

SMART-CORE HOLDINGS LIMITED

芯智控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：2166

2017

Interim Report

中期報告

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

TIAN Weidong (*Chairman of the Board and Chief Executive Officer*)
WONG Tsz Leung (*Chief Financial Officer*)
LIU Hongbing
XIE Yi

Independent non-executive Directors

TANG Ming Je
ZHENG Gang
WONG Hon Kit

BOARD COMMITTEES

Audit Committee

WONG Hon Kit (*Chairman*)
TANG Ming Je
ZHENG Gang

Remuneration Committee

ZHENG Gang (*Chairman*)
TANG Ming Je
WONG Hon Kit
TIAN Weidong

Nomination Committee

TIAN Weidong (*Chairman*)
TANG Ming Je
WONG Hon Kit

董事會

執行董事

田衛東(*董事會主席及行政總裁*)
黃梓良(*首席財務官*)
劉紅兵
謝藝

獨立非執行董事

湯明哲
鄭鋼
黃漢傑

董事委員會

審核委員會

黃漢傑(*主席*)
湯明哲
鄭鋼

薪酬委員會

鄭鋼(*主席*)
湯明哲
黃漢傑
田衛東

提名委員會

田衛東(*主席*)
湯明哲
黃漢傑

COMPANY SECRETARY

LO Kai Cheong (CPA)
(resigned with effect from 10 August 2017)
CHAN Lap Wing (CPA)
(appointed with effect from 10 August 2017)

AUTHORISED REPRESENTATIVES

TIAN Weidong
WONG Tsz Leung

REGISTERED OFFICE

Maples Corporate Services Limited
PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

PRINCIPAL PLACE OF BUSINESS

Hong Kong

30/F, Enterprise Square Two
3 Sheung Yuet Road
Kowloon Bay
Kowloon, Hong Kong

PRC

16/F, Finance & Technology Building
No.11 Keyuan Road, Nanshan District
Shenzhen, China

公司秘書

盧繼昌(註冊會計師)
(自2017年8月10日起辭任)
陳立榮(註冊會計師)
(自2017年8月10日起獲委任)

授權代表

田衛東
黃梓良

註冊辦事處

Maples Corporate Services Limited
PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

主要營業地點

香港

香港九龍
九龍灣
常悅道3號
企業廣場2期30樓

中國

中國深圳市
南山區科苑路11號
金融科技大廈16樓

Corporate Information

公司資料

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F, One Pacific Place
88 Queensway, Hong Kong

LEGAL ADVISOR

As to Cayman Islands law

Maples and Calder
53th Floor, The Center
99 Queen's Road Central
Hong Kong

As to Hong Kong law

DLA Piper Hong Kong
17th Floor, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

As to PRC law

Commerce & Finance Law Offices
27C, Shenzhen Te Qu Bao Ye Building
6008 Shennan Road
Shenzhen, PRC

COMPLIANCE ADVISER

Fortune Financial Capital Limited
35/F, Office Tower, Convention Plaza
1 Harbour Road, Wanchai,
Hong Kong

核數師

德勤•關黃陳方會計師行
執業會計師
香港金鐘道88號
太古廣場一期35樓

法律顧問

開曼群島法律

Maples and Calder
香港
中環皇后大道中99號
中環中心53樓

香港法律

歐華律師事務所
香港
皇后大道中15號
置地廣場
公爵大廈17樓

中國法律

通商律師事務所
中國深圳市
深南大道6008號
深圳特區報業大廈27C

合規顧問

富強金融資本有限公司
香港
灣仔港灣道1號
會展廣場辦公大樓35樓

SHARE REGISTRARS

Hong Kong

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai

Cayman Islands

Maples Fund Services (Cayman) Limited
PO Box 1093
Boundary Hall Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

DBS Bank (Hong Kong) Limited
16/F, The Center
99 Queen's Road Central
Hong Kong

Standard Chartered Bank (Hong Kong) Limited
Standard Chartered Bank Building
4-4A Des Voeux Road Central
Hong Kong

STOCK CODE

2166

COMPANY WEBSITE

www.smart-core.com.hk

股份過戶登記處

香港

香港中央證券登記有限公司
灣仔
皇后大道東183號
合和中心
17樓1712-1716室

開曼群島

Maples Fund Services (Cayman) Limited
PO Box 1093
Boundary Hall Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

主要往來銀行

香港上海滙豐銀行有限公司
香港
皇后大道中1號

星展銀行(香港)有限公司
香港
皇后大道中99號
中環中心16樓

渣打銀行(香港)有限公司
香港
德輔道中4至4A號
渣打銀行大廈

股份代號

2166

公司網站

www.smart-core.com.hk

Financial Highlights

財務摘要

For the six months ended 30 June
截至6月30日止六個月

		2017 2017年 USD'000 千美元	2016 2016年 USD'000 千美元	Change 變動
Revenue	收入	291,943	339,213	-13.9%
Gross profit	毛利	13,708	15,050	-8.9%
Profit before tax	除稅前利潤	6,368	6,143	3.7%
Profit for the period	期間利潤	5,436	4,948	9.9%
Profit attributable to owners of the Company:	本公司擁有人 應佔利潤：	5,436	4,800	13.3%
Earnings per share ("EPS"), – Basic (US cents)	每股盈利(「每股盈利」)， – 基本(美分)	1.087	1.320	-17.7%
Average turnover days of inventories – days ⁽¹⁾	存貨平均週轉天數 – 天 ⁽¹⁾	21	11	90.9%
Average turnover days of trade receivables – days ⁽²⁾	貿易應收款項平均週轉天數 – 天 ⁽²⁾	32	50	-36.0%
Average turnover days of trade payables – days ⁽³⁾	貿易應付款項平均週轉天數 – 天 ⁽³⁾	39	29	34.5%

		As at 30 June 2017 於2017年 6月30日 USD'000 千美元	As at 31 December 2016 於2016年 12月31日 USD'000 千美元	
Total assets	總資產	138,197	162,515	-15.0%
Total liabilities	總負債	75,825	105,675	-28.2%
Net assets	資產淨額	62,372	56,840	9.7%
Net financial position ⁽⁴⁾	淨財務狀況 ⁽⁴⁾	11,870	5,278	124.9%
Gearing ratio – % ⁽⁵⁾	資本負債率 – % ⁽⁵⁾	18.9	39.7	-52.4%
Current ratio ⁽⁶⁾	流動比率 ⁽⁶⁾	1.6	1.4	14.3%

Financial Highlights

財務摘要

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Notes:

- (1) Average turnover days of inventories is derived by dividing the arithmetic mean of the opening and closing balances of inventories for the relevant period by cost of sales and multiplying by 181 days.
- (2) Average turnover days of trade receivables is derived by dividing the arithmetic mean of the opening and closing balances of gross trade receivables for the relevant period by revenue and multiplying by 181 days.
- (3) Average turnover days of trade payables is derived by dividing the arithmetic mean of the opening and closing balances of trade payables for the relevant period by cost of sales and multiplying the resulting value by 181 days.
- (4) The balance of net financial position is calculated as the sum of cash and cash equivalents minus bank loans.
- (5) Gearing ratios were calculated based on the total interest-bearing borrowings as at the respective dates divided by total equity as at the respective dates and multiplied by 100%.
- (6) Current ratios were calculated based on the total current assets as at the respective dates divided by the total current liabilities as at the respective dates.

附註：

- (1) 存貨平均週轉天數乃按有關期間的期初及期末存貨結餘之算術平均數除以銷售成本再乘以181天計算得出。
- (2) 貿易應收款項平均週轉天數乃按有關期間的期初及期末貿易應收款項結餘之算術平均數除以收入再乘以181天計算得出。
- (3) 貿易應付款項平均週轉天數乃按有關期間的期初及期末貿易應付款項結餘之算術平均數除以銷售成本再乘以181天計算得出。
- (4) 淨財務狀況餘額乃按現金及現金等價物總額減去銀行借貸計算。
- (5) 資本負債率乃按有關日期計息借款總額除以有關日期權益總額再乘以100%計算。
- (6) 流動比率乃按有關日期的流動資產總額除以有關日期的流動負債總額計算。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

In the first half of 2017, the consumer market witnessed a great changes and competitions. Under the persistent evolution of new technologies in the industry, the Group maintained our steady business strategies. We have been committed to providing best-quality technical support and value-added services, as well as optimizing our operation and management to respond to the rapidly changing market. While maintaining our traditional sales operation model, we achieved different degrees of improvements in the market segments such as memory, security monitoring and optical communication, etc.

Smart media display

In the first half of 2017, the global color TV market experienced a temporary downturn and the market scale of color TV in the PRC also trended downward. Sales of smart media display products by the Group in the first half of 2017 declined as compared to the corresponding period in 2016. Under the influence of the external market environment, the Group continued to adhere to our customer-oriented basis. We adjusted our technical approaches and increased our investment in research and development to seek for new drivers of business growth in differentiated markets.

