

The logo for China Electronics Corporation Holdings, featuring the letters 'CEC' in a bold, blue, sans-serif font.

中国电子
CHINA ELECTRONICS

China Electronics

Corporation Holdings Company Limited

中國電子集團控股有限公司

(Stock Code 股份代號: 00085)

The background features a light blue and green color palette with a hexagonal grid pattern. Abstract, flowing lines in shades of blue and green sweep across the page. Several semi-transparent circles in various colors (green, blue, white) are scattered throughout. A large, dark green circle in the bottom right corner contains the year '2014' and the report title.

2014

中期報告
Interim Report

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CORPORATE INFORMATION

Board of Directors

Non-executive Director

Rui Xiaowu (*Chairman*)

Executive Directors

Liu Hongzhou (*Vice Chairman*)

Xie Qinghua (*Managing Director*)

Liu Jinping

Independent Non-executive Directors

Chan Kay Cheung

Qiu Hongsheng

Audit Committee

Chan Kay Cheung (*Chairman*)

Qiu Hongsheng

Remuneration and Nomination Committee

Qiu Hongsheng (*Chairman*)

Chan Kay Cheung

Xie Qinghua

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

芮曉武 (*主席*)

執行董事

劉紅洲 (*副主席*)

謝慶華 (*董事總經理*)

劉晉平

獨立非執行董事

陳棋昌

邱洪生

審核委員會

陳棋昌 (*主席*)

邱洪生

薪酬及提名委員會

邱洪生 (*主席*)

陳棋昌

謝慶華

公司秘書

伍舉鈞

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34樓3403室

CORPORATE INFORMATION

Investor Relations

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Facsimile: (852) 2598 9018
Website: www.cecholding.com
Email: investor@cecholdings.com.hk

Stock Code

00085

Principal Bankers

Bank of Beijing Co., Ltd
Bank of China Limited
Bank of China (Hong Kong) Limited
China Guangfa Bank Co., Ltd
Xiamen International Bank Co., Ltd

Principal Share Registrar

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
22th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Independent Auditor

PricewaterhouseCoopers

Legal Advisor

Freshfields Bruckhaus Deringer

公司資料

投資者關係聯絡

電話：(852) 2598 9088
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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
中國銀行股份有限公司
中國銀行(香港)有限公司
廣發銀行股份有限公司
廈門國際銀行股份有限公司

股份登記總處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
灣仔
皇后大道東183號
合和中心22樓

獨立核數師

羅兵咸永道會計師事務所

法律顧問

富而德律師事務所

The board of directors (the “Board”) of China Electronics Corporation Holdings Company Limited (the “Company”) hereby presents the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2014 as follows:

中國電子集團控股有限公司(「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2014年6月30日止六個月的未經審核簡明綜合中期財務資料如下：

CONSOLIDATED INCOME STATEMENT

綜合收益表

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
		<i>Note 附註</i>	
Revenue	收入	<i>6</i>	703,664
Cost of sales	銷售成本		(386,655)
Gross profit	毛利		317,009
Other gains – net	其他收益—淨額	<i>7</i>	34,253
Selling and marketing costs	銷售及市場推廣成本		(42,462)
Administrative expenses	行政開支		(124,715)
Operating profit	經營溢利		184,085
Finance income	融資收入	<i>8</i>	62,930
Finance costs	融資成本	<i>8</i>	(99,425)
Finance costs – net	融資成本—淨額	<i>8</i>	(36,495)
Share of result of an associate	應佔一間聯營公司業績		(3,892)
Share of result of a joint venture	應佔一間合營公司業績		(242)
Profit before taxation	除稅前溢利	<i>9</i>	143,456
Taxation	稅項	<i>10</i>	(35,263)
Profit for the period	期內溢利		108,193
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		109,734
Non-controlling interests	非控股權益		(1,541)
			108,193
Dividends	股息	<i>11</i>	50,747
			50,747
			HK cents 港仙
Basic earnings per share	每股基本盈利	<i>12</i>	6.49
			6.18

**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	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Profit for the period	期內溢利	108,193	103,719
Other comprehensive income for the period:	期內其他全面收益：		
Items that may be reclassified subsequently 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 foreign operations	換算海外業務的匯兌差額	(9,934)	12,528
Total comprehensive income for the period	期內全面收益總額	98,259	116,247
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	99,800	117,110
Non-controlling interests	非控股權益	(1,541)	(863)
		98,259	116,247

CONSOLIDATED BALANCE SHEET

綜合資產負債表

			30 June 2014	31 December 2013
			2014年6月30日	2013年12月31日
			(Unaudited)	(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
				(Restated)
				(重列)
ASSETS		資產		
Non-current assets		非流動資產		
Property, plant and equipment	13	物業、廠房及設備	40,336	42,193
Investment properties	13	投資物業	398,894	391,965
Land use rights held for self-use		自用之土地使用權	1,605	1,641
Intangible assets	13	無形資產	10,207	4,854
Investment in an associate	14	於一間聯營公司投資	32,477	36,708
Investment in a joint venture		於一間合營公司投資	21,905	22,359
Trade and other receivables	15	貿易及其他應收款項	386,737	77,042
Deferred tax assets		遞延稅項資產	75,076	82,143
Available-for-sale financial assets		可供出售金融資產	40,315	2,544
			1,007,552	661,449
Current assets		流動資產		
Land use rights held for sale		持作出售之土地使用權	589	595
Inventories		存貨	408,331	380,642
Trade and other receivables	15	貿易及其他應收款項	871,901	764,538
Taxation recoverable		可退稅項	19,249	24,023
Short-term deposits		短期存款	2,236,007	-
Cash and cash equivalents		現金及現金等價物	1,555,001	791,781
			5,091,078	1,961,579
Total assets		資產總額	6,098,630	2,623,028

CONSOLIDATED BALANCE SHEET

綜合資產負債表

			30 June 2014	31 December 2013
			2014年6月30日	2013年12月31日
			(Unaudited)	(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
				(Restated)
				(重列)
EQUITY AND LIABILITIES	權益及負債			
Equity attributable to owners of the Company	本公司權益持有者應佔權益			
Share capital and premium	股本及溢價		289,171	289,171
Reserves	儲備		(645,409)	171,177
Retained earnings	保留溢利		833,278	723,544
			477,040	1,183,892
Non-controlling interests	非控股權益		26,383	27,924
Total equity	權益總額		503,423	1,211,816
Liabilities	負債			
Non-current liabilities	非流動負債			
Unsecured corporate bonds	無抵押企業債券	16	3,477,768	-
Bank and other borrowings	銀行及其他借貸		88,189	66,138
Deferred tax liabilities	遞延稅項負債		11,575	12,801
			3,577,532	78,939
Current liabilities	流動負債			
Deferred government grants	遞延政府補助		158,780	181,342
Trade and other payables	貿易及其他應付款項	17	1,333,990	609,318
Bank and other borrowings	銀行及其他借貸		438,384	442,409
Income tax payables	應付所得稅款項		86,521	99,204
			2,017,675	1,332,273
Total liabilities	負債總額		5,595,207	1,411,212
Total equity and liabilities	權益及負債總額		6,098,630	2,623,028
Net current assets	流動資產淨值		3,073,403	629,306
Total assets less current liabilities	總資產減流動負債		4,080,955	1,290,755

**CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY**

綜合權益變動表

		Unaudited 未經審核						
		Attributable to owners of the Company 本公司權益持有者應佔						
	Note 附註	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元	Retained earnings/ (accumulated losses) 保留溢利/ (累計虧損) HK\$'000 千港元	Total 總額 HK\$'000 千港元	Non- controlling interests 非控股 權益 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
At 1 January 2013, as previously reported	於2013年1月1日 (如以往所報告)	16,916	872,255	(320,599)	237,230	805,802	-	805,802
Merger of China Electronics Technology Development Co., Ltd and its subsidiaries (“CEC Technology Group”)	與中國電子科技開發 有限公司及其附屬 公司(「中電科技 集團」)合併 2	-	-	207,379	(20,186)	187,193	30,408	217,601
At 1 January 2013, as restated	於2013年1月1日 (重列)	16,916	872,255	(113,220)	217,044	992,995	30,408	1,023,403
Total comprehensive income for the period	期內全面收益總額	-	-	12,528	104,582	117,110	(863)	116,247
Transfer of share premium to contributed surplus	轉撥股份溢價至 實繳盈餘 (i) & (ii)	-	(600,000)	600,000	-	-	-	-
Elimination of accumulated losses	撇銷累計虧損 (iii)	-	-	(214,534)	214,534	-	-	-
Special dividend	特別股息 (iv)	-	-	(50,747)	-	(50,747)	-	(50,747)
At 30 June 2013, as restated	於2013年6月30日 (重列)	16,916	272,255	234,027	536,160	1,059,358	29,545	1,088,903
At 1 January 2014	於2014年1月1日	16,916	272,255	29,989	675,060	994,820	-	994,820
Merger of CEC Technology Group	與中電科技集團 合併 2	-	-	141,188	47,884	189,072	27,924	216,996
At 1 January 2014, as restated	於2014年1月1日 (重列)	16,916	272,255	171,177	723,544	1,183,892	27,924	1,211,816
Total comprehensive income for the period	期內全面收益總額	-	-	(9,934)	109,734	99,800	(1,541)	98,259
Business combination under common control	共同控制下的業務 合併 2	-	-	(755,905)	-	(755,905)	-	(755,905)
Dividend	股息 11	-	-	(50,747)	-	(50,747)	-	(50,747)
At 30 June 2014	於2014年6月30日	16,916	272,255	(645,409)	833,278	477,040	26,383	503,423

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

At a special general meeting of the Company held on 20 June 2013, resolutions were passed by the shareholders to approve the followings:

於本公司2013年6月20日召開的股東特別大會上，股東通過決議案以批准下列事項：

- i) the share premium account of the Company be reduced from HK\$872,255,000 to HK\$272,255,000 by the amount of HK\$600,000,000;
 - ii) transfer of the credit arising from the reduction of the share premium account to the contributed surplus account (included in "Reserves") of the Company;
 - iii) using the amount then standing to the credit of the contributed surplus account of the Company to eliminate the accumulated losses of the Company as at 31 December 2012 totaling HK\$214,534,000; and
 - iv) payment of a special dividend of an aggregate amount in cash of HK\$50,747,000 (representing HK\$0.03 per share) out of the contributed surplus account of the Company to the shareholders of the Company whose names appear on the register of members of the Company on 2 October 2013.
- i) 將本公司股份溢價賬由872,255,000港元削減600,000,000港元至272,255,000港元;
 - ii) 將削減股份溢價賬產生之進賬轉撥至本公司之儲備內之實繳盈餘賬;
 - iii) 動用實繳盈餘賬之進賬額撇銷本公司於2012年12月31日之累計虧損共214,534,000港元; 及
 - iv) 自實繳盈餘賬向於2013年10月2日名列本公司股東名冊之本公司股東以現金派付總額50,747,000港元(每股0.03港元)之特別股息。

