months ended 30 June 2022 were HK\$158,517,000 (2021: HK\$108,036,000), mainly comprised of employee costs of HK\$85,686,000 (2021: HK\$67,305,000) and material costs of HK\$31,151,000 (2021: HK\$12,140,000). No research and development costs were capitalised during the six months ended 30 June 2022 (2021: nil). For the six months ended 30 June 2022, reversal of provision for inventories of HK\$11,408,000 (2021: HK\$3,931,000) has been credited to cost of sales.

截至2022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158,517,000港元(2021年: 108,036,000港元)·主要包括僱員成本85,686,000港元(2021年: 67,305,000港元)及材料成本31,151,000港元(2021年: 12,140,000港元)。於截至2022年6月30日止六個月內·並無研究及開發成本予以資本化(2021年: 無)。截至2022年6月30日止六個月·為數11,408,000港元存貨撥備撥回(2021年: 3,931,000港元)已抵免銷售成本。

8 Taxation

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

8 稅項

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

2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
12,825	(135)
6,036	3,815
18,861	3,680
3,632	1,991
1,755	(1,173)
5,387	818
24,248	4,498

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

8 Taxation (Continued)

- (a) No provision for Hong Kong profits tax had been made as the Group did not generate any assessable profit in Hong Kong for the six months ended 30 June 2022 (2021: nil).
- (b) In accordance with the regulations of the corporate income tax laws of the PRC, the applicable statutory tax rate of CEC Huada Electronic Design Co., Ltd (“Huada Electronics”) and Shanghai Huahong Integrated Circuit Co., Ltd (“Huahong”) is 25%. However, Huada Electronics qualifies as a “High and New Technology Enterprise” and Huahong qualifies as an “Integrated Circuit Design Enterprises in National Planning Layout” and thus have adopted a preferential tax rate of 15% and 10% respectively for the six months ended 30 June 2022 (2021: 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 a foreign investment enterprise in the PRC distributes dividends out of the profits earned from 1 January 2008 onwards to its overseas investors, such dividends are subject to withholding tax at a rate of 10%.

9 Dividend

The Board has resolved not to declare any dividend for the six months ended 30 June 2022 (2021: nil).

8 稅項 (續)

- (a) 由於本集團於截至2022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(2021年：無)。
- (b) 根據中國企業所得稅法的規定，北京中電華大電子設計有限責任公司(「華大電子」)及上海華虹集成電路有限責任公司(「華虹」)之適用法定稅率為25%。然而，華大電子擁有「高新技術企業」資格，華虹擁有「國家規劃佈局內集成電路設計企業」資格，因此分別於截至2022年6月30日止六個月採用15%和10%之優惠稅率(2021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，中國境內之外商投資企業以股息向其境外投資者分配自2008年1月1日起產生的溢利，該等股息須繳納10%的預扣所得稅。

9 股息

董事會已決議就截至2022年6月30日止六個月不派付任何股息(2021年：無)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

10 Earnings per share

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

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

10 每股盈利

每股基本盈利乃根據下列數據計算：

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

2022 2022年	2021 2021年
203,191	59,256
2,029,872,000	2,029,872,000
10.01	2.92

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

由於本公司並無任何未發行潛在攤薄性普通股，故並無披露每股攤薄盈利。

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

During the six months ended 30 June 2022, the Group acquired property, plant and equipment for considerations of HK\$9,402,000 (2021: HK\$8,215,000), and disposed of certain of its property, plant and equipment for considerations of HK\$124,000 (2021: HK\$98,000).

During the six months ended 30 June 2022, the Group recognised right-of-use assets for leasing of office buildings of HK\$1,673,000 (2021: HK\$11,565,000).