Intelligent broadcasting terminal

In the first half of 2017, the most active set-top box markets are mainly in China, India and Brazil, etc. The Group's set-top box SoC supplier, MStar Semiconductor Inc. ("MStar"), steadily remained at the forefront in the market. We maintained our market advantages as our sales of intelligent broadcasting terminal product contributed approximately half of MStar's domestic sales with gross profit margin increasing significantly.

Memory

Revenue from the Group's memory product in the first half of the 2017 increased by 4% from the corresponding period last year with profit improving remarkably. The profit margin of the Group went up in the first half of the year as the memory product team obtained in-depth understanding of customers' needs through our long term demand-supply relationship. It is also achieved by monitoring the market changes in a timely manner as well as adjusting our inventory and customer structures in advance.

業務回顧

2017年上半年，消費類市場充滿變化與競爭。在行業新技術不斷演變的情況下，集團維持穩健的業務策略。我們全力做好技術支援與增值服務，不斷優化經營管理手段，來面對急速轉變的市場。在保持傳統銷售業態的同時，我們在儲存器、安防監控、光學通訊等細分市場的經營均有不同程度的提升。

智能媒體顯示

2017年上半年全球彩電市場進入短暫的下行區間，中國彩電市場規模同樣呈下降趨勢。集團2017年上半年智能媒體顯示產品的銷售較去年同期有所下降。在外圍市場環境的影響下，集團堅持以服務客戶為本。我們調整技術手段，加強研發投入，在差異化市場尋求新的業務增長點。

智能廣播終端

2017年上半年機頂盒全球主要熱點集中在中國、印度、巴西等市場，其中集團供應商晨星半導體公司(「晨星」)機頂盒晶片牢牢佔據市場前沿位置。我們智能廣播終端產品的出貨量約佔晨星國內出貨量的一半份額，令毛利率取得較大幅度的增長，並在市場上保持一定的優勢。

儲存器

集團2017年前6個月儲存器產品線的收入較去年同期相比上升了4%，同時利潤也有大幅度的提升。儲存器產品線團隊利用長期供需關係不斷深入瞭解客戶需求，及時掌握市場變化情況，提前調整庫存和客戶結構，使得集團在上半年獲得較高毛利。

Management Discussion and Analysis

管理層討論及分析

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Security monitoring

Video monitoring, especially network video monitoring, becomes popular in the market. Monitoring equipment and systems evolved quickly towards digitization and networking. Security IT technology plays an increasingly important role in urban construction finance, insurance, petroleum and petrochemical, power and communications industries. Focusing on the core IC of high-definition camera, the Group's security division vigorously established technical reserves in the first half of 2017, our products pioneered in the industry and we achieved sales scale of over a million dollars in the first half of the year.

Optical communication

The demand of traditional optical communication market remained stable as a whole in the first half of 2017 and the market still focused on the needs of FTTx, 4G wireless and data center. In light of the domestic market landscape, the Group consolidated our current market share in the first half of the year and strived to enhance our sales and profit.

Other sectors

The Group further upgraded our e-commerce platform to optimise the customer experience of conducting e-commerce on the platform, and broaden our customer base in the first half of the year. We will persistently invest in technologies and IT infrastructures and strengthen the integration between our e-commerce platform and the ERP system, with a view to support the sustainable development of the e-commerce platform. Meanwhile, we have been targeted our services at small and medium enterprises, customers who implement the entrepreneurship and innovation concept as well as intelligent hardware incubators by identifying more qualified suppliers, diversifying our electronic component product offerings and providing a wide range of technical solutions so as to provide one-stop supply chain services for our customers.

安防監控

視頻監控特別是網路視頻監控的走俏。監控設備與監控系統迅速地朝著數字化、網絡化的方向發展。安防IT技術在城市建設金融、保險、石油石化、電力和通信等行業中發揮著越來越重要的作用。集團安防事業部產品線佈局圍繞高清化的攝像機的核心IC出發，在2017年上半年期重點投入技術的儲備，我們的產品在行業保持領先的優勢，上半年銷售額更超過百萬美元。

光學通訊

2017年上半年傳統光學通訊市場需求整體保持穩定，市場熱點仍集中在FTTx、4G無線以及數據中心的需求。上半年針對國內市場情況，集團穩定當前市場佔有率，並致力於提高銷售及盈利。

其他領域

集團在上半年進一步優化電商平台，從而提升客戶通過平台進行電子商務的體驗，及拓寬我們的客戶源。我們將持續投資技術和IT建設，強化我們的電商平台與ERP系統的集成，為電商平台的不斷發展提供支援。同時，我們以中、小企業、雙創客戶和智能硬件孵化器為主要服務目標，立足于引入更多合格的供應商，豐富我們的電子元器件物料種類和提供更多領域的技術方案，為客戶提供一站式的供應鏈服務。

Management Discussion and Analysis

管理層討論及分析

The Group continued to expand into new business sectors in the first half of the year. We established value-added service company mainly engaged in software product research, development and agency services, and providing corresponding apps and cloud service for the NFC, video-related and industrial network markets to promote the integrated solutions of chips. In addition, the Group announced in June that we started cooperation with Shenzhen Hanhua Micro-credit. Co., Ltd, a company under the Hanhua Financial Holding Co., Ltd., in supply chain financing service.

OUTLOOK

With regard to smart media display, we expect that panel prices will decrease in the second half of 2017, which will facilitate the year-end promotion of the color TV market in the fourth quarter. With the continuous emergence of new types of technology such as OLED, quantum dot and laser TV, large-screen TVs have dominated the mainstream market and consumption upgrades will be a major trend of the PRC market. As a result, there is potential growing demand for the smart media display market in the long run.

As for intelligent broadcasting terminal, according to the market research of Askci Corporation (中商產業研究院), demand for set-top boxes with high-definition broadcast standard will develop rapidly as more and more young consumers pursue higher quality of life. Smart set-top box will be optimized notably in contents, data and technology benefiting from internet content providers, operators of e-commerce platforms and telecommunications network operators entering into the market. Therefore, we believe that the set-top box market as well as related integrated circuit and other electronic components will continue their growth momentum in the coming years. In the second half of 2017, apart from maintaining our current market position, the Group will also explore the international market jointly with major domestic set-top box manufacturers in order to expand our market share in the intelligent broadcasting terminal market and seek new drivers of growth for the Group.

在上半年，集團不斷開拓新的業務領域。我們成立技術增值公司，主要佈局軟件產品研發及代理，並圍繞芯片整體解決方案推廣，在NFC、視頻相關、工業聯網等市場提供相應應用程式(apps)及雲端服務。同時，集團於6月發佈公告，宣佈與瀚華金控股份有限公司旗下的深圳瀚華小額貸款有限公司展開供應鏈金融合作事宜。

展望

在智能媒體顯示方面，我們預計2017年下半年面板價格回落，將促進第四季度彩電市場的年終促銷。新的技術類型如OLED、量子點、激光電視等不斷湧現，大尺寸電視已成為市場主流，消費升級將成為中國市場的主要趨勢。因此，長遠而言，未來智能媒體顯示市場需求仍將保持一定上升空間。

在智能廣播終端方面，根據中商產業研究院市場調研指出，由於越來越多的年輕消費者追求更高的生活品質，高清播放標準機頂盒的需求將快速增長。受惠於更多互聯網內容供應商、電商平台運營商及電信網路運營商進入市場，智能機頂盒將在內容、流量及技術方面有更大的提升。因此，我們認為，機頂盒市場以及其所使用的集成電路及其他電子元器件將在未來幾年保持持續增長。2017年下半年在維持現有形勢的情況下，集團將聯合國內主要的機頂盒廠商，開拓國際市場，不斷擴大我們在智能廣播終端市場的佔有率，為集團帶來新的增長點。

Management Discussion and Analysis

管理層討論及分析

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In terms of security monitoring, it is stated in the Certain Opinions on Promoting the Networking of Public Security Video Surveillance issued by the National Development and Reform Commission and other eight government ministries and commissions in 2015 that “the newly built and rebuilt high-definition cameras should account for 100%” and “the goal of full coverage, full networking, being effective and controllable at all times should be generally achieved by 2020”. This means that there will be a significant growth of high-definition cameras in the security market, especially the public security sector. As such, we will expand our marketing team as well as market coverage of our security monitoring product line in second half of the year, to pursue greater market breakthroughs.

As to the optical communication segment, in the second half of the year, while making efforts to maintain our current market share, the Group will put more focus on the exploration of market demand for the next generation products, the development and marketing of ancillary products of current data center as well as seeking opportunities related to products in emerging markets such as HDMI. In addition, in North America, the demand for optical communication from data centers continues to grow and has become a new market hotspot. The Group will pay continuous attention to the North America market and consider entering the market when appropriate.

Looking forward to the second half of the year, despite the uncertainties and competitions, the Group will continue to provide professional technical value-added services for our customers. We will also expand the market share of our existing product lines, actively explore new business segments to identify the next potential and rapid growth target for the Group. Meanwhile, we will strictly implement the cost control, enhance our capital operation, and provide favourable returns and long-term values for the shareholders of the Company (the “Shareholders”).