CONSOLIDATED CASH FLOW STATEMENT

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	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Cash flows from operating activities	經營活動之現金流量		
Cash generated from operations	經營產生之現金	131,878	45,646
Interest paid	支付利息	(22,025)	(168)
Income tax paid	支付所得稅	(35,228)	(40,690)
Net cash generated from operating activities	經營活動產生之現金淨額	74,625	4,788
Cash flows from investing activities	投資活動之現金流量		
Interest received	收取利息	36,266	4,405
Purchase of property, plant and equipment, investment properties and intangible assets	購買物業、廠房及設備、投資物業和無形資產	(22,134)	(35,488)
Payment for acquisition of property transfer right	支付收購物業轉讓權之款項	(309,790)	-
Payment for available-for-sale financial assets	支付可供出售金融資產之款項	(37,795)	-
Increase in short-term deposits	增加短期存款	(2,236,007)	-
Provision of entrusted loan	提供委託貸款	(100,787)	-
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	-	137
Net cash used in investing activities	投資活動所用之現金淨額	(2,670,247)	(30,946)

CONSOLIDATED CASH FLOW STATEMENT

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	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	195,712	115,794
Repayment of bank and other borrowings	償還銀行及其他借貸	(177,686)	(88,867)
Dividend paid	支付股息	(50,747)	-
Net proceeds from issuance of unsecured corporate bonds	發行無抵押企業債券淨所得款項	3,394,262	-
Net cash generated from financing activities	融資活動產生之現金淨額	3,361,541	26,927
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	765,919	769
Effect of exchange rate changes	匯率變動之影響	(2,699)	(2,197)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	791,781	576,833
Cash and cash equivalents at end of the period	期末之現金及現金等價物	1,555,001	575,405

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

1 General Information

On 5 July 2013, the Company entered into an agreement with China Electronics Corporation Limited (“CEC”), the ultimate holding company of the Company, for the acquisition of 100% equity interest of China Electronics Technology Development Co., Ltd (“CEC Technology”) (the “Acquisition”) for a cash consideration of RMB600 million. CEC Technology and its subsidiaries (“CEC Technology Group”) are primarily engaged in the development and management of electronic information technology industrial parks. Completion of the Acquisition took place on 26 June 2014 and CEC Technology has become a wholly-owned subsidiary of the Company since then.

Following completion of the Acquisition, the principal activities of the Group are the design and sales of integrated circuits chips, and the development and management of electronic information technology industrial parks.

On 16 January 2014, the Company issued a 4.70% unsecured bonds due 2017 in the principal amount of RMB2,750 million (the “Bonds”). The Bonds bear interest at the rate of 4.70% per annum, will mature on 16 January 2017, and are listed on The Stock Exchange of Hong Kong Limited (“Stock Exchange”). CEC assists the Company in meeting its obligations under the Bonds by entering into a keepwell deed and a deed of equity interest purchase undertaking.

1 一般資料

於2013年7月5日，本公司與本公司最終控股股東中國電子信息產業集團有限公司（「中國電子集團」）訂立協議以現金代價人民幣600百萬元收購中國電子科技開發有限公司（「中電科技」）100%股本權益（「收購事項」）。中電科技及其附屬公司（「中電科技集團」）主要從事電子信息技術產業園之發展及管理。收購事項已於2014年6月26日完成，自此中電科技成為本公司之全資附屬公司。

於收購事項完成後，本集團的主要業務是集成電路芯片之設計及銷售，以及電子信息技術產業園之發展及管理。

於2014年1月16日，本公司發行本金總額為人民幣2,750百萬元於2017年到期的4.70%無抵押債券（「債券」）。債券按年利率4.70%計息，於2017年1月16日到期並於香港聯合交易所有限公司（「聯交所」）上市。中國電子集團透過訂立保持良好契約及股權購買承諾契約協助本公司履行其於債券項下之責任。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

2 Basis of preparation

The condensed consolidated interim financial information 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 and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

The condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2013, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The condensed consolidated interim financial information have been prepared under the historical cost convention as modified by the revaluation of investment properties and certain available-for-sale financial assets which are carried at fair value.

As both the Company and CEC Technology are under common control of CEC, these condensed consolidated interim financial information have been prepared using the principles of merger accounting, as prescribed in Hong Kong Accounting Guideline 5 “Merger Accounting for Common Control Combinations” (“HKAG 5”) issued by the Hong Kong Institute of Certified Public Accountants. These condensed consolidated interim financial information include the results and financial position of the companies comprising CEC Technology Group as if the Acquisition had occurred at previous balance sheet dates presented. Comparative figures for the six months ended 30 June 2013 and at 31 December 2013 have been restated on such basis.

2 編製基準

簡明綜合中期財務資料乃根據香港聯合交易所有限公司證券上市規則附錄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（「香港會計準則」）第34號「中期財務報告」之規定而編製。

本簡明綜合中期財務資料應連同本集團根據香港財務報告準則（「香港財務報告準則」）編製之截至2013年12月31日止年度之年度財務報表一併閱讀。

簡明綜合中期財務資料是按歷史成本常規法編製，並就投資物業及若干可供出售金融資產的重估按公允值列賬而作出修訂。

由於本公司及中電科技均受中國電子集團共同控制，本簡明綜合中期財務資料已採用香港會計師公會頒佈之香港會計指引第5號「共同控制下合併之合併會計法」（「香港會計指引第5號」）所規定之合併會計原則編製。本簡明綜合中期財務資料包括組成中電科技集團之公司之業績及財務狀況，猶如收購事項已於先前呈列之資產負債表日已發生。截至2013年6月30日止六個月及於2013年12月31日之比較數字已按此基準重列。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

2 Basis of preparation (Continued)

The effects arising from the common control combination on the consolidated income statement and consolidated cash flow statement for the six months ended 30 June 2013 and consolidated balance sheet at 31 December 2013 are summarised as follows:

2 編製基準 (續)

以下概述共同控制合併對截至2013年6月30日止六個月之綜合收益表和綜合現金流量表及於2013年12月31日之綜合資產負債表之影響：

		Amount previously reported 以往報告上之 金額 HK\$'000 千港元	Merger of CEC Technology Group 與中電科技 集團合併 HK\$'000 千港元 (1)	Restated 重列 HK\$'000 千港元
(i) The unaudited consolidated income statement for the six months ended 30 June 2013:	(i) 截至2013年6月30日止六個月未經審核綜合收益表：			
Revenue	收入	728,341	6,331	734,672
Profit/(loss) for the period	期內溢利／(虧損)	136,464	(32,745)	103,719
(ii) The audited consolidated balance sheet at 31 December 2013:	(ii) 於2013年12月31日之經審核綜合資產負債表：			
Non-current assets	非流動資產	134,691	526,758	661,449
Current assets	流動資產	1,601,013	360,566	1,961,579
Total assets	資產總額	1,735,704	887,324	2,623,028
Non-current liabilities	非流動負債	7,739	71,200	78,939
Current liabilities	流動負債	733,145	599,128	1,332,273
Total liabilities	負債總額	740,884	670,328	1,411,212
Total equity	權益總額	994,820	216,996	1,211,816

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

2 Basis of preparation (Continued)

2 編製基準 (續)

		Amount previously reported 以往報告上之 金額 HK\$'000 千港元	Merger of CEC Technology Group 與中電科技 集團合併 HK\$'000 千港元 (1)	Restated 重列 HK\$'000 千港元
(iii) The unaudited consolidated cash flow statement for the six months ended 30 June 2013:	(iii) 截至2013年6月30日止六個月之未經審核綜合現金流量表：			
Net cash generated from/(used in) operating activities	經營活動產生／(所用)之現金淨額	44,926	(40,138)	4,788
Net cash used in investing activities	投資活動所用之現金淨額	7,448	23,498	30,946
Net cash generated from financing activities	融資活動產生之現金淨額	10,000	16,927	26,927

(1) The financial information of CEC Technology Group for the six months ended 30 June 2013 and at 31 December 2013 are included using the principles of merger accounting as prescribed in HKAG 5 as stated above. The difference of HK\$579,026,000 between the investment cost of HK\$755,905,000 and the paid-in-capital of CEC Technology of HK\$176,879,000 was made to merger reserve upon completion of the Acquisition on 26 June 2014, which is captured under "Reserves".

(1) 中電科技集團截至2013年6月30日止六個月及於2013年12月31日之財務資料，乃採用上述香港會計指引第5號所規定之合併會計原則處理。於2014年6月26日收購事項完成後，中電科技之投資成本755,905,000港元與其實收資本176,879,000港元之差額579,026,000港元已計入「儲備」項下之合併儲備。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies

Except as described below, the accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the annual financial statements of the Group for the year ended 31 December 2013.

- (i) New and amended standards, and interpretations mandatory for the first time for the financial year beginning on 1 January 2014 did not have material impact on the results or financial position of the Group for the current period or are not currently relevant to the Group.
- (ii) The following new and amended standards that are relevant to the Group have been issued but are not effective for the accounting period beginning on 1 January 2014 and have not been early adopted:

HKAS 16 and HKAS 38 (amendments)	Clarification of acceptable methods of depreciation and amortisation (effective from 1 January 2016)
HKFRS 9	Financial instruments (effective from 1 January 2018)
HKFRS15	Revenue from contracts with customers (effective from 1 January 2017)
Annual improvements 2012	Changes from the 2010- 2012 cycle of the annual improvements project (effective from 1 January 2015)
Annual improvements 2013	Changes from the 2011- 2013 cycle of the annual improvements project (effective from 1 January 2015)

Management is currently assessing the impact of the above new and amended standards to the Group's financial position and performance.