11 物業、廠房及設備和使用權資產

於截至2022年6月30日止六個月內，本集團以對價9,402,000港元（2021年：8,215,000港元）添置物業、廠房及設備，及以對價124,000港元（2021年：98,000港元）處置其若干物業、廠房及設備。

於截至2022年6月30日止六個月內，本集團就租賃辦公樓確認1,673,000港元（2021年：11,565,000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. The ageing analysis of the Group's trade receivables (net of loss allowance for impairment) is as follows:

		30 June 2022 2022年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2021 2021年12月31日 (Audited) (經審核) HK\$'000 千港元
Current to 30 days	30日內	276,970	149,221
31-60 days	31日至60日	215,719	187,225
61-180 days	61日至180日	173,240	190,526
Over 180 days and within 1 year	180日以上及1年內	241	7,398
Over 1 year	1年以上	1,049	1,914
		667,219	536,284

12 貿易及其他應收款項

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

13 Trade and other payables

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

		30 June 2022 2022年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2021 2021年12月31日 (Audited) (經審核) HK\$'000 千港元
Current to 30 days	30日內	371,030	207,890
31-60 days	31日至60日	47,646	110,108
Over 60 days	60日以上	8,740	89,513
		427,416	407,511

13 貿易及其他應付款項

本集團貿易應付款項的賬齡分析如下：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

14 Contingent liabilities

The Group did not have any material contingent liability at 30 June 2022 (31 December 2021: nil).

14 或有負債

於2022年6月30日，本集團並無任何重大或有負債(2021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	
		2022 2022年 HK\$'000 千港元	2021 2021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	1,393	1,411
Guarantee fee	擔保費	1,479	1,560
Companies under common control of CEC	受中國電子集團共同控制之公司		
Sale of products	銷售產品	140,905	67,623
Purchase of goods and services	採購貨品及服務	127,119	63,881
Interest income	利息收入	9,705	8,903
Rental income	租金收入	1,326	1,318
Property management fee	物業管理費	3,424	2,664
Additions of right-of-use assets	新增使用權資產	1,673	11,565
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	72,995	68,690
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)	840,880	979,710
Security deposits received	收取保證金	60,365	-
Associate	聯營公司		
Purchase of goods and services	採購貨品及服務	5,519	6,022

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 2022 2022年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2021 2021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	3,508	-
Borrowings	借貸	70,160	73,386
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	57,252	22,855
Other receivables	其他應收款項	21,616	18,142
Cash and deposits	現金及存款	743,621	844,479
Contract liabilities	合約負債	14,722	4,825
Trade payables	貿易應付款項	55,606	36,357
Other payables	其他應付款項	56,445	7,663
Associate	聯營公司		
Trade payables	貿易應付款項	1,449	3,799

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 an interest rate of 4.35% per annum.

除現金及存款和借貸為付息外，上述關聯方結餘為無抵押、免息並根據相關的合同條款結算。關聯方借貸為無抵押及按年利率4.35%計息。

(c) Key management compensation

(c) 主要管理人員酬金

		Unaudited 未經審核 Six months ended 30 June 截至6月30日止六個月	
		2022 2022年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	2,964	2,685
Contributions to retirement schemes	退休計劃供款	302	396
		3,266	3,081

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 2022 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 notes, comprising significant accounting policies and other explanatory information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

中期財務資料 審閱報告

羅兵咸永道

致中國電子華大科技有限公司董事會

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

引言

本核數師(以下簡稱「我們」)已審閱列載於第4至23頁的中期財務資料，此中期財務資料包括中國電子華大科技有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)於2022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，以及附註，包括主要會計政策和其他解釋信息。香港聯合交易所有限公司證券上市規則規定，就中期財務資料擬備的報告必須符合以上規則的有關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計準則第34號「中期財務報告」擬備及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論，並僅按照我們協定的業務約定條款向閣下(作為整體)報告我們的結論；除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

Scope of Review

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

Conclusion

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 30 August 2022

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，2022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 2022 amounted to HK\$1,159.2 million, representing an increase of 38.5% when comparing with the corresponding period of last year. Profit attributable to owners of the Company amounted to HK\$203.2 million, representing an increase of 242.9% when comparing with the corresponding period of last year. The basic earnings per share was HK10.01 cents (2021: HK2.92 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 connect vehicles. For the six months ended 30 June 2022, the Group obtained 13 new patents, registered 1 new software copyright and 2 new integrated circuits layout designs.