在安防監控領域，國家發展改革委等九部委在2015年發佈《關於加強公共安全視頻監控建設聯網應用工作的若干意見》中提到「新建、改建高清攝像機比例達到100%」以及「到2020年，基本實現全域覆蓋、全網共用、全時可用、全程可控」。這意味著在公共安全領域，高清攝像機必將在安防市場上有較大幅度的增長。因此，我們下半年將擴大安防監控產品綫的營銷團隊及市場範圍，實現更大的市場突破。

在光學通訊領域，展望下半年，在維持當前市場佔有率的情況下，集團側重於佈局下一代產品需求，以及當前數據中心配套產品的開發和市場推進，同時關注HDMI等新興市場的產品機會。另外，北美區域的數據中心對光學通訊的需求持續增長，成為新的市場熱點。集團將持續關注北美區域的市場情況，並考慮在恰當的時機進入該市場。

展望下半年，儘管形勢充滿變數及競爭，集團承諾將繼續為客戶提供專業的技術增值服務。我們也會主動拓展現有產品綫的市場份額，並積極探索新的業務領域，為集團尋找下一個快速成長的目標。同時，我們將嚴格控制成本、加強資本運作，繼續為本公司股東（「股東」）帶來豐碩的回報及長期價值。

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FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2017, the Group's revenue amounted to US\$291.9 million, representing a decrease of US\$47.3 million (13.9%) as compared with the corresponding period in 2016 (US\$339.2 million). The decrease in revenue was mainly caused by the decrease in sales from our smart media display products of US\$53.4 million. During the first half of 2017, the media display market had experiencing an adjustment phase to absorb the quantities of media display products over-produced in the prior year which caused the root for such decrease.

Gross profit

Our gross profit for the six months ended 30 June 2017 decreased by US\$1.3 million to US\$13.7 million as compared with the corresponding period in 2016 (US\$15.1 million). Our gross profit margin increased by 0.3% to 4.7% for the six months ended 30 June 2017 (six months ended 30 June 2016: 4.4%). The increase in profit margin was largely contributed by the increasing mix of our customer base, especially those new customers which drives higher profitable margin for the Group during the period.

Research and development expenses

Research and development expenses mainly comprise of staff cost incurred for our research and development department. For the six months ended 30 June 2017, research and development expenses amounted to US\$1.3 million, increased by 13.7% as compared with the six months ended 30 June 2016 (US\$1.1 million). The increase was due to the need of technical support from our new customers as well as the increase in the average salaries cost to the technicians during the period.

財務回顧

收入

截至2017年6月30日止六個月，本集團收入為291.9百萬美元，較2016年同期(339.2百萬美元)減少47.3百萬美元(13.9%)。收入減少乃主要由於智能媒體顯示產品的銷售額減少53.4百萬美元。於2017年上半年，媒體顯示產品市場進入調整階段，吸納去年超額生產的媒體顯示產品數量，導致市場需求下調。

毛利

截至2017年6月30日止六個月，我們的毛利較2016年同期(15.1百萬美元)減少1.3百萬美元至13.7百萬美元。截至2017年6月30日止六個月，我們的毛利率上升0.3%至4.7%(截至2016年6月30日止六個月：4.4%)。毛利率上升主要由於我們的客戶基礎組合不斷擴大所致，尤其是期內推動本集團利潤率提高的該等新客戶。

研發費用

研發費用主要包括我們的研發部門所產生的員工成本。截至2017年6月30日止六個月，研發費用為1.3百萬美元，較截至2016年6月30日止六個月(1.1百萬美元)增加13.7%。該增加乃由於新晉客戶的技術支持需求及期內技術人員的平均薪金成本上升。

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Administrative, selling and distribution expenses

Administrative, selling and distribution expenses aggregated to US\$5.5 million for the six months ended 30 June 2017 (six months ended 30 June 2016: US\$4.9 million), which accounted for 1.9% of the revenue for the six months ended 30 June 2017 as compared with 1.4% for the corresponding period in 2016. The net increase of US\$0.6 million was mainly due to 1) increase in staff costs as a result of the increase in head counts for the development of the E-commerce platform; and 2) increase in rental expenses as additional offices were rented in the PRC.

Interest expense on bank borrowings

The Group's interest expense on bank borrowings for the six months ended 30 June 2017 amounted to US\$1.8 million (six months ended 30 June 2016: US\$1.8 million). As the Group has entered into various factoring arrangements with some of the principal bankers, despite a decrease in the Group's revenue, the borrowing cost remained stable which was because of the prolonged factoring arrangement as well as the increase in borrowing charge rate.

Profit for the period

For the six months ended 30 June 2017, the Group's profits amounted to US\$5.4 million, representing an increase of US\$0.5 million as compared to US\$4.9 million for the corresponding period in 2016, an increment of 9.9%. The net profit margin for the six months ended 30 June 2017 was approximately 1.9%, which represents an increase of 0.4% as compared with the corresponding period in 2016 (1.5%).

Net profit attributable to the owners of the Company

The net profit attributable to the owners of the Company for the six months ended 30 June 2017 reached US\$5.4 million, representing an increase of 13.3% as compared with the corresponding period in 2016.

行政、銷售及分銷費用

截至2017年6月30日止六個月，行政、銷售及分銷費用合共為5.5百萬美元(截至2016年6月30日止六個月：4.9百萬美元)，佔截至2017年6月30日止六個月收入的1.9%(2016年同期：1.4%)。0.6百萬美元的增加淨額乃主要由於1)就開發電子商務平台而增聘人手導致員工成本增加；及2)於中國租賃額外辦公室導致租賃費用增加。

銀行借貸利息費用

截至2017年6月30日止六個月，本集團之銀行借貸利息費用為1.8百萬美元(截至2016年6月30日止六個月：1.8百萬美元)。由於本集團與若干主要往來銀行訂立多項保理安排，儘管本集團收入減少，惟借貸成本仍維持穩定，原因為保理安排延長及借貸費率提高。

期間利潤

截至2017年6月30日止六個月，本集團利潤為5.4百萬美元，較2016年同期的4.9百萬美元增加0.5百萬美元，增幅為9.9%。截至2017年6月30日止六個月的純利率約為1.9%，較2016年同期(1.5%)上升0.4%。

本公司擁有人應佔淨利潤

截至2017年6月30日止六個月，本公司擁有人應佔淨利潤達5.4百萬美元，較2016年同期增加13.3%。

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Use of proceeds from the global offering

The shares of the Company were listed (the “Listing”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) on 7 October 2016 (the “Listing Date”). The Company issued 125,000,000 new shares with the nominal value of US\$0.00001 at HK\$1.83 per share. The net proceeds from the Listing received by the Company were approximately HK\$205.8 million after deducting underwriting fees and estimated expenses in connection with the Listing.

The Group has utilised approximately HK\$37.6 million of the net proceeds as at 30 June 2017. The unutilised net proceeds have been placed as deposits with banks.

全球發售所得款項用途

本公司股份於2016年10月7日(「上市日期」)在香港聯合交易所有限公司(「聯交所」)上市(「上市」)。本公司按每股股份1.83港元發行125,000,000股面值為0.00001美元的新股份。經扣除有關上市之承銷費用及估計開支後，本公司所收取之來自上市的所得款項淨額為約205.8百萬港元。

本集團於2017年6月30日已動用約37.6百萬港元之所得款項淨額。未動用所得款項淨額已作為存款存放於銀行。

Use of Proceeds	Net proceeds	Amount	Amount remaining
		utilised as at	
		30 June 2017	
		於2017年	
		6月30日	
	所得款項淨額	已動用款項	剩餘款項
	(in HK\$ million)	(in HK\$ million)	(in HK\$ million)
	(百萬港元)	(百萬港元)	(百萬港元)
1. Hiring additional staff for sales and marketing and business development and improvement of warehouse facilities 招募新員工進行銷售及營銷以及業務發展，並升級倉庫設施	20.6	(7.0)	13.6
2. Advertising and organizing marketing activities for the promotion of our e-commerce platform Smart Core Planet and our new products 為推廣電商平台、芯球計劃及新產品投放廣告及組織營銷活動	41.2	(3.7)	37.5
3. Enhancing, further developing and maintain our e-commerce platform and improving our technology infrastructure 升級、進一步發展及維護本集團的電商平台以及改良技術基礎設施	41.2	(0.2)	41.0
4. For research and development 用於研發	20.6	(6.2)	14.4
5. Funding potential acquisition of, or investment in business or companies in e-commerce industry or electronics industry 為潛在收購或投資電商行業或電子行業的業務或公司撥資	61.7	(0.0)	61.7
6. General working capital 一般營運資金	20.5	(20.5)	0.0
	205.8	(37.6)	168.2

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Liquidity and financial resources

The Group's primary source of funding include cash generated from operating activities and the credit facilities provided by banks. The Group possesses sufficient cash and available banking facilities to meet its commitments and working capital requirements. As at 30 June 2017, the Group maintained bank balances and cash of US\$23.6 million (31 December 2016: US\$27.8 million).