3 主要會計政策

除以下所述外，編製簡明綜合中期財務資料所採用之會計政策與編製本集團截至2013年12月31日止年度之年度財務報表所採用者一致。

- (i) 須於2014年1月1日開始之財政年度首次強制應用的新及經修訂準則及詮釋，並沒有對本集團於本期之業績或財務狀況構成重大影響，或目前與本集團不相關。
- (ii) 已頒佈但尚未於2014年1月1日開始之會計期間生效且並未被提早採納之與本集團相關之新及經修訂準則如下：

香港會計準則 第16號及 第38號 (修訂)	對可接受之折舊及攤 銷方法之澄清(自 2016年1月1日起生 效)
香港財務 報告準則 第9號	金融工具(自2018年 1月1日起生效)
香港財務 報告準則 第15號	與客戶之間之合約產生 之收入(自2017年1 月1日起生效)
2012年度 改進	2010年至2012年週期 之年度改進項目之 變動(自2015年1月 1日起生效)
2013年度 改進	2011年至2013年週期 之年度改進項目之 變動(自2015年1月 1日起生效)

管理層目前正在評估以上新及經修訂準則對本集團財務狀況及表現之影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies (Continued)

(iii) Change in functional currency of the Company

In prior years, the directors regarded Hong Kong dollar ("HK dollar") as the functional currency of the Company. On 16 January 2014, the Company issued a 4.70% unsecured bonds due 2017 in the principal amount of Renminbi ("RMB") 2,750 million and the Company's funds from financing activities have been primarily denominated in RMB since then. It is also the Company's present intention to raise any future funds in RMB. The directors reassessed the Company's functional currency and decided to change it from HK dollar to RMB starting from 1 January 2014 due to the change in the currency of the funds from financing activities and that majority of the future cash receipts (mainly dividend income) and expenditures (mainly interest expense) of the Company are expected to be in RMB.

The change in functional currency of the Company was applied prospectively from the date of change in accordance with HKAS 21 "The Effect of Changes in Foreign Exchange Rates". On the date of the change of functional currency, all assets, liabilities, issued share capital and other components of equity, and income statement items were translated into RMB at the exchange rate on that date.

3 主要會計政策 (續)

(iii) 更改本公司功能貨幣

於以前年度，本公司董事以港元（「港元」）為本公司功能貨幣。於2014年1月16日，本公司發行本金總額為人民幣（「人民幣」）2,750百萬元於2017年到期的4.70%無抵押債券，並自此本公司融資活動所產生之資金均主要以人民幣計值。而本公司亦意向未來以人民幣籌集所須資金。由於融資活動所產生之資金之貨幣更改以及預計未來之現金收入（主要為股息收入）及支出（主要為利息開支）大部份將以人民幣結算，本公司董事重新評估本公司的功能貨幣後決定，自2014年1月1日起將本公司的功能貨幣由港元更改為人民幣。

本公司功能貨幣的更改乃按香港會計準則第21號「匯率變動之影響」應用於更改日期後的期間。於更改功能貨幣當日，所有資產、負債、已發行股本和其他權益組成部分以及收益表項目均按當日匯率換算為人民幣。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies (Continued)

3 主要會計政策 (續)

(iv) Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in an associate is accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in an associate includes goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in the statement of comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share of result of an associate" in the income statement.

(iv) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權的實體，通常附帶有20%至50%投票權的股權。於一間聯營公司投資以會計權益法入賬。根據權益法，投資始初按成本確認，而賬面值被增加或減少以確認投資者應佔被投資者在收購日期後的溢利或虧損份額。本集團於一間聯營公司的投資包括收購時已辨認的商譽。在收購聯營公司的權益時，收購成本與本集團應佔聯營公司可辨認資產和負債的公允值淨額的差額確認為商譽。

本集團應佔聯營公司收購後之溢利或虧損於收益表內確認，而應佔其收購後的其他全面收益變動則於全面收益表內確認，並相應調整投資賬面值。當本集團應佔某一聯營公司的虧損等於或超過其在該聯營公司的權益（包括任何其他無抵押應收款），則本集團不會確認進一步虧損，除非本集團須向該聯營公司承擔法定或推定責任或已代其支付款項。

本集團在每個報告日期釐定是否有客觀證據證明聯營公司投資已減值。如投資已減值，本集團計算減值，數額為聯營公司可收回數額與其賬面值的差額，並在收益表中確認於「應佔一間聯營公司業績」旁。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies (Continued)

(iv) Associates (Continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(v) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangement and determined it to be a joint venture. Joint venture is accounted for using the equity method of accounting. Under the equity method, interest in a joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of post-acquisition profit or loss and movements in other comprehensive income. The Group's investment in a joint venture includes goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

3 主要會計政策 (續)

(iv) 聯營公司 (續)

本集團與其聯營公司之間的上流和下游交易的溢利和虧損，在本集團的財務報表中確認，惟僅限於無關連投資者在聯營公司權益的數額。除非非交易提供證據顯示所轉讓資產已減值，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採納之政策一致。

(v) 合營安排

於合營安排之投資根據各投資者於該等安排下的合約權利及責任分類為合營業務或合營公司。本集團已評估其合營安排之性質並釐定其為合營公司。合營公司按會計權益法入賬。根據權益法，合營公司權益始初按成本確認，其後調整以確認本集團應佔收購後之溢利或虧損以及其他全面收益變動的份額。本集團於合營公司的投資包括收購時已辨認的商譽。在收購合營公司的權益時，收購成本與本集團應佔合營公司可辨認資產和負債的公允值淨額的差額確認為商譽。當本集團應佔某一合營公司的虧損等於或超過其在該合營公司的權益（包括任何實質上構成本集團在該合營公司淨投資的長期權益），則本集團不會確認進一步虧損，除非本集團須向該合營公司承擔債務或已代其支付款項。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies (Continued)

(v) Joint arrangements (Continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount adjacent to “share of result of a joint venture” in the income statement.

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group’s interest in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint venture have been changed where necessary to ensure consistency with the policies adopted by the Group.

(vi) Investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases.

3 主要會計政策 (續)

(v) 合營安排 (續)

本集團在每個報告日期釐定是否有客觀證據證明合營公司投資已減值。如投資已減值，本集團計算減值，數額為合營公司可收回數額與其賬面值的差額，並在收益表中確認於「應佔一間合營公司業績」旁。

本集團與其合營公司間交易的未實現收益按集團在該合營公司的權益為限予以對銷。除非交易提供證據顯示所轉讓資產已減值，否則未實現虧損亦予以對銷。合營公司的會計政策已按需要作出改變，以確保與本集團採納之政策一致。

(vi) 投資物業

投資物業，主要由租賃土地和樓宇組成，持有為獲得長期租金收益或作為資本增值或兩者兼備同時並非由本集團佔用。其亦包括在建或發展中以於日後作投資物業用途的物業。如符合投資物業的所有定義，經營租賃下的土地作為投資物業入賬。在此情況下，有關的經營租賃猶如融資租賃入賬。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies (Continued)

(vi) Investment properties (Continued)

Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value. Changes in fair values are recognised in profit or loss.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in profit or loss during the financial period in which they are incurred.

3 主要會計政策 (續)

(vi) 投資物業 (續)

投資物業始初按成本列賬，包括相關的交易成本及（如適用）借貸成本。在始初確認後，投資物業按公允值列賬，公允值指由外部估值師於每個報告日期釐定的公開市值。公允值乃根據活躍市場價格計算，並就個別資產的性質、地點或狀況作出必要調整。倘未能獲取該等資料，本集團採用其他估值方法，例如近期較不活躍市場的價格或折現現金流量預測。重建並繼續用作投資物業之投資物業，或其市場活躍度下降之投資物業繼續按公允值計量。公允值變動將在收益表內確認。

投資物業之公允值反映（其中包括）來自現有租賃之租金收入及按現行市況預期之未來租金收入。公允值亦反映，在類似基準下該物業預期的任何現金流出。

資產之其後發生之成本只有當與其有關之未來經濟利益將很有可能流入本集團並且能可靠地作出計量時，方會計入資產之賬面值。所有其他維修及保養成本在其產生之財政期間內於收益表支銷。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies (Continued)

3 主要會計政策 (續)

(vi) Investment properties (Continued)

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. Property that is under construction or development for future use as investment property is classified as investment property under construction. Where fair value of investment properties under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed or the date at which fair value becomes reliably measurable.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised as a revaluation. The resulting increase in the carrying amount is recognised in other comprehensive income and increases revaluation surplus within equity. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement, and the remaining part of the increase is recognised in other comprehensive income and increases revaluation surplus within equity.

(vii) Properties under development

Properties under development are stated at the lower of cost and net realisable value, and included in inventories. Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

(vi) 投資物業 (續)

倘一項投資物業成為自用物業，則須被重新分類為物業、廠房及設備，其於重新分類當日之公允值，就會計目的而言成為其成本。現正興建或發展中以於日後作投資物業用途的物業，被分類為在建投資物業。當在建投資物業之公允值未能可靠計量時，該物業會以成本值計量，直至物業落成之日期或公允值能夠可靠計量之日期兩者之較早者為止。

倘一項物業、廠房及設備因改變用途而成為投資物業，該項物業之賬面值與於改變用途當日之公允值之差額確認為重估。重估產生之賬面值的增加於其他全面收益確認並增加權益中之重估盈餘。然而，倘公允值收益可撥回過往減值虧損，則該收益乃於收益表中確認，其餘的增加於其他全面收益中確認並增加權益中之重估盈餘。

(vii) 發展中物業

發展中物業（已列賬於存貨內）按照成本值及可變現淨值兩者之較低者列賬。可變現淨值乃經參考於日常業務過程中出售的發展中物業銷售所得款項（扣除適用的可變動銷售開支及竣工前所預期需要成本），或管理層根據現行市況作估計後釐定。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies (Continued)

(vii) Properties under development (Continued)

Development cost of property comprises cost of land use rights, construction costs, depreciation of machinery and equipment, borrowing costs capitalised for qualifying assets and professional fees incurred during the development period.

Properties under development are classified as current assets when the construction of the relevant properties commences unless the construction of the relevant property development project is expected to complete beyond normal operating cycle.

(viii) Land use rights

The Group made upfront payments to obtain operating leases of land use rights. For the land use rights held for self-use, the upfront payments are recorded as a separate asset and are amortised to profit or loss on a straight-line basis over their lease periods. For the land use rights held for sale, the upfront payments are recorded as land use right held for sale. Land use rights held for sale are stated at the lower of cost and net realisable value.