業績回顧

業績概述

本集團截至2022年6月30日止六個月之收入為1,159.2百萬港元，較去年同期上升38.5%。歸屬於本公司權益持有者溢利為203.2百萬港元，較去年同期上升242.9%。每股基本盈利為10.01港仙（2021年：2.92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2022年6月30日止六個月，本集團新增授權專利13項、新登記1項軟件著作及新註冊2項集成電路佈圖設計。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

In the first half of 2022, the integrated circuits industry continued to grow steadily. On the one hand, the Group continued to strengthen its efforts in securing production capacity, and on the other hand, it seized the industry opportunities to actively explore new security chip application markets, adjusted the product mix of its smart cards and security chips business and enriched the product portfolio. During the period, the sales volume of bank card chips decreased when comparing with the corresponding period of last year, while the sales volume of SIM card chips decreased slightly when comparing with the corresponding period of last year. On the other hand, with the increase in market demand for information security due to the promotion of 5G network applications, the Group achieved better results in the promotion of the intelligent connected vehicle and Internet of Things security chip application markets. eSIM chips, intelligent connected vehicle secure element chips and high-end SIM chips saw significant growth in market demand and the sales volume increased significantly when comparing with the corresponding period of last year. The third generation social security cards have been issued on a large scale in all provinces and municipalities across the PRC, resulting in an increase in demand for replacement cards and a slight increase in the sales volume of social security card chips when comparing with the corresponding period of last year. The timing of demand for identity authentication products in 2022 has been changed to the second half of 2022, which is expected to make up for the shortfall in demand in the first half of the year. For the six months ended 30 June 2022, the Group's total sales volume increased by 9.7% when comparing with the corresponding period of last year.

業務回顧(續)

2022年上半年集成電路產業繼續保持穩定增長態勢，本集團一方面持續加強產能保障力度，另一方面抓住住行業契機，積極開拓新安全芯片應用市場，調整其智能卡及安全芯片業務之產品結構和豐富產品組合，期內金融卡芯片銷售量較去年同期有所下降，而SIM卡芯片銷售量較去年同期有輕微下降。另一方面，隨著5G網絡應用的推廣，市場對信息安全需求有所增加，使本集團在智能網聯車及物聯網安全芯片應用市場的推廣上取得較好效果。eSIM芯片、智能網聯車安全芯片及高端SIM芯片市場需求大幅增長，銷售量較去年同期大幅增長。第三代社會保障卡已開始於全國各省市規模發卡，使換發需求增加，社會保障卡芯片銷售量較去年同期略有增長。2022年度身份識別產品的需求期改為2022年下半年，預計下半年將彌補上半年出現的需求差。截至2022年6月30日止六個月，本集團總銷售量較去年同期增長了9.7%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Demand for downstream applications in the integrated circuits industry was strong in the first half of 2022. Despite the continued fierce competition in the industry, the supply of smart card chip products fell short of demand due to the continued shortage of integrated circuits production capacity, and the selling prices of the Group's financial EMV card chips for overseas applications, high-end SIM chips and SIM card chips for overseas applications increased when comparing with the corresponding period of last year, coupled with the successful exploration of new markets and optimisation of product mix have led the Group's revenue to grow significantly in the first half of 2022. The Group's revenue for the six months ended 30 June 2022 was HK\$1,159.2 million, representing an increase of 38.5% when comparing with the corresponding period of last year.

Benefiting from higher selling prices of the Group's major products such as overseas application products and Internet of Things secure element chips when comparing with the corresponding period of last year, an optimised product mix and effective cost control, the overall gross profit margin for the six months ended 30 June 2022 increased significantly when comparing with the corresponding period of last year despite intense competition.

Selling and marketing costs for the six months ended 30 June 2022 amounted to HK\$34.7 million, representing a decrease of 18.9% when comparing with the corresponding period of last year. The percentage of selling and marketing costs to revenue decreased to 3.0% from 5.1% of the corresponding period of last year. Impacted by the coronavirus pandemic during the period, the Group made timely adjustments to its marketing approach, resulting in a significant reduction in selling and marketing costs.