As at 30 June 2017, the outstanding bank borrowings of the Group was US\$11.8 million (31 December 2016: US\$22.6 million) with effective variable interest rate ranging from 2.27% to 5.25% (2016: 3.32% to 5.25%) per annum. The Group's gearing ratio, based on the interest-bearing borrowings and total equity, decreased from 39.7% as at 31 December 2016 to 18.9% as at 30 June 2017 as a result of the decrease in bank borrowings and increase of net asset value of the Group after the global offering.

As at 30 June 2017, the Group had current assets of US\$121.1 million (31 December 2016: US\$151.4 million) and current liabilities of US\$75.8 million (31 December 2016: US\$105.7 million). The current ratio was 1.6 times as at 30 June 2017 (31 December 2016: 1.4 times).

The Group's debtor's turnover period was 32 days for the six months ended 30 June 2017 as compared with 50 days for the corresponding period in 2016. Since the group has entered into non-recourse factoring agreements with banks in respect of the Group's trade receivables with certain designated customers, the debtors' turnover period improved as a result of such financing arrangement.

The creditors' turnover period was 39 days for the six months ended 30 June 2017 as compared with 29 days for the corresponding period in 2016. Creditors' turnover period increased which was due to the increase in credit line granted by our major suppliers and hence the average creditors' balances increased compared to the corresponding period.

流動資金及財務資源

本集團的主要資金來源包括自其經營業務產生之現金及銀行授出的信貸融資。本集團擁有充足的現金及可用銀行融資以滿足其承擔及營運資金需求。於2017年6月30日，本集團之銀行結餘及現金為23.6百萬美元(2016年12月31日：27.8百萬美元)。

於2017年6月30日，本集團之尚未償還銀行借貸為11.8百萬美元(2016年12月31日：22.6百萬美元)，實際浮動利率介乎每年2.27%至5.25%(2016年：3.32%至5.25%)。本集團之資本負債率(基於計息借貸及權益總額計算)由於2016年12月31日之39.7%下降至於2017年6月30日之18.9%，原因為於全球發售後本集團銀行借貸下降及資產淨值增加。

於2017年6月30日，本集團擁有流動資產121.1百萬美元(2016年12月31日：151.4百萬美元)及流動負債75.8百萬美元(2016年12月31日：105.7百萬美元)。於2017年6月30日的流動比率為1.6倍(2016年12月31日：1.4倍)。

截至2017年6月30日止六個月，本集團之貿易應收賬款週轉期為32日，而2016年同期則為50日。鑒於本集團已就若干指定客戶的貿易應收款項與銀行訂立無追索權保理協議，貿易應收賬款週轉期已由於該等融資安排而有所改善。

截至2017年6月30日止六個月的貿易應付賬款週轉期為39日，而2016年同期則為29日。貿易應付賬款週轉期延長乃由於我們主要供應商提供的授信額度增加，導致平均貿易應付賬款結餘較同期增加。

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The inventories' turnover period was 21 days for the six months ended 30 June 2017 as compared with 11 days for the six months ended 30 June 2016. Inventory control was always one of the primary tasks of the Group's management team to maintain the liquidity and healthy financial position of the Group. Inventories' turnover period increased which was due to the business expansion of the Group and hence a higher inventories level were maintained since 2016.

Foreign currency exposure

The Group's transactions are principally denominated in US dollars and Renminbi. The Group had not experienced any material difficulties or material adverse impacts on its operation despite the fluctuations in currency exchange rates and the net foreign exchange gain of approximately US\$0.2 million during the six months ended 30 June 2017 (six months ended 30 June 2016: exchange loss of approximately US\$0.8 million). As the date of this report, the Group has not adopted any foreign currency hedging policy. However, the Group will consider the use of foreign exchange forward contracts to reduce the currency exposures in case the exposures become significant.

Pledge of assets

As at 30 June 2017, available-for-sale investments amounted to US\$7.8 million (31 December 2016: US\$7.8 million) and bank deposits amounted to US\$15.2 million (31 December 2016: US\$32.5 million) had been charged as security for the bank borrowings and financing arrangement of the Group.

Capital commitment and contingent liabilities

The Group had no material capital commitment and contingent liabilities during the six months ended 30 June 2017 and the corresponding period in 2016.

Significant investment held

Save for the available-for-sale investments as disclosed above, the Group did not hold any significant investments during the six months ended 30 June 2017.

截至2017年6月30日止六個月的存貨週轉期為21日，而截至2016年6月30日止六個月則為11日。存貨控制一直為本集團管理團隊的主要任務之一，以維持本集團的流動資金及健康的財務狀況。存貨週轉期延長乃由於本集團為進行業務擴張而導致自2016年起維持較高的存貨水平。

外匯風險

本集團之交易主要以美元及人民幣計值。截至2017年6月30日止六個月，儘管匯率出現波動，本集團並無就其經營業務經歷任何重大困難或重大不利影響並錄得匯兌收益淨額約0.2百萬美元（截至2016年6月30日止六個月：匯兌虧損約0.8百萬美元）。於本報告日期，本集團並無採納任何外幣對沖政策。然而，本集團將考慮使用外匯遠期合約降低重大外匯風險帶來的貨幣風險。

資產抵押

於2017年6月30日，可供出售投資7.8百萬美元（2016年12月31日：7.8百萬美元）及銀行存款15.2百萬美元（2016年12月31日：32.5百萬美元）已抵押作為本集團銀行借貸及融資安排的擔保。

資本承擔及或然負債

截至2017年6月30日止六個月及2016年同期，本集團均無重大資本承擔及或然負債。

所持有的重大投資

除上文所披露的可供出售投資外，本集團於截至2017年6月30日止六個月並無持有任何重大投資。

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Material Acquisition and disposal of subsidiaries and associated companies

The Group has no material acquisitions or disposals of subsidiaries and associated companies during the six months ended 30 June 2017.

Events after the interim period ended 30 June 2017

Up to the date of this report, the Group has no significant subsequent event after 30 June 2017 which required disclosure.

重大收購及出售附屬公司及聯營公司

本集團於截至2017年6月30日止六個月並無重大收購或出售附屬公司及聯營公司。

截至2017年6月30日止中期後事項

截至本報告日期，本集團並無於2017年6月30日後發生的須予披露之重大期後事項。

Other Information 其他資料

EMPLOYEE AND EMPLOYEE INCENTIVE SCHEMES

As at 30 June 2017, the Group had 293 employees, with majority based in Shenzhen and Hong Kong. Total employee cost for the six months ended 30 June 2017, excluding Directors' remuneration were approximately US\$4.0 million (six months ended 30 June 2016: US\$3.9 million). There have been no material changes to the information disclosed in the prospectus dated 27 September 2016 (the "**Prospectus**") in respect the remuneration of employees, remuneration policies, share award scheme, share option scheme and staff development.

On 19 September 2016, the Company adopted a share award scheme ("**Share Award Scheme**") and conditionally approved and adopted a share option scheme ("**Share Option Scheme**").

In relation to the Share Award Scheme, the Board may, from time to time, at its absolute discretion, select any of our directors, senior managers and employees of the Group to participate in the Share Award Scheme ("**Selected Participants**"), subject to the terms and conditions set out in the Share Award Scheme. In determining the Selected Participants, the Board shall take into consideration matters including, but without limitation, the present and expected contribution of the relevant Selected Participants to the Group.

In relation to the Share Option Scheme, the Board (including any committee or delegate of the Board appointed by the Board to perform any of its functions pursuant to the rules of the Share Option Scheme) may, at its absolute discretion, offer to grant an option to subscribe for such number of Shares as the Board may determine to an employee (whether full time or part-time) or a director of a member of the Group or associated companies of the Company.

As at 30 June 2017, no award or option had been granted or agreed to be granted by the Company pursuant to the Share Award Scheme and Share Option Scheme respectively.

員工及員工激勵計劃

於2017年6月30日，本集團僱員數目為293名，其中大部分位於深圳及香港。截至2017年6月30日止六個月之僱員總成本(不包括董事酬金)為約4.0百萬美元(截至2016年6月30日止六個月：3.9百萬美元)。日期為2016年9月27日之招股章程(「招股章程」)所披露之有關僱員薪酬、薪酬政策、股份獎勵計劃、購股權計劃及員工發展之資料並無重大變動。

於2016年9月19日，本公司已採納股份獎勵計劃(「股份獎勵計劃」)，且有條件批准及採納一項購股權計劃(「購股權計劃」)。

就股份獎勵計劃而言，董事會可不時全權酌情甄選任何本集團董事、高級管理人員及僱員參與股份獎勵計劃(「經甄選參與者」)，惟須遵守股份獎勵計劃的條款及條件。釐定經甄選參與者時，董事會將考慮各項因素，包括但不限於相關經甄選參與者對本集團的當前及預期貢獻。

就購股權計劃而言，董事會(包括董事會根據購股權計劃規則為履行其任何職責而委任的任何委員會或董事會代表)可全權酌情向本集團成員公司或本公司聯營公司的僱員(不論全職或兼職)或董事要約授出購股權，以認購董事會可能釐定的有關股份數目。

於2017年6月30日，本公司並無分別根據股份獎勵計劃及購股權計劃授出或同意授出任何獎勵或購股權。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2017.