(ix) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3 主要會計政策 (續)

(vii) 發展中物業 (續)

物業開發成本包括於開發期間產生之土地使用權成本、建築成本、機器及設備折舊、合資格資產可資本化之借貸成本及專業費用。

當發展中物業開始興建時，相關物業被分類為流動資產，除非相關物業開發項目的建築時間預期超過正常的營運週期。

(viii) 土地使用權

本集團為獲取經營性租賃之土地使用權預付款項。為本集團自用之土地使用權，該預付款項是以一項單獨資產列賬並於租賃期限內以直線法攤銷於收益表中。至於為待售而持有之土地使用權，該預付款項作為持作出售之土地使用權進行確認。持作出售之土地使用權按照成本值及可變現淨值兩者之較低者列賬。

(ix) 借貸成本

可直接歸屬且需經較長時間的購建或生產活動方能達至預定可使用或出售狀態的合資格資產的一般及特定借貸成本，計入該等資產的成本，直至達至其預定可使用或出售狀況為止。尚未使用於合資格資產的特定借貸作短期投資賺取的投資收入，於合資格資本化的借貸成本中扣除。所有其他借貸成本於其產生期間於收益表內確認。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 Principal accounting policies (Continued)

(x) Rental income

Rental income from investment properties is recognised in the income statement on a straight-line basis over the term of the lease.

Tax charges for the interim periods are accrued using the tax rate that would be applicable to the expected total annual earnings.

4 Estimates

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2013 except for the following:

During the current period, the directors of the Company assessed the principal assumptions underlying management's estimation of fair value of investment properties of the Group. The fair value of investment properties are assessed annually by an independent professional valuer. The valuation is principally based on income approach by taking into account the terms of any existing leases and other external evidence such as current market rents or sales for similar types of properties in the locality, and using capitalisation rates that reflect current market expectation for the assets being valued (see Note 13).

3 主要會計政策 (續)

(x) 租金收入

投資物業的租金收入按租貨期採用直線法於收益表內確認。

計提中期所得稅支出時所採用的稅率為適用於預計年度總溢利的所得稅率。

4 估計

在編製本簡明綜合中期財務資料時，管理層須作判斷、估計及假設從而影響會計政策應用及資產和負債、及收入與支出的呈報金額。實際結果可能與此等估計不盡相同。

於編製該等簡明綜合中期財務資料時，管理層就應用本集團之會計政策而作出之重大判斷以及估計不穩定因素的主要來源，與該等於截至2013年12月31日止年度的綜合財務報表內所採用的一致，惟下列除外：

於本期間內，本公司董事已評估管理層對本集團投資物業之公允值所作之估計之主要假設。投資物業之公允值每年由獨立專業估值師作出評估。該估值主要基於收益法，計入任何現有租約之條款及其他外在證據（如於附近地點同類型物業之現時市場租金或銷售價格），並使用反映對所估值之資產之現時市場預期之資本化比率計算（詳見附註13）。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

5 Financial risk management

5 財務風險管理

5.1 Financial risk factors

The Group's 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 information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2013.

5.2 Liquidity risk

The table below analyses the Group's financial liabilities by maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are based on the contractual undiscounted cash flows of the financial liabilities.

5.1 財務風險因素

本集團之經營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。

本簡明綜合中期財務資料並不包括年度財務報表所需的所有財務風險管理資料及披露，並應與本集團截至2013年12月31日止年度之年度財務報表一併閱讀。

5.2 流動資金風險

下表載列本集團將結算之金融負債，此乃按照相關到期組別，根據由結算日至合約到期日之剩餘期間進行分析。於表中披露之金融負債金額乃根據合約之未折現現金流量計算。

		30 June 2014 2014年6月30日			
		More than 1 year but less than 2 years	More than 2 years but less than 5 years		Total
		一年內 但不超過兩年	一年以上 但不超過五年		總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Unsecured corporate bonds	無抵押企業債券	162,835	162,835	3,627,402	3,953,072
Bank and other borrowings	銀行及其他借貸	459,069	93,886	-	552,955
Trade and other payables (excluding salary payable, other taxes payables and advances from customers)	貿易及其他應付款項（不包括應付薪金、其他應付稅項及預收賬款）	1,213,081	-	-	1,213,081
		1,834,985	256,721	3,627,402	5,719,108

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

5 Financial risk management (Continued)

5.2 Liquidity risk (Continued)

		31 December 2013 2013年12月31日		
		More than 1 year but less than 2 years 一年以上 但不超過兩年	Within 1 year 一年內	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Bank and other borrowings	銀行及其他借貸	465,136	68,310	533,446
Trade and other payables (excluding salary payable, other taxes payables and advances from customers)	貿易及其他應付 款項(不包括 應付薪金、其他 應付稅項及預收 賬款)	505,628	-	505,628
		970,764	68,310	1,039,074

5 財務風險管理 (續)

5.2 流動資金風險 (續)

5.3 Fair value estimation

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

Unaudited Available-for-sale financial assets
未經審核
可供出售金融資產

At 1 January 2014
Additions

At 30 June 2014
於2014年6月30日

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
-----------------------------------	-----------------------------------	-----------------------------------	--------------------------------

-	-	-	-
-	-	37,795	37,795

-	-	37,795	37,795
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期內以公允價值計量之金融資產之變動如下：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

5 Financial risk management (Continued)

5.3 Fair value estimation (Continued)

The above investments represent investments in certain wealth management products issued by a state-owned financial institution in the People's Republic of China (the "PRC"). These wealth management products are not principal protected and with non-guaranteed return. They are denominated in RMB and have an initial term of five years, and were classified as available-for-sale financial assets upon initial recognition. The fair value of the investment was determined with reference to quotations provided by the counterparty.

6 Segment information

The Group is engaged in the following two operating segments:

- Design and sale of integrated circuits chips; and
- Development and management of electronic information technology industrial parks.

5 財務風險管理 (續)

5.3 公允價值估計 (續)

上述投資指於中華人民共和國(「中國」)一間國有金融機構發行之若干財富管理產品之投資。該等財富管理產品並非保本且其回報不獲保證。其以人民幣計值及始初為期五年，並於始初確認時分類為可供出售金融資產。該投資之公允值乃經參考交易對方提供之報價釐定。

6 分部資料

本集團目前營運以下兩個營運分部：

- 集成電路芯片之設計及銷售；及
- 電子信息技術產業園之發展及管理。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

6 Segment information (Continued)

Management has determined the operating segments based on the reports reviewed by the directors (the chief operating decision maker) that are used to assess performance and allocate resources. The directors assess the performance of the two operating segments based on a measure of operating profit. The segment revenue and results are as follows:

For the six months ended 30 June 2014 (unaudited)

6 分部資料 (續)

管理層已根據董事（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。董事根據該兩個營運分部之經營溢利以評估其表現。各分部的收入及業績呈列如下：

截至2014年6月30日止六個月（未經審核）

		Design and sale of integrated circuits chips 集成電路 芯片之 設計及銷售 HK\$'000 千港元	Development and management of electronic information technology industrial parks 電子信息技術 產業園之 發展及管理 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收入	700,777	2,887	703,664
Share of result of an associate	應佔一間聯營 公司業績	-	(3,892)	(3,892)
Share of result of a joint venture	應佔一間合營 公司業績	-	(242)	(242)
Depreciation and amortisation	折舊及攤銷	(13,808)	(2,453)	(16,261)
Segment results	分部業績	204,297	(10,715)	193,582
Unallocated corporate expenses	未分配的公司開支			(13,631)
Finance costs – net	融資成本－淨額			(36,495)
Profit before taxation	除稅前溢利			143,456

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

簡明綜合中期財務資料附註

6 Segment information (Continued)

6 分部資料 (續)

For the six months ended 30 June 2013
(unaudited)

截至2013年6月30日止六個月
(未經審核)

		Design and sale of integrated circuits chips 集成電路 芯片之 設計及銷售 HK\$'000 千港元	Development and management of electronic information technology industrial parks 電子信息技術 產業園之 發展及管理 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收入	728,341	6,331	734,672
Share of result of an associate	應佔一間聯營 公司業績	-	(7,685)	(7,685)
Share of result of a joint venture	應佔一間合營 公司業績	-	(144)	(144)
Depreciation and amortisation	折舊及攤銷	(8,321)	(1,411)	(9,732)
Segment results	分部業績	167,512	(22,385)	145,127
Unallocated corporate expenses	未分配的公司開支			(10,310)
Finance costs – net	融資成本–淨額			(7,768)
Profit before taxation	除稅前溢利			127,049

Unallocated corporate expenses are common costs incurred for the operating segments as a whole and therefore they are not included in the measure of the segments performance.

未分配的公司開支為營運分部整體上產生的共同成本，故並未納入分部表現的計算當中。

Revenues of HK\$119,063,000 (2013: HK\$107,552,000), HK\$94,544,000 (2013: HK\$108,320,000) and HK\$74,228,000 (2013: HK\$57,731,000), respectively, are derived from 3 external customers of the Group. These revenues are attributable to the operating segment of design and sale of integrated circuits chips.

為數119,063,000港元(2013年: 107,552,000港元)、94,544,000港元(2013年: 108,320,000港元)及74,228,000港元(2013年: 57,731,000港元)之收入分別來自本集團之三名外界客戶。該等收入歸屬於集成電路芯片之設計及銷售之營運分部。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

6 Segment information (Continued)

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.

6 分部資料 (續)

鑒於本集團接近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。

7 Other gains – net

7 其他收益 – 淨額

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Government grants	政府補助	27,491	13,000
Fair value gains on investment properties	投資物業的公允值收益	10,671	6,809
Exchange losses	匯兌虧損	(2,749)	(539)
Others	其他	(1,160)	2,311
		34,253	21,581

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

簡明綜合中期財務資料附註

8 Finance costs – net

8 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	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Finance costs:	融資成本：		
– Interest expense on borrowings	– 借貸利息支出	105,531	12,779
Less: Amounts capitalised on properties under development	減：發展中物業的資本化金額	(6,106)	–
		99,425	12,779
Finance income:	融資收入：		
– Interest income on deposits	– 存款利息收入	(62,930)	(4,650)
– Interest income on long-term receivables	– 長期應收款項利息收入	–	(361)
		(62,930)	(5,011)
Finance costs – net	融資成本－淨額	36,495	7,768

The capitalisation rate applied to funds borrowed generally and used for the qualifying assets was 6.14% for the six months ended 30 June 2014 (2013: 6.07%).