業務回顧(續)

2022年上半年集成電路產業下游應用需求旺盛，雖然行業競爭仍舊劇烈，但因集成電路產能持續緊缺導致智能卡芯片產品供不應求，本集團在海外應用的金融EMV卡芯片、高端SIM芯片、海外應用的SIM卡芯片的銷售價格較去年同期有所提升，加上成功開拓新市場，優化產品結構，使本集團2022年上半年的收入取得大幅增長。本集團截至2022年6月30日止六個月的收入為1,159.2百萬港元，較去年同期上升38.5%。

受惠於本集團海外應用產品及物聯網安全芯片等主要產品的銷售價格較去年同期有所提升，產品結構的優化和有效的成本控制，截至2022年6月30日止六個月的整體毛利率在劇烈競爭下仍較去年同期大幅上升。

截至2022年6月30日止六個月的銷售及市場推廣成本為34.7百萬港元，較去年同期下降18.9%。銷售及市場推廣成本佔收入的百分比由去年同期的5.1%下降至3.0%。期內受冠狀病毒疫情影響，本集團及時調整了營銷模式，使得銷售及市場推廣成本大幅下降。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Administrative expenses for the six months ended 30 June 2022 amounted to HK\$212.6 million, representing an increase of 36.1% when comparing with the corresponding period of last year. The increase in administrative expenses was primarily due to an increase in research and development costs during the period. The percentage of administrative expenses to revenue was 18.3% (2021: 18.7%). The Group continued to implement stringent cost control measures during the period.

Research and development costs for the six months ended 30 June 2022 amounted to HK\$158.5 million (2021: HK\$108.0 million). The percentage of research and development costs to revenue was 13.7% (2021: 12.9%). Research and development of the Group during the period mainly focused on the research and development of security chip product series, the continuous improvements of the performance of smart card products, research in the application of security chips for the Internet of Things sector and the intelligent connected vehicles sector, as well as the development of application systems and solutions.

業務回顧 (續)

截至2022年6月30日止六個月的行政開支為212.6百萬港元，較去年同期上升36.1%。行政開支增加主要是由於期內研究及開發成本增加所致。行政開支佔收入的百分比為18.3%（2021年：18.7%）。期內本集團繼續實施嚴格的成本控制措施。

截至2022年6月30日止六個月的研究及開發成本為158.5百萬港元（2021年：108.0百萬港元），研究及開發成本佔收入的百分比為13.7%（2021年：12.9%）。期內本集團研究及開發主要側重於安全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)

Outlook

The production capacity of the domestic integrated circuits industry will remain tight in 2022, and the supply of smart cards and security chips in the second half of the year will be unable to meet the market demand. It is expected that the shortage of production capacity in the integrated circuits industry will ease slightly in the middle of 2023 the earliest. With the continuous enhancement of domestic-made smart cards and security chips in terms of technology, products' performance and competitiveness, the products gradually enter into the international market. At the same time, with the continuous deepening of emerging applications in areas such as 5G, the intelligent connected vehicles and the Internet of Things raising the demand for security chips continuously in the second half of the year, there will be growth opportunities for the Group's business. The Group will strengthen upstream and downstream cooperation in the industrial chain, continue to focus its resources on promoting the rapid development of its security chip business, strengthen efforts to promote its brand as well as actively engage potential customers, thereby enhancing the Group's core competitiveness in the security chip industry.

Dividend

The Board has resolved not to declare any dividend for the six months ended 30 June 2022 (2021: nil).

Financial Review

The Group consistently employs a prudent treasury policy and generally finances its working capital and funding requirements through internal resources, and bank and other borrowings. At 30 June 2022, the Group had cash and cash equivalents amounted to HK\$610.0 million, of which 99.0% was denominated in Renminbi, 0.7% in United States dollars and 0.3% in Hong Kong dollars (31 December 2021: 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).

業務回顧(續)

展望

2022年度國內集成電路行業產能將持續緊張，下半年的智能卡及安全芯片供應將無法滿足市場需求，預計集成電路行業產能供不應求情況將最快於2023年度中期得到略微緩解。隨著國產智能卡及安全芯片在技術、產品性能及競爭力上的不斷增強，產品逐步進入國際市場。同時，隨著5G、智能網聯車、物聯網等新興應用的持續深化，將於下半年持續推動提升安全芯片的需求，為本集團的業務帶來增長契機。本集團將加強產業鏈上下游合作，繼續集中資源推動安全芯片業務的快速發展，加強品牌宣傳力度，積極挖掘潛在客戶，從而提升本集團在安全芯片行業的核心競爭力。

股息

董事會已決議就截至2022年6月30日止六個月不派付任何股息(2021年：無)。

財務回顧

本集團一貫採用審慎的庫務政策及通常通過內部資源和銀行及其他借貸來滿足營運資金的需求。於2022年6月30日，本集團持有現金及現金等價物為610.0百萬港元，分別有99.0%以人民幣、0.7%以美元及0.3%以港元持有(2021年12月31日：517.9百萬港元，分別有98.1%以人民幣、1.6%以美元及0.3%以港元持有)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review (Continued)