CHANGE IN DIRECTORS' BIOGRAPHICAL DETAILS UNDER RULE 13.51B(1) OF THE LISTING RULES

There are no changes in the Directors' biographical details which are required to be disclosed pursuant to rule 13.51B(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") since the date of 2016 annual report of the Company.

INTERIM DIVIDEND

The Board resolved to declare an interim dividend of HK2 cents per share for the six months ended 30 June 2017 and is expected to be paid on or about Monday, 23 October 2017 to the shareholders of the Company whose names appear on the register of members of the Company on Thursday, 14 September 2017.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company was closed from Tuesday, 12 September 2017 to Thursday, 14 September 2017, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share register in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 11 September 2017.

購買、出售或贖回上市證券

本公司或其任何附屬公司於截至2017年6月30日止六個月內概無購買、贖回或出售任何本公司上市證券。

根據上市規則第13.51B(1)條之董事履歷詳情變動

自本公司2016年年報日期起，概無根據香港聯合交易所有限公司證券上市規則(「上市規則」)第13.51B(1)條規定須予以披露之董事履歷詳情變動。

中期股息

董事會議決宣派截至2017年6月30日止六個月之中期股息每股2港仙，並預期於2017年10月23日(星期一)或前後派付予於2017年9月14日(星期四)名列本公司股東名冊之本公司股東。

暫停辦理股份過戶登記手續

本公司於2017年9月12日(星期二)至2017年9月14日(星期四)(包括首尾兩日)暫停辦理股份過戶登記，於該期間將不辦理股份過戶登記手續。為合資格獲發中期股息，所有過戶文件連同有關股票須於不遲於2017年9月11日(星期一)下午4時30分交回本公司之香港股份過戶登記分處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室)進行登記。

Other Information 其他資料

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board has committed to maintaining high corporate governance standards. The Board believes that good corporate governance, by adopting an effective management accountability system and high standard of business ethics, can provide a framework that is essential to the Company's sustainable development and to safeguard the interests of the Shareholders, suppliers, customers, employees and other stakeholders.

The Company has adopted the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 to the Listing Rules as its own code of corporate governance. Except for code provision A.2.1 as disclosed below in this report, the Company has complied with the applicable code provisions of the CG Code during the six months ended 30 June 2017. The Company's corporate governance practices are based on the principles, code provisions and certain recommended best practices as set out in the CG Code.

Pursuant to code provision A.2.1 of the CG Code, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual.

The Company deviates from code provision A.2.1 in that Mr. Tian Weidong currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

遵守企業管治守則

董事會承諾維持企業管治高標準。董事會認為，透過採納有效的管理問責制度及高標準的商業道德來維持良好企業管治，有利於建立重要框架，以支撐本公司可持續發展及保障股東、供應商、客戶、員工及其他利益相關人士的利益。

本公司已採納上市規則附錄14所載《企業管治守則》及《企業管治報告》(「企業管治守則」)之守則條文作為其企業管治守則。除本報告下文所披露之守則條文A.2.1外，本公司於截至2017年6月30日止六個月期間已遵守企業管治守則之適用守則條文。本公司之企業管治常規乃基於企業管治守則所載之原則、守則條文及若干建議最佳常規訂立。

根據企業管治守則的守則條文A.2.1，主席與行政總裁的職務應有所區分，並不應由同一人擔任。

本公司偏離守則條文A.2.1，現時田衛東先生兼任這兩個職位。董事會相信，將主席與行政總裁的兩個職能集中於同一人士，可確保本集團內部領導的一致性，並讓本集團的整體策略規劃更有效且更高效。董事會認為，目前的安排將不會削弱權力制衡，而且這個架構將有助於本公司迅速及有效地作出及實行決策。經慮及本集團的整體狀況後，董事會將繼續檢討並考慮於適當時候將董事會主席與本公司行政總裁之職務分開。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made specific enquiry of the Directors, and all Directors confirmed that they had fully complied with the Model Code for the six months ended 30 June 2017.

DIRECTORS’ INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2017, the interests and short positions of our Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Future Ordinance (“**SFO**”)) as recorded in the register required to be kept under Section 352 of the SFO; or are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange are as follows:

Name of Director 董事姓名	Nature of Interest 權益性質	Number of Shares held 所持股份數目	Approximate shareholding percentage 概約持股比例
Mr. Tian Weidong ⁽¹⁾ 田衛東先生 ⁽¹⁾	Interest in a controlled corporation 受控法團權益	262,500,000 (L)	52.5%
Mr. Wong Tsz Leung ⁽²⁾ 黃梓良先生 ⁽²⁾	Interest in a controlled corporation 受控法團權益	112,500,000 (L)	22.5%

Notes:

- (1) Smart IC Limited is wholly owned by Mr. Tian Weidong. Therefore, Mr. Tian is deemed to be interested in all the shares held by Smart IC Limited.
- (2) Insight Limited is wholly owned by Mr. Wong Tsz Leung. Therefore, Mr. Wong is deemed to be interested in all the shares held by Insight Limited.
- (L) represents long positions.

證券交易標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「**標準守則**」)作為其自身董事進行證券交易的行為守則。本公司已向董事作出具體查詢，所有董事已確認於截至2017年6月30日止六個月期間彼等已全面遵守標準守則。

董事於股份及相關股份的權益及淡倉

於2017年6月30日，董事或本公司主要行政人員於本公司或任何相關法團(定義見證券及期貨條例(「**證券及期貨條例**」)第XV部)的股份、相關股份及債券中，擁有記錄於根據證券及期貨條例第352條須備存的登記冊的權益及淡倉；或根據載於上市規則附錄十的上市公司董事進行證券交易的標準守則(「**標準守則**」)將須知會本公司及聯交所的權益及淡倉如下：

附註：

- (1) Smart IC Limited由田衛東先生全資擁有。因此，田先生視為擁有Smart IC Limited所持全部股份的權益。
- (2) Insight Limited由黃梓良先生全資擁有。因此，黃先生視為擁有Insight Limited所持全部股份的權益。
- (L) 指好倉。

Other Information

其他資料

Saved as disclosed in this report, as at 30 June 2017, none of the Directors nor their associates had any interests or short positions in any share, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements or contracts of significance, to which the Company, or its holding companies, subsidiaries or fellow subsidiaries was a party and in which the Director or the Director's connected entity had a material interest, whether directly or indirectly, subsisted at the end or at any time during the six months ended 30 June 2017.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save as disclosed below, during the six months ended 30 June 2017, none of the Directors has an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

In order to ensure that direct competition does not develop between the Group and each of Mr. Tian and Smart IC Limited ("Controlling Shareholders")'s other activities, our Controlling Shareholders have entered into the Deed of Non-competition. Under the Deed of Non-competition, each of our Controlling Shareholders had undertaken to the Company (for ourselves and for the benefit of our subsidiaries) that, save for the Retained Business (as defined in the Prospectus), they will not, and they will use their best endeavours to procure that their respective close associates (except any members of the Group) will not, whether directly or indirectly (including through anybody corporate, partnership, joint venture or other contractual arrangement and for projects or otherwise) or as principal or agents, and whether on their own account or with each other or in conjunction with or on behalf of any person, firm or company or through any entities (except in or through any member of the Group), carry on, engage, participate or hold any right or interest in or render any services to or otherwise be involved in any business which is in competition with the business of any member of the Group, the details of which are set out in the Prospectus.