截至2014年6月30日止六個月，一般借入及用於合資格資產的資金所適用之資本化利率為6.14%（2013年：6.07%）。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

9 Profit before taxation

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

9 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	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,089	4,589
Amortisation of intangible assets	無形資產攤銷	11,172	5,143
Research and development costs	研究及開發成本	102,975	82,966
(Reversal of provision)/ provision for inventories	存貨之（撥備撥回）／撥備	(3,021)	183
(Reversal of impairment)/ impairment provision for trade receivables	貿易應收款項之減值（撥回）／撥備	(27,550)	52,826
Operating lease expenses on properties	物業之經營租賃開支	7,584	7,538

NOTES TO THE CONDENSED CONSOLIDATED
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簡明綜合中期財務資料附註

10 Taxation

10 稅項

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Current taxation	本期間稅項		
– PRC corporate income tax	– 中國企業所得稅	22,545	32,470
Deferred taxation	遞延稅項		
– PRC corporate income tax	– 中國企業所得稅	7,676	(13,956)
– Withholding tax on undistributed profits (Note (c))	– 未分配溢利之預扣所得稅 (附註(c))	5,042	4,816
		12,718	(9,140)
		35,263	23,330

- (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 2014 (2013: nil).
- (a) 由於本集團於截至2014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 (2013年：無)。
- (b) In accordance with the corporate income tax laws of the PRC, the applicable statutory tax rate of CEC Huada Electronic Design Co., Ltd (“Huada Electronics”) is 25% from 1 January 2008. However, Huada Electronics qualified as an “Integrated Circuit Design Enterprises in National Planning Layout” and thus enjoyed a 10% preferential tax rate from 1 January 2013 to 31 December 2014.
- (b) 根據中國企業所得稅法，北京中電華大電子設計有限責任公司（「華大電子」）自2008年1月1日起之適用法定稅率為25%。然而，由於華大電子被確定為「國家規劃佈局內集成電路設計企業」，因此自2013年1月1日起至2014年12月31日華大電子享受10%之優惠稅率。
- (c) According to the relevant regulations of the corporate income tax laws of the PRC, when a foreign investment enterprise distributed 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%.
- (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向其境外投資者分派自2008年1月1日起產生的溢利作為股息，該等股息須繳納10%的預扣所得稅。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

11 Dividends

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2014 (2013: nil).

A dividend in respect of the year ended 31 December 2013 of HK\$0.03 per share (2012: nil), amounting to a total dividend of HK\$50,747,000, was proposed by the Board in March 2014. The dividend proposed was subsequently approved by the shareholders in May 2014 and the dividend was paid in June 2014.

12 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)	本公司權益持有者應佔期內溢利 (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

11 股息

董事會不建議派付截至2014年6月30日止六個月之中期股息(2013年:無)。

董事會於2014年3月建議就2013年12月31日止年度派付股息為每股0.03港元(2012年:無),總計為50,747,000港元。股東其後已於2014年5月批准該股息建議並已於2014年6月派付該股息。

12 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

2014 2014年	2013 2013年 (Restated) (重列)
109,734	104,582
1,691,560,000	1,691,560,000

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

由於本公司並無擁有任何未發行潛在普通股,故並無披露每股攤薄盈利。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

13 Investment properties, property, plant and equipment and intangible assets

The fair value of the Group's investment properties at 30 June 2014 have been arrived at on the basis of a valuation carried out on that date by DTZ Debenham Tie Leung Limited, a firm of independent and qualified professional valuers not connected with the Group. The valuation was principally based on income approach by taking into account the terms of any existing leases and other external evidence such as current market rents or sales for similar types of properties in the locality, and using capitalisation rates that reflect current market expectation for the assets being valued.

At 30 June 2014, the Group's investment properties recorded an increase in fair value of HK\$10,671,000 (2013: HK\$6,809,000), and the Group shared an increase in fair value of investment properties of HK\$843,000 (2013: an increase of HK\$158,000) of an associate.

During the six months ended 30 June 2014, the Group had additions to property, plant and equipment of HK\$3,632,000 (2013: HK\$7,100,000).

During the six months ended 30 June 2014, the Group had additions to intangible assets of HK\$9,794,000 (2013: HK\$10,074,000).

13 投資物業、物業、廠房及設備和無形資產

本集團投資物業於2014年6月30日之公允值乃由與本集團無任何關係的獨立及擁有認可資格之專業估值師—戴德梁行有限公司於當日進行估值。該估值主要基於收益法，計入任何現有租約之條款及其他外在證據（如於附近地點同類型物業之現時市場租金或銷售價格）並使用反映對所估值之資產之現時市場預期之資本化比率計算。

於2014年6月30日，本集團投資物業錄得公允值增加10,671,000港元（2013年：6,809,000港元），而本集團應佔一間聯營公司之投資物業公允值增加為843,000港元（2013年：增加158,000港元）。

於截至2014年6月30日止六個月內，本集團用於添置物業、廠房及設備之成本為3,632,000港元（2013年：7,100,000港元）。

於截至2014年6月30日止六個月內，本集團用於添置無形資產之成本為9,794,000港元（2013年：10,074,000港元）。

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

簡明綜合中期財務資料附註

14 Investment in an associate

14 於一間聯營公司投資

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Beginning of the period	期初結餘	36,708	50,998
Share of post-tax loss	應佔除稅後虧損	(3,892)	(7,685)
Exchange differences	匯兌差額	(339)	849
End of the period	期末結餘	32,477	44,162

The Group's share of results of Hainan Resort Software Community Investment and Development Co., Ltd and its aggregated assets and liabilities are shown as below:

本集團應佔海南生態軟件園投資發展有限公司之業績及其總資產及負債呈列如下：

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Assets	資產	406,198	249,214
Liabilities	負債	(328,115)	(159,606)
Revenue	收入	8,336	9,906
Share of loss	應佔虧損	(3,892)	(7,685)
Percentage held	持有百分比	40%	40%

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

15 Trade and other receivables

For the design and sale of integrated circuits chips operation, the majority of the Group's sales are with credit terms of 30 days to 135 days. The remaining amounts are due immediately after the delivery of goods. For the development and management of electronic information technology industrial parks operation, there are generally no credit terms available for rental income. Included in trade and other receivables are trade receivables (net of provision for impairment) of HK\$617,298,000 (31 December 2013: HK\$546,431,000) and their ageing analysis is as follows:

15 貿易及其他應收款項

就集成電路芯片之設計及銷售業務而言，本集團之銷售大部份之信貸期為30日至135日，其餘銷售於緊隨貨品交付時到期。而就電子信息技術產業園之發展及管理業務而言，則一般不會就租金收入業務給予信貸期。貿易及其他應收款項包括貿易應收款項（扣除減值撥備）617,298,000港元（2013年12月31日：546,431,000港元），其賬齡分析如下：

		30 June 2014 2014年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2013 2013年12月31日 (Audited) (經審核) HK\$'000 千港元 (Restated) (重列)
Current to 30 days	30日內	138,977	304,259
31-60 days	31日至60日	137,262	76,330
Over 60 days and within 1 year	60日以上及1年內	301,253	129,130
Over 1 year	1年以上	39,806	36,712
		617,298	546,431

Included in the trade and other receivables under the non-current assets is a prepayment of HK\$373,385,000 (31 December 2013: HK\$63,595,000) for the property transfer right granted by CEC Information Technology Research Institute Co., Ltd (中電信息技術研究院有限公司) ("CEC Research Institute") to Huada Electronics, which Huada Electronics shall require CEC Research Institute to transfer the legal title of a 6-storey building in Beijing for its own office and a new research center by January 2016.

於非流動資產項下之貿易及其他應收款項包括支付予中電信息技術研究院有限公司（「中電研究院」）作為授予華大電子物業轉讓權之預付款項373,385,000港元（2013年12月31日：63,595,000港元）。據此，華大電子將要求中電研究院須於2016年1月前將一棟位於北京市六層高物業之法定業權轉讓予華大電子作為其寫字樓及新研發中心。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

16 Unsecured corporate bonds

16 無抵押企業債券

		Unaudited 未經審核 2014 2014年 HK\$'000 千港元
At 1 January	於1月1日	-
Addition	增加	3,394,262
Interest expense	利息支出	83,506
At 30 June	於6月30日	3,477,768

On 16 January 2014, the Company issued a 4.70% unsecured bonds due 2017 in the principal amount of RMB2,750,000,000. The issue price of the Bonds is 100% of the principal amount of the Bonds and the Bonds will mature on 16 January 2017. The Bonds bear interest at the rate of 4.70% per annum, payable semi-annually in arrears. The Bonds are listed on the Stock Exchange.

The initial fair value of the Bonds was determined based on the residual amounts of the principal after the deduction of issuance costs. The Bonds are subsequently carried at amortised cost using an effective interest rate of 5.44% per annum.

於2014年1月16日，本公司發行本金總額為人民幣2,750,000,000元於2017年到期的4.70%無抵押債券。債券之發行價為債券本金額之100%並於2017年1月16日到期。債券按年利率4.70%計息，並須每半年於期末支付。債券於聯交所上市。

債券之始初公允值乃根據扣除發行成本後之剩餘本金金額而釐定。該債券其後以實際年利率5.44%按攤銷成本列賬。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

17 Trade and other payables

Included in trade and other payables are trade payables of HK\$290,106,000 (31 December 2013: HK\$285,092,000) and their ageing analysis is as follows:

		30 June 2014 2014年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2013 2013年12月31日 (Audited) (經審核) HK\$'000 千港元 (Restated) (重列)
Current to 30 days	30日內	130,668	99,100
31-60 days	31日至60日	74,372	66,410
Over 60 days	60日以上	85,066	119,582
		290,106	285,092

17 貿易及其他應付款項

貿易及其他應付款項包括貿易應付款項 290,106,000 港元 (2013 年 12 月 31 日: 285,092,000 港元)。其賬齡分析如下:

18 Contingent liabilities

The Group did not have any material contingent liability at 30 June 2014 (31 December 2013: nil).