At 30 June 2022, the Group had bank and other borrowings of HK\$643.1 million, all were due within one year and all were denominated in Renminbi (31 December 2021: HK\$672.7 million, all were due within one year and all were denominated in Renminbi). Among these borrowings, (i) all were unsecured (31 December 2021: all were unsecured), and (ii) all were borrowed at fixed interest rates (31 December 2021: all were borrowed at fixed interest rates). At 30 June 2022, committed borrowing facilities available to the Group but not drawn amounted to HK\$749.4 million.

At 30 June 2022, the Group did not pledge any assets as collateral for its borrowings (31 December 2021: nil).

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 2022, the Group had net current assets of HK\$1,063.2 million (31 December 2021: HK\$769.5 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 2022 and 31 December 2021, the Group was in net cash position.

At 30 June 2022, the Group did not have any material outstanding capital commitment for the acquisition of fixed assets and intangible assets (31 December 2021: nil). The Group did not have any material contingent liability at 30 June 2022 (31 December 2021: nil).

財務回顧(續)

於2022年6月30日，本集團的銀行及其他借貸為643.1百萬港元，全數於一年內到期及全數以人民幣計值(2021年12月31日：672.7百萬港元，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(2021年12月31日：全數為無抵押)，及(ii)全數以固定利率借貸(2021年12月31日：全數以固定利率借貸)。於2022年6月30日，本集團尚未動用之已承諾借貸備用額為749.4百萬港元。

於2022年6月30日，本集團並無為其借貸抵押任何資產(2021年12月31日：無)。

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2022年6月30日，本集團流動資產淨值為1,063.2百萬港元(2021年12月31日：769.5百萬港元)。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2022年6月30日及2021年12月31日，本集團處於淨現金狀況。

於2022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(2021年12月31日：無)。於2022年6月30日，本集團並無任何重大或有負債(2021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 2022, the Group had approximately 390 employees, the majority of whom were based in the PRC. Employee benefit expenses during the period were HK\$135.4 million.

於2022年6月30日，本集團僱用約390名僱員，大部份於中國內地工作。期內僱員福利開支為135.4百萬港元。

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.

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

The Group's employee training is divided into three levels: corporate level, departmental level and individual level. The 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.

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

OTHER INFORMATION

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

At 30 June 2022, (i) Ms. Liu Jinmei, a non-executive director of the Company, 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, an executive director of the Company, 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 2022 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2022年6月30日，(i)劉勁梅女士(本公司非執行董事)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(本公司執行董事)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本公司任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中持有任何須記錄於本公司根據證券及期貨條例第352條備存之登記冊內之權益或淡倉，或根據上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯合交易所有限公司之權益或淡倉。

董事購買股份或債券之權利

於截至2022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 2022, 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 2022, 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2022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2022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

其他資料

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 2022.

購回、出售或贖回證券

於截至2022年6月30日止六個月內，本公司及其任何附屬公司並無購回或出售任何本公司之股份，且本公司亦無贖回其任何股份。

Corporate Governance Code

The Company is committed to achieving the best corporate governance practices by emphasising its accountability, transparency, independence, responsibility and fairness. The Company is dedicated to exercise corporate governance through regular reviews of its adopted practices with reference to the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules. The Company has complied with all the applicable code provisions in the CG Code throughout the six months ended 30 June 2022.

企業管治守則

本公司努力實踐最高水平的企業管治常規，尤其注重問責、透明、獨立、責任和公平方面。本公司認真執行企業管治，參考上市規則附錄14所載之企業管治守則（「企業管治守則」）定期檢討所採納的常規。本公司於截至2022年6月30日止六個月內已遵守企業管治守則內所有適用守則條文。

The Model Code for Securities Transactions by Directors

The Company has adopted the Model Code to regulate the directors' securities transactions. All directors have confirmed, following specific enquiry by the Company, that they have fully complied with the Model Code throughout the six months ended 30 June 2022.

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2022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 2022.

By Order of the Board

Xu Haidong
Chairman

Hong Kong, 30 August 2022

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2022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，2022年8月30日

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