除本報告所披露者外，於2017年6月30日，概無董事或彼等聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債券中擁有任何記錄於根據證券及期貨條例第352條須備存的登記冊的權益或淡倉或根據標準守則須知會本公司及聯交所的權益或淡倉。

董事於交易、安排及合約的權益

於截至2017年6月30日止六個月末或任何時間概無存續本公司、或其控股公司、附屬公司或同系附屬公司所訂立而董事或董事之關連實體於其中直接或間接擁有重大權益的主要交易、安排或合約。

董事於競爭業務的權益

除下文所披露者外，截至2017年6月30日止六個月，概無董事於直接或間接與本集團業務構成競爭或可能構成競爭的業務中擁有權益。

為確保本集團均不會與田先生及Smart IC Limited (「控股股東」)的其他業務之間產生直接競爭，控股股東已訂立不競爭契約。根據不競爭契約，控股股東已各自向本公司(為其本身及為其附屬公司的利益)承諾，除保留業務(定義見招股章程)外，其將不會並將盡最大努力促使彼等各自的緊密聯繫人(本集團任何成員公司除外)亦不會直接或間接(包括通過任何法人團體、合夥、合營企業或其他合約安排及為項目或其他方式)或以負責人或代理身份為其本身利益或聯同或代表任何人士、商號或公司或通過任何實體(於本集團任何成員公司內或通過本集團任何成員公司除外)進行、從事、參與對本集團任何成員公司業務構成競爭的任何業務，或持有任何這些業務的任何權益或利益或向其提供任何服務或以其他方式參與任何這些業務(詳情載於招股章程)。

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SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARE

主要股東於股份及相關股份之權益及淡倉

As at 30 June 2017, so far as the Directors are aware, the following persons (other than a Director or a chief executive of the Company) have interests or short positions in the shares or underlying shares of the Company, as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

於2017年6月30日，就董事所知，以下人士（董事或本公司主要行政人員除外）擁有須登記於本公司根據證券及期貨條例第XV部第336條須予備存之登記冊內之本公司股份或相關股份之權益或淡倉：

Name of Shareholder 股東名稱	Nature of Interest 權益性質	Number of Shares held 所持股份數目	Approximate shareholding percentage 概約持股比例
Smart IC Limited ⁽¹⁾	Beneficial owner 實益擁有人	262,500,000 (L)	52.5%
Insight Limited ⁽²⁾	Beneficial owner 實益擁有人	112,500,000 (L)	22.5%

Notes:

- (1) Smart IC Limited is wholly owned by Mr. Tian Weidong. Therefore, Mr. Tian is deemed to be interested in all the shares held by Smart IC Limited.
- (2) Insight Limited is wholly owned by Mr. Wong Tsz Leung. Therefore, Mr. Wong is deemed to be interested in all the shares held by Insight Limited.
- (L) represents long positions.

附註：

- (1) Smart IC Limited由田衛東先生全資擁有，因此田先生視為擁有Smart IC Limited所持全部股份的權益。
- (2) Insight Limited由黃梓良先生全資擁有，因此黃先生視為擁有Insight Limited所持全部股份的權益。
- (L) 指好倉。

Saved as disclosed above, as at 30 June 2017, the Company had not been notified by any persons who had any interests or short positions in the shares or underlying shares of the Company which would fall under the provisions of Division 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，於2017年6月30日，概無任何人士知會本公司其擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露或記錄於本公司根據證券及期貨條例第336條所須予備存的登記冊的本公司股份或相關股份的任何權益或淡倉。

Other Information 其他資料

AUDIT COMMITTEE

The Company has established an audit committee (“**Audit Committee**”), comprising three independent non-executive Directors, namely Mr. Zheng Gang, Mr. Tang Ming Je and Mr. Wong Hon Kit. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group and provide comment and advice to the Board. The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2017 (“**interim financial statements**”) and discussed with the external auditors on the result of an independent review of the interim financial statements as well as with the management the accounting policies adopted by the Group, internal controls and financial reporting matters of the Group. There has been no disagreement between the Audit Committee or the external auditors with the accounting treatment adopted by the Company.

PUBLICATION OF INTERIM REPORT

The interim report of the Company for the six months ended 30 June 2017 containing all the information required by the Listing Rules and other applicable laws and regulations has been despatched to the Shareholders and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.smart-core.com.hk).

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their continuous support and contributions. The Board would also take this opportunity to thank all of our shareholders, investors, customers, auditors and business partners for their faith in the prospects of the Group.

By order of the Board
Smart-Core Holdings Limited
Tian Weidong
Chairman and Executive Director

Hong Kong, 28 August 2017

審核委員會

本公司已成立由三名獨立非執行董事(即鄭鋼先生、湯明哲先生及黃漢傑先生)組成的審核委員會(「**審核委員會**」)。審核委員會的主要職責為審閱及監察本集團的財務呈報流程及內部控制系統，並向董事會提供意見和建議。審核委員會已審閱本集團截至2017年6月30日止六個月之未經審核中期業績(「**中期財務報表**」)，並與外部核數師討論中期財務報表的獨立審閱結果以及與管理層討論本集團所採納之會計政策、本集團內部監控及財務申報事宜。審核委員會與外部核數師就本公司所採納的會計處理並無意見分歧。

刊發中期報告

本公司截至2017年6月30日止六個月之中期報告載有上市規則及其他適用法例及法規規定的全部資料，已寄發予股東並已刊發於聯交所(www.hkexnews.hk)及本公司網站(www.smart-core.com.hk)。

致謝

董事會謹此對本集團管理層及全體員工的不斷支持與貢獻表示衷心感謝。董事會亦藉此機會感謝全體股東、投資者、客戶、核數師及業務夥伴對本集團前景之信賴。

承董事會命
芯智控股有限公司
董事長及執行董事
田衛東

香港，2017年8月28日

Report on Review of Unaudited Condensed Consolidated Financial Statements 未經審核簡明綜合財務報表審閱報告

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TO THE BOARD OF DIRECTORS OF SMART-CORE HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

致芯智控股有限公司董事會

(於開曼群島註冊成立之有限公司)

INTRODUCTION

We have reviewed the unaudited condensed consolidated financial statements of Smart-Core Holdings Limited (the “**Company**”) and its subsidiaries set out on pages 27 to 50, which comprises the condensed consolidated statement of financial position as of 30 June 2017 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited require the preparation of a report on condensed consolidated financial statements to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The directors of the Company are responsible for the preparation and presentation of these unaudited condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these unaudited condensed consolidated financial statements 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.

緒言

吾等已審閱載於第27至50頁之芯智控股有限公司（「**貴公司**」）及其附屬公司之未經審核簡明綜合財務報表，此乃包括於2017年6月30日之簡明綜合財務狀況表及截至該日止六個月期間之有關簡明綜合損益及其他全面收入表、權益變動表及現金流量表以及若干說明附註。香港聯合交易所有限公司主板證券上市規則要求簡明綜合財務報表之報告之編製必須符合當中相關規定及香港會計師公會（「**香港會計師公會**」）所頒佈之香港會計準則第34號「中期財務報告」（「**香港會計準則第34號**」）。**貴公司**董事負責根據香港會計準則第34號編製及呈列該等未經審核簡明綜合財務報表。吾等則負責根據吾等之審閱為該等未經審核簡明綜合財務報表作出結論，並按照委聘之協定條款僅向作為實體之閣下報告結論，除此以外不可用作其他用途。吾等不會就本報告之內容向任何其他人士負上或承擔任何責任。

Report on Review of Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表審閱報告

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" ("HKSRE 2410") issued by the HKICPA. A review of these unaudited condensed consolidated financial statements 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 unaudited condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Without qualifying our review conclusion, we draw attention to the fact that the comparative condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows and the relevant explanatory notes for the six months ended 30 June 2016 included in these unaudited condensed consolidated financial statements have not been reviewed in accordance with HKSRE 2410.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
28 August 2017

審閱範圍

吾等已根據香港會計師公會頒佈之香港審閱委聘準則第2410號「由實體獨立核數師審閱中期財務資料」(「香港審閱委聘準則第2410號」)進行審閱。審閱該等簡明綜合財務報表包括主要向負責財務和會計事務之人員作出查詢，並應用分析性和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故不能令吾等保證吾等將知悉在審核中可能發現之所有重大事項。因此，吾等不會發表審核意見。

結論

按照吾等之審閱，吾等並無發現任何事項，令吾等相信未經審核簡明綜合財務報表在各重大方面未有根據香港會計準則第34號編製。

吾等於作結論時並無保留審閱意見，並謹請閣下注意載於未經審核簡明綜合財務報表之截至2016年6月30日止六個月之比較簡明綜合損益及其他全面收入表、權益變動表及現金流量表以及相關說明附註並未根據香港審閱委聘準則第2410號而審閱。

德勤•關黃陳方會計師行
執業會計師

香港
2017年8月28日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收入表

For the six months ended 30 June 2017
截至2017年6月30日止六個月

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		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
	Notes 附註		
Revenue	收入	3	291,943
Cost of sales	銷售成本		(278,235)
Gross profit	毛利		13,708
Other income	其他收入		1,011
Net foreign exchange gain (loss)	外匯收益(虧損)淨額		219
Research and development expenses	研發費用		(1,252)
Administrative expenses	行政費用		(3,257)
Selling and distribution expenses	銷售及分銷費用		(2,248)
Listing expenses	上市費用		-
Interest expense on bank borrowings	銀行借貸利息費用		(1,813)
Profit before tax	除稅前利潤	4	6,368
Income tax expense	所得稅費用	5	(932)
Profit for the period	期間利潤		5,436
Other comprehensive income (expenses)	其他全面收入(費用)		4,948
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>		
Exchange difference arising on translation of foreign operations	換算海外業務的匯兌差額		33
Fair value gain on available-for-sale investments	可供出售投資的公平值收益		63
Total comprehensive income for the period	期間全面收入總額		5,532
			116
			(43)
			(2,708)
			(2,196)
			(975)
			(1,786)
			15,050
			652
			(793)
			(1,101)
			(2,708)
			(2,196)
			(975)
			(1,786)
			6,143
			(1,195)
			4,948
			116
			(43)
			5,021