18 或有負債

於 2014 年 6 月 30 日，本集團並無任何重大或有負債 (2013 年 12 月 31 日: 無)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

19 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:

(a) Significant transactions with companies under common control of CEC

19 關聯人士交易及結餘

於期內本集團於日常業務過程中與關聯人士進行了下列各項重大交易：

(a) 與受中國電子集團共同控制之公司之重大交易

		Unaudited 未經審核	
		Six months ended 30 June 截至6月30日止六個月	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Restated) (重列)
Sales of products	銷售產品	83,760	65,369
Purchase of goods and services	採購貨品及服務	306,237	239,201
Interest received	收取利息	984	1,135
Rental paid	支付租金	-	557
Interest expense paid	支付利息	8,339	6,685
Borrowing from China Electronics Corporation (BVI) Holdings Company Limited	China Electronics Corporation (BVI) Holdings Company Limited 借貸	-	10,000
Addition of borrowing from China Electronics Financial Co., Ltd ("CEC Finance")	新增中國電子財務有限公司(「中電財務」)借貸	195,712	105,794
Repayment of borrowing to CEC Finance	償還中電財務借貸	107,326	18,670

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

簡明綜合中期財務資料附註

19 Related party transactions and balances

(Continued)

19 關聯人士交易及結餘 (續)

**(b) Significant balances with CEC and companies
under common control of CEC**

**(b) 與中國電子集團以及受中國電子集團
共同控制之公司之重大結餘**

		30 June 2014 2014年6月30日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2013 2013年12月31日 (Audited) (經審核) HK\$'000 千港元 (Restated) (重列)
CEC	中國電子集團		
Other payables	其他應付款項	816,379	61,051
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	73,124	32,086
Other receivables	其他應收款項	24,078	37,157
Deposits	存款	112,711	387,919
Trade payables	貿易應付款項	206,490	159,065
Other payables	其他應付款項	1,919	1,861
Borrowings	借貸	454,803	370,121

Other than the deposits and the borrowings which is interest bearing, the above balances with related parties were unsecured, interest-free and settled according to the contract terms.

除存款及借貸為附息外，上述關聯人士結餘為無抵押、免息並根據合同條款結算。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

19 Related party transactions and balances (Continued)

19 關聯人士交易及結餘 (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	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	2,872	2,544
Contributions to retirement schemes	退休計劃供款	208	135
		3,080	2,679

20 Subsequent event

20 期後事項

On 24 July 2014, CEC Technology, a subsidiary of the Company, entered into an entrustment agreement with CEC Finance in relation to the provision of an entrusted loan in the principal amount of RMB400 million by CEC Technology to Hainan Resort Software Community Investment and Development Co. Ltd, an associate of CEC Technology.

於2014年7月24日，本公司之附屬公司中電科技與中電財務訂立委託合同，據此，中電科技向其聯營公司，海南生態軟件園投資發展有限公司，提供本金額為人民幣400百萬元之委託貸款。

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料審閱 報告



羅兵咸永道

TO THE BOARD OF DIRECTORS OF CHINA ELECTRONICS CORPORATION HOLDINGS COMPANY LIMITED

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

致中國電子集團控股有限公司董事會

(於開曼群島註冊成立及於百慕達繼續經營之有限公司)

Introduction

We have reviewed the condensed consolidated interim financial information set out on pages 4 to 42, which comprises the consolidated balance sheet of China Electronics Corporation Holdings Company Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2014 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the six-month period then ended, and a summary of significant accounting policies and other 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 condensed consolidated interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this condensed consolidated 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.

引言

本核數師（以下簡稱「我們」）已審閱列載於第4至42頁的簡明綜合中期財務資料，此簡明綜合中期財務資料包括中國電子集團控股有限公司（「貴公司」）及其子公司（合稱「貴集團」）於2014年6月30日的綜合資產負債表與截至該日止六個月期間的相關綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製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」編製及列報該等簡明綜合中期財務資料。我們的責任是根據我們的審閱對該等簡明綜合中期財務資料作出結論，並按照委聘之條款僅向整體董事會報告，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。

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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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20 August 2014

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。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核的範圍為小，故不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

結論

按照我們的審閱，我們並無發現任何事項，令我們相信簡明綜合中期財務資料在各重大方面未有根據香港會計準則第34號「中期財務報告」編製。

羅兵咸永道會計師事務所
執業會計師

香港，2014年8月20日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

Integrated circuits design operation

The Group's integrated circuits design operation comprises the design of integrated circuits chips and the development of application system. Currently, our products are mainly used in smart cards such as identity cards, social security cards, telecommunication cards and electricity cards. Our products are also applied in wireless local area networks. For the six months ended 30 June 2014, the Group has obtained 15 new patents.

Due to the further intensification of market price competition in 2014, the average selling prices of integrated circuits chip products were generally lower when comparing with those of the 2013. The Group has stepped up its effort in cost control and expanded the market share of its products. Through successfully boosting the sales of some of our main products, the overall sales volume recorded an increase during the six months ended 30 June 2014, which compensated some of the impact of the decrease in the average selling prices of integrated circuits chip products on the revenue for the period. Revenue for the six months ended 30 June 2014 amounted to HK\$700.8 million, representing a slight decrease of 3.8% when comparing with the corresponding period of last year. During the period under review, wage level within the industry and the overall operating costs generally increased, and have exerted pressure on the profitability of the integrated circuits design operation.

業務回顧

集成電路設計業務

本集團之集成電路設計業務涵蓋集成電路芯片之設計及應用系統開發。目前本集團產品主要覆蓋身份證卡、社會保障卡、移動通信卡及電表卡等智能卡應用領域，也應用於無線局域網絡。截至2014年6月30日止六個月，本集團新增授權專利15項。

由於市場價格競爭於2014年進一步加劇，集成電路芯片產品之平均售價較2013年普遍下跌。本集團加強成本控制及努力擴大其產品之市場佔有率。通過成功提升本集團部份主要產品之市場銷售，於截至2014年6月30日止六個月之總銷售量錄得增長，並抵銷部份因集成電路芯片產品之平均售價下跌對於期內收入之影響。截至2014年6月30日止六個月之收入為700.8百萬港元，較去年同期輕微下跌3.8%。於回顧期內，行業工資水平及整體經營成本普遍上升對集成電路設計業務的盈利能力構成壓力。

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review (Continued)

Research and development costs were HK\$103.0 million in 2014 (2013: HK\$83.0 million), which represented 14.7% of the revenue for the six months ended 30 June 2014 (2013: 11.4%). Research and development during the period primarily focused on the EMV card, mobile payment card and RFID (“radio frequency identification”) chip products.

Government grants recognised as income increased by 111.5% to HK\$27.5 million for the six months ended 30 June 2014 resulted from more government subsidies for research and development costs incurred in the period.

For the six months ended 30 June 2014, profit attributable to owners of the Company amounted to HK\$204.3 million, representing an increase of 22.0% when comparing with the corresponding period of last year. The profit attributable to owners of the Company for the six months ended 30 June 2014 included the income from reversal of impairment provision for trade receivables of HK\$27.6 million during the period while the corresponding period’s results included an impairment provision for trade receivables of HK\$52.8 million.

管理層討論及分析

業務回顧（續）

2014年之研究及開發成本為103.0百萬港元（2013年：83.0百萬港元），佔截至2014年6月30日止六個月收入之14.7%（2013年：11.4%）。期內研究及開發主要側重於金融IC卡、移動支付卡及RFID（「無線射頻識別」）芯片產品之開發。

由於本集團就截至2014年6月30日止六個月發生研究及開發成本獲得之政府補助增加，期內已確認為收入之政府補助上升111.5%至27.5百萬港元。

截至2014年6月30日止六個月，本公司權益持有者應佔溢利為204.3百萬港元，較去年同期上升22.0%。截至2014年6月30日止六個月，本公司權益持有者應佔溢利中包括貿易應收款項減值撥回之收入27.6百萬港元，而去年同期業績包括52.8百萬港元之貿易應收款項減值撥備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Currently, the application of smart cards in the PRC markets is mainly in the field of telecommunications, social security, identity identification, financial services, electricity, transportation and Internet of Things, etc. In the first half of 2014, enormous issuance of smart cards for sectors like social security, telecommunications and financial services, etc. has continued to take place, driving an overall growth in the domestic smart cards market. After many years of development, the Group has established a relatively leading position in its market share in social security card chips and telecommunication card chips, etc. At the same time, the Group has also been actively expanding into new sectors like financial services, transportation and Internet of Things, etc., and developing new products and exploring new customers.

Looking forward, on the one hand, the Group will continue to adhere to its independent innovation development strategy, increase its investments in science and technology, and actively expand into new smart card application business like financial services and other chip design segments. While on the other hand, it will grasp the development opportunities arising from the integrated circuits design sector and strive to maintain its leading position in that sector.

業務回顧 (續)

目前，中國智能卡市場的應用領域主要包括移動通信、社會保障、身份識別、金融服務、電力、交通及物聯網等。2014年上半年，社會保障、移動通信、金融服務等類別智能卡繼續大量發行，帶動了國內智能卡市場的整體增長。歷經多年發展，本集團在社會保障卡芯片、移動通信卡芯片等領域的市場份額較為領先。同時，本集團也積極拓展金融服務、交通、物聯網用芯片等新領域，開發新產品及發掘新客戶。

展望未來，本集團一方面將繼續堅持自主創新、加大科技投入，積極開拓金融服務等新的智能卡應用業務及其他芯片設計領域。另一方面將抓住集成電路設計領域的發展機遇，保持在集成電路芯片設計領域的領先地位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

業務回顧 (續)

Electronic information technology industrial parks operation

電子信息技術產業園業務

The Group's electronic information technology industrial parks operation comprises:

本集團之電子信息技術產業園業務包括：

1. Hainan Resort Software Community (海南生態軟件園) (“Hainan RSC”), which is wholly owned, developed and managed by Hainan Resort Software Community Investment and Development Co., Ltd (海南生態軟件園投資發展有限公司), an associate company of the Group;
1. 海南生態軟件園(「海南生態軟件園」)·該園區由本集團之聯營公司海南生態軟件園投資發展有限公司全資擁有、發展及管理；
2. CEC Xi'an Industrial Park (中國電子西安產業園) (“Xi'an Industrial Park”), which is wholly owned, developed and managed by China Electronics Xi'an Industrial Park Development Co., Ltd (中國電子西安產業園發展有限公司), a subsidiary of the Group; and
2. 中國電子西安產業園(「西安產業園」)·該園區由本集團之附屬公司中國電子西安產業園發展有限公司全資擁有、發展及管理；及
3. CEC Beihai Industrial Park (中國電子北海產業園) (“Beihai Industrial Park”), which is wholly owned, developed and managed by China Electronics Beihai Industrial Park Development Co., Ltd (中國電子北海產業園發展有限公司) (“CEC Beihai”), a subsidiary of the Group.
3. 中國電子北海產業園(「北海產業園」)·該園區由本集團之附屬公司中國電子北海產業園發展有限公司(「中電北海」)全資擁有、發展及管理。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Hainan RSC

Hainan RSC is situated in Haikou, Hainan, with a planned total site area of 3,000 Mu, of which approximately 1,790 Mu of land has already been acquired, and application to the government for the remaining approximately 1,210 Mu is in progress. The overall planning of the park includes four functional zones: namely start-up zone, large-scale enterprises zone, livelihood-supporting zone and enterprise self-established zone. The start-up zone consists of Plot A and Plot B with a total site area of approximately 354 Mu, which now consists of 26 office buildings in Plot A, 29 office buildings in Plot B, an incubation building, and Laocheng Economic Development Zone Administration Affairs Service Centre, etc. The large-scale enterprises zone is located at Plot C, which is in the middle of Hainan RSC. It is customized specifically for enterprises with over 500 employees, occupying a site area of approximately 497 Mu and will be constructed along the river side with natural landscape of water flowing beneath a small bridge. The livelihood-supporting zone consists of Plot D, Plot E and Plot G, which will include five-star hotels, Meilun Tertiary Time Tropical Style Commercial Street (美輪第三時間熱帶風情商業街), and youth entrepreneurship blocks zone, etc. It mainly offers high-quality leisure, shopping, accommodation, conference, food and beverages, and recreational services for the park. The enterprise self-established zone will be a self-built "park within park", and catering for the conglomerate's need. With the land provided by Hainan RSC, subject to complying with the overall planning requirement of Hainan RSC, enterprises can construct their own parks according to their own needs.