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收入表

For the six months ended 30 June 2017
截至2017年6月30日止六個月

		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日	30 June 2016 2016年6月30日
		US\$'000 千美元 (unaudited) (未經審核)	US\$'000 千美元 (unaudited) (未經審核)
	Note 附註		
Profit for the period attributable to:	以下人士應佔期間利潤：		
Owners of the Company	本公司擁有人	5,436	4,800
Non-controlling interests	非控股權益	-	148
		5,436	4,948
Total comprehensive income for the period attributable to:	以下人士應佔期間全面收入總額：		
Owners of the Company	本公司擁有人	5,532	4,876
Non-controlling interests	非控股權益	-	145
		5,532	5,021
Earnings per share:	每股盈利：		
- Basic (US cents)	- 基本(美分) 7	1.087	1.320

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2017

於2017年6月30日

			30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	31 December 2016 2016年12月31日 US\$'000 千美元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		376	429
Available-for-sale investments	可供出售投資		7,835	7,772
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	9	8,880	2,869
			17,091	11,070
Current assets	流動資產			
Inventories	存貨		31,896	31,908
Trade and bills receivables	貿易應收款項及應收票據	8	47,315	56,500
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	9	2,686	2,718
Amount due from a related company	應收一間關聯公司款項		367	-
Pledged bank deposits	已抵押銀行存款	10	15,217	32,488
Bank balances and cash	銀行結餘及現金	10	23,625	27,831
			121,106	151,445
Current liabilities	流動負債			
Trade and bills payables	貿易應付款項及應付票據	11	49,616	68,669
Other payables and accrued charges	其他應付款項及應計費用	12	13,340	13,640
Tax liabilities	稅項負債		1,114	813
Bank borrowings	銀行借貸	13	11,755	22,553
			75,825	105,675
Net current assets	流動資產淨值		45,281	45,770
			62,372	56,840
Capital and reserves	資本及儲備			
Share capital	股本	15	5	5
Reserves	儲備		62,367	56,835
			62,372	56,840

Condensed Consolidated Statement of Changes In Equity

簡明綜合權益變動表

For the six months ended 30 June 2017

截至2017年6月30日止六個月

Attributable to owners of the Company
本公司擁有人應佔

		Paid-in/ share capital 股本/ 實收資本	Share premium 股份溢價	Other reserve 其他儲備	Statutory reserve 法定儲備	Exchange reserve 外匯儲備	Investment revaluation reserve 投資重估 儲備	Retained earnings 留存盈利	Total	Non- controlling interest 非控股權益	Total equity 權益總計
		US\$'000 千美元	US\$'000 千美元	US\$'000 千美元 (note a) (附註a)	US\$'000 千美元 (note b) (附註b)	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元
At 1 January 2016 (audited)	於2016年1月1日(經審核)	1,269	-	-	24	35	(230)	19,694	20,792	2,439	23,231
Profit for the period	期內利潤	-	-	-	-	-	-	4,800	4,800	148	4,948
Exchange difference arising on translation	匯兌差額	-	-	-	-	(41)	-	-	(41)	(2)	(43)
Fair value gain on available- for-sale investments	可供出售投資的公平值收益	-	-	-	-	-	117	-	117	(1)	116
Profit and total comprehensive income recognised for the period	期內確認的利潤及全面收入 總額	-	-	-	-	(41)	117	4,800	4,876	145	5,021
Issue of new shares on 24 February 2016	於2016年2月24日發行新股份	-	20,514	-	-	-	-	-	20,514	-	20,514
Adjustments arising from group reorganisation	集團重組產生的調整	(1,269)	-	1,802	-	-	-	-	533	(2,584)	(2,051)
Deemed distribution to Controlling Shareholders (as defined in note 1)	視為向控股股東作出的分派 (附註1所界定者)	-	-	-	-	-	-	(18,463)	(18,463)	-	(18,463)
Dividend recognised as distribution (note 6)	確認為已分派的股息 (附註6)	-	-	-	-	-	-	(3,000)	(3,000)	-	(3,000)
At 30 June 2016 (unaudited)	於2016年6月30日(未經 審核)	-	20,514	1,802	24	(6)	(113)	3,031	25,252	-	25,252
At 1 January 2017 (audited)	於2017年1月1日(經審核)	5	44,885	1,802	73	(45)	(341)	10,461	56,840	-	56,840
Profit for the period	期內利潤	-	-	-	-	-	-	5,436	5,436	-	5,436
Exchange difference arising on translation	匯兌差額	-	-	-	-	33	-	-	33	-	33
Fair value gain on available- for-sale investments	可供出售投資的公平值收益	-	-	-	-	-	63	-	63	-	63
Profit and total comprehensive income recognised for the period	期內確認的利潤及 全面收入總額	-	-	-	-	33	63	5,436	5,532	-	5,532
At 30 June 2017 (unaudited)	於2017年6月30日(未經 審核)	5	44,885	1,802	73	(12)	(278)	15,897	62,372	-	62,372

Condensed Consolidated Statement of Changes In Equity

簡明綜合權益變動表

For the six months ended 30 June 2017
截至2017年6月30日止六個月

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Notes:

- (a) Other reserve represents (i) the combined share capital of Smart-Core International Company Limited and Smart-Core Cloud Limited acquired by the Company at the time of the Group Reorganisation (as defined in note 1); and (ii) the difference between the amounts by which the non-controlling interest was adjusted and the consideration paid to acquire the additional interests in subsidiaries.
- (b) Pursuant to the relevant laws in the People's Republic of China (the "PRC"), the Group's subsidiaries established in the PRC is required to transfer 10% of its profit after tax as per statutory financial statements to the reserve funds (including the general reserve fund and enterprise development fund where appropriate). The general reserve fund is discretionary when the fund balance reaches 50% of the registered capital of the subsidiary and can be used to make up for previous years' losses or, expand the existing operations or can be converted into additional capital of the subsidiary. The enterprise development fund can only be used for development and is not available for distribution to shareholder.

附註：

- (a) 其他儲備為：(i)本公司於集團重組(定義見附註1)時收購的芯智國際有限公司及芯智雲有限公司的合併股本；及(ii)非控股權益的調整金額與為收購附屬公司的額外權益而支付的代價之間的差額。
- (b) 根據中華人民共和國(「中國」)相關法律，本集團於中國成立的附屬公司須按法定財務報表將除稅後利潤的10%轉撥至儲備基金(包括一般儲備基金及企業發展基金(倘適用))。一般儲備基金在基金餘額達到附屬公司註冊資本的50%時可酌情用於彌補過往年度的虧損、擴大現有業務經營或轉換為該附屬公司的額外資本。企業發展基金僅可作發展用途，不得分派予股東。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2017

截至2017年6月30日止六個月

Six months ended
截至以下日期止六個月

		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
OPERATING ACTIVITIES			
	經營活動		
Cash (used in) generated from operations	經營業務(所用)所得之現金	(2,975)	1,135
Income tax paid	已付所得稅	(632)	(231)
NET CASH (USED IN) FROM OPERATING ACTIVITIES		(3,607)	904
INVESTING ACTIVITIES			
	投資活動		
Placement of pledged bank deposits	置存已抵押銀行存款	(23,398)	(16,387)
Payments for life insurance policies	壽險付款	(5,388)	–
Withdrawal of pledged bank deposits	提取已抵押銀行存款	40,669	2,262
Other investing cash flows	其他投資現金流量	141	736
NET CASH FROM (USED IN) INVESTING ACTIVITIES		12,024	(16,107)
FINANCING ACTIVITIES			
	融資活動		
Fund arising from trade receivables factored with recourse	附追索權的保理貿易應收款項 所籌集資金	–	143,334
New bank borrowings raised	新籌集的銀行借貸	148,282	90,835
Proceeds from issue of new shares	發行新股份所得款項	–	20,514
Repayment of trade receivables factored with recourse	償還附追索權的保理貿易應收款項	–	(159,140)
Repayment of bank borrowings	償還銀行借款	(159,080)	(54,851)
Interest paid	已付利息	(1,813)	(1,786)
Deemed distribution to shareholders and payment to acquire additional interests in subsidiaries	視為向股東作出的分派及收購 附屬公司額外權益的付款	–	(20,514)
Dividend paid	已付股息	–	(4,000)
Other financing cash flows	其他融資現金流量	–	(880)

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2017
截至2017年6月30日止六個月

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		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資活動(所用)所得現金淨額	(12,611)	15,295
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額	(4,194)	92
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	期初現金及現金等價物	27,831	4,137
Effect of foreign exchange rate changes	外匯匯率變動的影響	(12)	3
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	期末現金及現金等價物		
Represented by bank balances and cash	即銀行結餘及現金	23,625	4,232

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 June 2017
截至2017年6月30日止六個月

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2017 have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) “Interim Financial Reporting” issued by Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as 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 “**Stock Exchange**”) (the “**Listing Rules**”).