業務回顧 (續)

海南生態軟件園

海南生態軟件園位於海南海口，總規劃面積為3,000畝，已取得土地約1,790畝，剩餘約1,210畝土地正在向政府申請。園區整體規劃包括起步區、規模企業區、生活配套區以及企業自建區等四大功能區。起步區包括A、B地塊，總面積約354畝，現包括A地塊26棟寫字樓、B地塊29棟寫字樓、孵化大樓及老城經濟開發區政務中心等。規模企業區位於海南生態軟件園中部C地塊，為規模500人以上企業定制，佔地約497畝，該區將濱水而建，小橋流水，自然天成。生活配套區，包括D、E、G地塊，將包含五星級配套酒店、美輪第三時間熱帶風情商業街及青年創業街區等，主要為園區提供高品質休閒、購物、住宿、會議、餐飲、娛樂等服務。企業自建區將面向集團企業客戶自行建設「園中園」。海南生態軟件園提供土地，企業在符合園區總體規劃的前提下根據自身需要自行建設。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

業務回顧 (續)

- I. Mingyue Ju residential development project is located at Plot B in the start-up zone with a gross floor area of 33,000 square metres. The construction of Mingyue Ju has commenced in the second half of 2012 and is scheduled for completion in the second half of 2014. Mingyue Ju is intended to hold for sales and, of which approximately 15,000 square metres were pre-sold as at 30 June 2014.
 - II. The construction of Meilun Tertiary Time Tropical Style Commercial Street in Plot E has commenced in the first half of 2013. It occupies a site area of 90 Mu. Its overall construction planning and design covers 16 blocks of building with a total gross floor area of 72,000 square metres. The gross floor area of these buildings ranges from 300 to 6,000 square metres. It is scheduled to deliver for use in the second half of 2014. Upon completion, the commercial street is intended to hold for rental purposes. Pre-marketing and pre-leasing went well as at 30 June 2014.
 - III. The large-scale enterprises zone in Plot C consists of four phases, and construction has commenced in the first half of 2014. Phase I consists of 13 office buildings with a total gross floor area of 43,000 square metres. The gross floor area of these buildings ranges from 1,600 to 10,000 square metres. As at 30 June 2014, the foundation work was in progress and the construction is scheduled for completion in the second half of 2015. Upon completion, it is intended to hold for rental purposes.
- I. 明月居住宅發展項目位於起步區B地塊，建築面積為33,000平方米，於2012年下半年開始建設並預計2014年下半年竣工。明月居公寓樓計劃用於出售，截至2014年6月30日止，已預售面積約為15,000平方米。
 - II. E地塊美輪第三時間熱帶風情商業街自2013年上半年開始建設，總體建築規劃設計為16棟樓，佔地約90畝，總建築面積為72,000平方米。每棟樓建築面積介乎300至6,000平方米不等，預計2014年下半年交付使用。商業街竣工後計劃用於出租，目前招商情況進展良好。
 - III. C地塊規模企業區，分四期開發，於2014年上半年開始建設，一期為13棟寫字樓，總建築面積為43,000平方米，每棟樓建築面積介乎1,600至10,000平方米不等，目前正在進行基礎工作，預計2015年下半年竣工，竣工後計劃用於出租。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

IV. Youth entrepreneurship blocks zone in Plot G is planned to consist of three phases. Phase I consists of 3 residential buildings with a total gross floor area of 96,000 square metres, and construction has commenced in the first half of 2014. As at 30 June 2014, the pillar foundation stage was completed and the construction is scheduled for completion in the second half of 2015. Upon completion, it is intended to hold for sales.

Xi'an Industrial Park

Xi'an Industrial Park occupies a site area of 470 Mu, of which 202 Mu of land has already been acquired, and application to the government for the remaining 268 Mu is in progress. Adjustments to the overall planning of the industrial park is in progress and is scheduled for completion in the second half of 2014, and of which the planning of Phase I and II with a site area of approximately 100 Mu had already been determined.

Phase I consists of 5 office buildings. The gross floor area of No. 1 to No. 4 office building ranges from 2,000 to 4,000 square metres, and the gross floor area of No. 5 office building is 17,000 square metres. The construction of Phase I has commenced in the second half of 2013 and is scheduled for completion in the second half of 2014. No. 1 to No. 4 building of Phase I are intended to hold for sales. No. 1 and No. 2 building will be sold to Huada Electronics, and No. 3 and No. 4 building are currently under the pre-marketing stage. No. 5 building of Phase I is intended to hold for rental purposes.

業務回顧 (續)

IV. G地塊青年創業街區計劃分三期開發，一期為3棟公寓樓，總建築面積為96,000平方米，於2014年上半年開始建設，目前基礎打樁階段已經完成，預計2015年下半年竣工，竣工後計劃用於出售。

西安產業園

西安產業園佔地470畝，已取得土地202畝，剩餘268畝土地正在向政府申請。產業園整體規劃正在調整中，預計2014年下半年完成，其中一、二期規劃已確定，佔地約100畝。

一期包括5棟寫字樓，1至4號寫字樓建築面積介乎2,000至4,000平方米不等，5號寫字樓建築面積為17,000平方米。一期自2013年下半年開始建設，預計2014年下半年竣工。一期的1至4號樓計劃用於出售，1號及2號樓將出售與華大電子，3號及4號樓正在招商，一期的5號樓計劃用於出租。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Phase II consists of 9 buildings. No. 1 to No. 7 building are single block of office building with gross floor area ranges from 2,000 to 6,000 square metres, and No. 8 office building's gross floor area is 50,000 square metres. No. 9 building is a steel-structured two-storey training centre with a gross floor area of 7,000 square metres. The construction of No. 9 building of Phase II has commenced in the first half of 2014 and is scheduled for completion in the first half of 2015. Development for No. 1 to No. 8 building of Phase II will commence in the second half of 2014 and is scheduled for completion in 2015. No. 1 to No. 7 building are intended to hold for sales and are currently under the pre-marketing stage. No. 9 building is intended to hold for rental purposes and will be leased out for a term of 10 years upon completion. No. 8 building of Phase II is intended to hold for rental purposes.

Beihai Industrial Park

CEC Beihai has been actively negotiating with the People's Government of Beihai on the joint development and construction of Beibu Gulf Eco-Wisdom Electronics City (北部灣智慧生態電子城). This project is built on the existing Beihai Industrial Park, oriented by high and new technology industries, and adopted the Wisdom City and IOC construction concept as means to excel a new generation of industrial-urban integration demonstration zone. The objective is to establish Beibu Gulf Eco-Wisdom Electronics City as the engine for the industrial development and urban construction of Beibu Gulf. Detailed planning and core district urban design of this project was completed in the first half of 2014 and CEC Beihai is in discussion with the local government in respect of the site selection for the start-up zone, etc. of this 4,500 Mu project. In addition, Beihai Industrial Park has also been actively exploring various business operation service model and soft environment for industrial development in the park and under the existing common services platform, has improved the software and hardware facilities of cloud-service platform servicing the middle- and small-sized enterprises, and expanded the supporting services provided to these enterprises in the park in the first half of 2014.

業務回顧 (續)

二期為9棟建築物，1至7號樓為獨棟寫字樓，建築面積介乎2,000至6,000平方米不等，8號寫字樓建築面積為50,000平方米，9號樓為兩層的鋼結構的培訓中心，建築面積為7,000平方米。二期的9號樓自2014年上半年開始建設，預計2015年上半年竣工。二期的1至8號樓計劃於2014年下半年動工，預計2015年竣工。二期的1至7號樓計劃用於出售，目前正在招商。二期的9號樓計劃用於出租並已簽十年期租賃。二期的8號樓計劃用於出租。

北海產業園

中電北海目前正積極推進與北海市人民政府共同開發建設北部灣智慧生態電子城項目，該項目在現有北海產業園的基礎上，以高新技術產業為依托，以智慧城市和IOC的建設理念為手段，突出建設新一代產城融合示範區，打造北部灣智慧生態電子城成為北部灣產業發展和城市建設的引擎。2014年上半年已完成該項目控制性詳細規劃及核心區城市設計方案，中電北海並與當地政府積極溝通該4,500畝項目之起步區選址等。另外，北海產業園亦積極探索園區生產性服務模式和產業發展軟環境，2014年上半年在現有公共服務平台的基礎上，完善中小企業雲服務平台軟硬件設施，擴大對入園的中小企業的在線服務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review (Continued)

Electronic information technology industrial park market in the PRC is still at its initial development stage. Given the Group's electronic information technology industrial parks are all located at sites which offer convenient transportation and affluent economic resources, various favorable policies such as "Policies regarding the support for the development of the State's information technology bases and industrial parks" (《支持國家電子信息產業基地和產業園發展的若干政策》) promulgated by the PRC government that are being rolled out to support the industry, the comprehensive supporting facilities within the industrial parks and the funding obtained from the issue of the unsecured bonds in 2014 will be catalysts for the sustainable development of these industrial parks.

Looking forward, with the opportunities that are presented and the strategies that are to be adopted as well as the support from CEC, the Group's electronic information technology industrial parks will eventually be transformed into fully-functional eco-wisdom electronics cities, which will ensure the Group's sustainable growth.

Interim Dividend

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2014 (2013: nil).

業務回顧 (續)

中國電子信息技術產業園市場目前尚處於發展初期。鑒於本集團之電子信息技術產業園均位於交通便利及具豐富經濟資源之位置，已推行之多項優惠政策如國家頒佈之《支持國家電子信息產業基地和產業園發展的若干政策》以支持行業，以及於產業園內之綜合配套設施及源自2014年發行無抵押債券之資金，將成為其可持續發展之催化劑。

展望未來，憑藉呈現之機遇及將予採納之策略以及中國電子集團之支持，本集團之電子信息技術產業園最終將轉型為功能齊全之智慧生態電子城，此轉型將為本集團之可持續發展提供保障。

中期股息

董事會不建議派付截至2014年6月30日止六個月之中期股息(2013年：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review

The Group generally finance its working capital and funding requirements through internal resources, bank and other borrowings, and issuance of corporate bonds. At 30 June 2014, the Group had cash and cash equivalents amounted to HK\$1,555.0 million, 99.3% of which was denominated in Renminbi, 0.4% in United States dollars and 0.3% in Hong Kong dollars (31 December 2013: HK\$791.8 million, 99.1% of which was denominated in Renminbi, 0.4% in United States dollars and 0.5% in Hong Kong dollars).

At 30 June 2014, the Group had total bank and other borrowings of HK\$526.6 million, all of which were denominated in Renminbi (31 December 2013: HK\$508.5 million, all of which were denominated in Renminbi). Among these borrowings, (i) HK\$178.9 million (31 December 2013: HK\$91.6 million) borrowings was secured by non-current fixed assets of the Group and HK\$347.7 million (31 December 2013: HK\$416.9 million) were unsecured and guaranteed by CEC for the Group, and (ii) HK\$461.1 million and HK\$65.5 million (31 December 2013: HK\$442.4 million and HK\$66.1 million respectively) were borrowed at fixed and variable interest rates respectively. At 30 June 2014, committed borrowing facilities available to the Group but not drawn amounted to HK\$477.4 million.

At 30 June 2014, certain assets of the Group with an aggregate carrying value of HK\$417.4 million (31 December 2013: HK\$263.6 million) were pledged as collateral for borrowings obtained by its subsidiaries.

財務回顧

本集團通常通過內部資源、銀行及其他借貸及發行企業債券來滿足營運資金的需求。於2014年6月30日，本集團持有現金及現金等價物為1,555.0百萬港元，分別有99.3%以人民幣、0.4%以美元及0.3%以港元持有（2013年12月31日：791.8百萬港元，分別有99.1%以人民幣、0.4%以美元及0.5%以港元持有）。

於2014年6月30日，本集團的銀行及其他借貸總額為526.6百萬港元並均以人民幣計值（2013年12月31日：508.5百萬港元並均以人民幣計值）。該等借貸中有(i) 178.9百萬港元（2013年12月31日：91.6百萬港元）之借貸乃以本集團之非流動資產作抵押，347.7百萬港元（2013年12月31日：416.9百萬港元）則為無抵押及由中國電子集團為本集團作擔保，及(ii)為數461.1百萬港元及65.5百萬港元（2013年12月31日：分別為442.4百萬港元及66.1百萬港元）之借貸分別按固定利率及浮動利率借貸。於2013年6月30日，本集團尚未動用之已承諾借貸備用額為477.4百萬港元。

於2014年6月30日，本集團賬面總值417.4百萬港元（2013年12月31日：263.6百萬港元）的若干資產已作為其附屬公司借貸的抵押品。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review (Continued)

On 16 January 2014, the Company issued a 4.70% unsecured bonds due 2017 in the principal amount of RMB2,750 million. The issue price of the Bonds is 100% of the principal amount of the Bonds and will mature on 16 January 2017. The Bonds bear interest at the rate of 4.70% per annum and are listed on the Stock Exchange. CEC assists the Company in meeting its obligations under the Bonds by entering into a keepwell deed and a deed of equity interest purchase undertaking. Pursuant to the keepwell deed, CEC, as the ultimate controlling shareholder of the Company, undertakes to, inter alia, directly or indirectly own and hold more than 50% the outstanding shares of the Company.

The Group's revenue are 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 2014, the Group had net current assets of HK\$3,073.4 million (31 December 2013: HK\$629.3 million). The overall gearing ratio, which is calculated as the total liabilities over total assets of the Group, was 91.7% (31 December 2013: 53.8%).

At 30 June 2014, the Group did not have any material capital commitment (31 December 2013: nil) for the acquisition of fixed assets and intangible assets. The Group did not have any material contingent liability at 30 June 2014 (31 December 2013: nil).

財務回顧 (續)

於2014年1月16日，本公司發行本金總額為人民幣2,750百萬元於2017年到期的4.70%無抵押債券。債券之發行價為債券本金額之100%並於2017年1月16日到期。債券按年利率4.70%計息，並於聯交所上市。中國電子集團透過訂立保持良好契約及股權購買承諾契約協助本公司履行其於債券項下之責任。根據保持良好契約，中國電子集團（作為本公司之最終控股股東）承諾（其中包括）直接或間接擁有並持有本公司50%以上之已發行股份。

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2014年6月30日，本集團流動資產淨值為3,073.4百萬港元（2013年12月31日：629.3百萬港元）。整體資本負債比率（以本集團的總負債除以總資產計算）為91.7%（2013年12月31日：53.8%）。

於2014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資本承擔（2013年12月31日：無）。於2014年6月30日，本集團並無任何重大或有負債（2013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 2014, the Group had approximately 460 employees, the majority of whom were based in the PRC. Employee benefit expenses during the period were HK\$98.8 million.

於2014年6月30日，本集團僱用約460名僱員，大部份於中國內地工作。期內僱員福利開支為98.8百萬港元。

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。

OTHER INFORMATION

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

At 30 June 2014, none of the directors nor the chief executive of the Company and their respective associates 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 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Directors' Rights to Acquire Shares or Debentures

At no time during the six months ended 30 June 2014 was the Company, its holding company or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company or their respective 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2014年6月30日，概無本公司董事、最高行政人員及彼等各自之聯繫人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，或根據香港聯合交易所有限公司證券上市規則（「上市規則」）附錄10所載之上市發行人董事進行證券交易的標準守則（「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2014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 2014, the register maintained by the Company pursuant to Section 336 of the SFO showed that the following persons (other than the director 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 or attributable number of shares interested 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	48.03%
China Integrated Circuit Design Corp., Ltd ("China Huada")	中國華大集成電路設計集團有限公司 ("中國華大")	393,680,000	23.27%
China Electronics Corporation Limited ("CEC") (Note (1))	中國電子信息產業集團有限公司 ("中國電子集團") (附註(1))	1,206,180,000	71.30%

Note:

1) CEC holds 100% interest in CEC (BVI) and China Huada and is deemed to be interested in the shares of the Company held by CEC (BVI) and China Huada.

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

Save as disclosed above, at 30 June 2014, 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2014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 or attributable number of shares interested 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	48.03%
China Integrated Circuit Design Corp., Ltd ("China Huada")	中國華大集成電路設計集團有限公司 ("中國華大")	393,680,000	23.27%
China Electronics Corporation Limited ("CEC") (Note (1))	中國電子信息產業集團有限公司 ("中國電子集團") (附註(1))	1,206,180,000	71.30%

附註：

(1) 中國電子集團持有CEC (BVI)及中國華大之100%權益，因此被視為持有CEC (BVI)及中國華大所持有之本公司股份之權益。

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2014年6月30日，本公司並未獲知會有任何其他人士持有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本公司股份或相關股份之權益或淡倉。

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 2014.

Corporate Governance Code

The Company has complied with all the applicable code provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2014.

Listing Rules Compliance

Following the retirement of Mr. Yin Yongli on 24 May 2014, the number of (i) independent non-executive director of the Company, (ii) independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise (the "Appropriate Expertise"), (iii) the audit committee member and (iv) the audit committee member whom is an independent non-executive director with Appropriate Expertise fell below the minimum number required under the Listing Rules.

On 20 August 2014, the Board resolved to propose that Mr. Chow Chan Lum to be appointed as an independent non-executive director of the Company, a member of the remuneration and nomination committee of the Board, and a member of the audit committee of the Board. An ordinary resolution to consider and approve the appointment of Mr. Chow as an independent non-executive director of the Company will be proposed at a general meeting of the Company. Upon the appointment of Mr. Chow taking effect, the Company will comply with the relevant requirements under the Listing Rules.

其他資料

購回、出售或贖回證券

於截至2014年6月30日止六個月內，本公司或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

本公司於截至2014年6月30日止六個月內均已遵守上市規則附錄14所載之企業管治守則內適用守則條文。

遵守上市規則

於2014年5月24日尹永利先生退任後，本公司的(i)獨立非執行董事人數、(ii)具備適當專業資格或會計或相關財務管理專長（「適當專長」）的獨立非執行董事人數、(iii)審核委員會委員人數及(iv)具備適當專長的獨立非執行董事出任審核委員會委員人數均較上市規則所規定之最低人數為少。

於2014年8月20日，董事會議決提呈委任鄧燦林先生為本公司獨立非執行董事、董事會轄下的薪酬及提名委員會委員和董事會轄下的審核委員會委員。本公司將在股東大會上就考慮及批准委任鄧先生為本公司獨立非執行董事提呈一項普通決議案。於鄧先生獲委任生效後，本公司將符合上市規則有關規定。

OTHER INFORMATION

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 2014.

Audit Committee

The audit committee has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2014.

Directors' Particular

Changes in particular of the director of the Company is set out as follows:

1. Mr. Liu Jinping ceased to be the general manager of China Huada, the Company's substantial shareholder, and the chairman of various subsidiaries of China Huada, which include Nationz Technologies Inc. (a company listed on the Shenzhen Stock Exchange) and Beijing Huada Zhibao Electronic System Co., Ltd in April 2014.

By Order of the Board

Rui Xiaowu
Chairman

Hong Kong, 20 August 2014

其他資料

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2014年6月30日止六個月內，彼等均已全面遵守標準守則。

審核委員會

審核委員會已審閱本集團截至2014年6月30日止六個月之未經審核簡明綜合中期財務資料。

董事資料

本公司董事資料更改列述如下：

1. 劉晉平先生已於2014年4月退任本公司之主要股東中國華大總經理，國民技術股份有限公司（該公司於深圳證券交易所公開上市）、北京華大智寶電子系統有限公司等多家中國華大附屬公司之董事長。

承董事會命

主席
芮曉武

香港，2014年8月20日



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