Prior to the group reorganisation (“**Group Reorganisation**”), the trading of electronic components was carried out by the subsidiaries of Smart-Core Holdings Limited (“**Smart-Core Samoa**”), the holding company of all entities now comprising the Group which was incorporated in Samoa and beneficially owned by Mr. Tian Wei Dong (“**Mr. Tian**”), Mr. Wong Tsz Leung (“**Mr. Wong**”) and Mr. Liu Hong Bing (“**Mr. Liu**”) as to 60%, 30% and 10%, respectively. Smart-Core Samoa is jointly controlled by Mr. Tian and Mr. Wong in respect of the Group’s business and all the group entities now comprising the Group historically and throughout the six months ended 30 June 2016 (collectively be referred to as the “**Controlling Shareholders**”). Smart-Core Samoa does not form part of the Group.

1. 編製基準

本集團截至2017年6月30日止六個月之未經審核簡明綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號(「香港會計準則第34號」)「中期財務報告」及香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)上市規則附錄16之適用披露規定編製。

在集團重組(「集團重組」)前，電子元器件貿易業務由芯智控股有限公司(「芯智薩摩亞」)的附屬公司開展。芯智薩摩亞為本集團目前旗下所有實體的控股公司，於薩摩亞註冊成立，由田衛東先生(「田先生」)、黃梓良先生(「黃先生」)及劉紅兵先生(「劉先生」)分別實益擁有60%、30%及10%的股權。就本集團的業務而言，芯智薩摩亞及本集團目前旗下所有集團實體以往及於整個截至2016年6月30日止六個月期間由田先生及黃先生(統稱「控股股東」)共同控制。芯智薩摩亞並不構成本集團的一部分。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 June 2017
截至2017年6月30日止六個月

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1. BASIS OF PREPARATION (continued)

Upon completion of the Group Reorganisation, the Company became the holding company of the companies now comprising the Group on 24 February 2016. The Group Reorganisation involved incorporation of the Company and its acquisition from Smart-Core Samoa all shares of Smart-core International Company Limited (“**SMC International HK**”) and Smart-core Cloud Limited (“**SMC Cloud HK**”) from Smart-Core Samoa for a total cash consideration of US\$20,514,049 and US\$1, respectively. This payment is regarded as deemed distribution to the Controlling Shareholders to the extent of the amount attributable of US\$18,463,000 and the remainder as consideration for the acquisition of the non-controlling interest in the subsidiaries. The Group comprising the Company and its subsidiaries resulting from the Group Reorganisation is regarded as a continuing entity; accordingly, the unaudited condensed consolidated financial statements have been prepared under the principles of merger accounting in accordance with Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the HKICPA as if the Company had always been the holding company of the Group throughout the six months ended 30 June 2016. The condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six months ended 30 June 2016 include the results, changes in equity and cash flows of the companies now comprising the Group as if the current group structure had been in existence throughout the period ended 30 June 2016.

As SMC International HK and SMC Cloud HK was under the common control of the Controlling Shareholders, equity interest held by Mr. Liu up to the date of completion of the Group Reorganisation on 24 February 2016 is presented as non-controlling interest in the unaudited condensed consolidated financial statements.

1. 編製基準(續)

集團重組完成後，本公司於2016年2月24日成為現組成本集團各公司的控股公司。集團重組涉及註冊成立本公司及其自芯智薩摩亞收購芯智國際有限公司(「**芯智國際香港**」)及芯智雲有限公司(「**芯智雲香港**」)的全部股份，總現金代價分別為20,514,049美元及1美元。該付款被視為向控股股東作出的不超出其應佔部分的視作分派18,463,000美元，而剩餘部分為收購附屬公司非控股權益的代價。集團重組之後，由本公司及其附屬公司組成的本集團被視為持續經營實體。因此，根據香港會計師公會頒佈的會計指引第5號「共同控制合併之合併會計法」規定的合併會計原則編製未經審核簡明綜合財務報表時，假設截至2016年6月30日止六個月本公司一直為本集團的控股公司。截至2016年6月30日止六個月期間的簡明綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表包括現時組成本集團各公司的業績、權益變動及現金流量，猶如目前的集團架構於整個截至2016年6月30日止六個月期間一直存在。

由於芯智國際香港及芯智雲香港由控股股東共同控制，劉先生於直至集團重組於2016年2月24日完成日期持有的股權在未經審核簡明綜合財務報表內以非控股權益呈列。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 June 2017
截至2017年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments that are measured at fair value, as appropriate.

Except as described below, the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2017 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016.

In the current interim period, the Group has applied for the first time, the following new and amendments to Hong Kong Financial Reporting Standards issued by the HKICPA that are relevant for the preparation of the Group's unaudited condensed consolidated financial statements:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of Annual Improvements to HKFRSs 2014–2016

The application of the above amendments in the current interim period has had no material effect on the amounts reported and/or disclosures set out in these unaudited condensed consolidated financial statements.

Additional disclosure about changes in liabilities arising from financing activities, including both changes from cash flows and non-cash changes on application of amendments on HKAS 7 will be provided in the consolidated financial statements for the year ending 31 December 2017.

2. 主要會計政策

未經審核簡明綜合財務報表已按歷史成本基準編製，惟若干財務工具乃按公平值（如適用）計量。

除以下所述者外，截至2017年6月30日止六個月之未經審核簡明綜合財務報表所用的會計政策及計算方式與編製本集團截至2016年12月31日止年度之年度財務報表所遵循者相同。

於本中期期間，本集團已首次應用以下香港會計師公會頒佈之與編製本集團未經審核簡明綜合財務報表相關的新訂香港財務報告準則及其修訂：

香港會計準則第7號的修訂	披露計劃
香港會計準則第12號的修訂	確認未變現虧損之遞延稅項資產
香港財務報告準則第12號的修訂	作為2014年至2016年香港財務報告準則年度改進之一部份

於本中期期間應用上述修訂對該等未經審核簡明中期綜合財務報表所載的呈報金額及／或披露並無重大影響。

有關融資活動所產生的負債變動的其他披露，包括現金流量變動及因應用香港會計準則第7號的修訂產生的非現金變動將載列於截至2017年12月31日止年度的綜合財務報表。

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3. REVENUE AND SEGMENT INFORMATION

The Group's revenue represents the fair value of the amounts received and receivable from the sales of integrated circuit and other electronic components in Hong Kong ("HK") and the People's Republic of China ("the PRC") net of discounts and returns, during the six months ended 30 June 2017 and 30 June 2016.

For the purpose of resource allocation and assessment of segment performance, the directors of the Company, being the chief operating decision maker, focuses and reviews on the overall results (i.e. revenue and gross profit) and financial position of the Group as a whole which are prepared based on the Group's accounting policies. Accordingly, the Group has only one single operating segment and no further analysis of the single segment is presented.

4. PROFIT BEFORE TAX

3. 收入及分部資料

截至2017年6月30日及2016年6月30止六個月，本集團的收入為在香港(「香港」)及中華人民共和國(「中國」)銷售集成電路及其他電子器件的已收款項及應收款項的公平值扣除折扣及退貨賬額後的金額。

為進行資源分配和分部業績評估，本公司的董事(作為主要經營決策者)重點審閱根據本集團會計政策編製的本集團整體業績(即收入和毛利)及財務狀況。因此，本集團只有一個單一經營分部，並無呈報該單一分部的更多分析。

4. 除稅前利潤

		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
Profit before tax has been arrived after charging (crediting):	除稅前利潤已扣除(計入)以下各項：		
Allowance for inventories	存貨撥備	40	-
Bank interest income (included in other income)	銀行利息收入(計入其他收入)	(23)	(3)
Cost of inventories recognised as an expense	確認為費用的存貨成本	278,195	324,163
Depreciation of property, plant and equipment	物業、廠房及設備折舊	83	79
Minimum lease payments under operating leases in respect of office premises	辦公物業經營租賃下的最低租賃付款	534	358
Reversal of allowance for doubtful debts	撥回呆賬撥備	(5)	-
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)	4,402	4,046

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5. INCOME TAX EXPENSE

		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	903	1,171
PRC Enterprise Income Tax ("PRC EIT")	中國企業所得稅(「中國 企業所得稅」)	29	24
		932	1,195

The Company was incorporated in the Cayman Islands and is exempted from income tax.

The applicable tax rate of the subsidiaries in HK is 16.5% (2016: 16.5%) for the six months ended 30 June 2017.

Under the Law of the PRC on Enterprise Income tax and Implementation Regulation of The Enterprise Income Tax Law, the tax rate of entities established in the PRC is 25% during the six months ended 30 June 2017 and 2016. As 深圳市芯智科技有限公司 ("SMC Technology SZ") has been accredited as a "High and New Technology Enterprise" by the relevant authorities in Shenzhen, it is entitled to a reduced tax rate of 15% (2016: 15%) for PRC EIT during the six months ended 30 June 2017. Accordingly, the PRC EIT is calculated at 15% (2016: 15%) on the assessable profit of SMC Technology SZ for the six months ended 30 June 2017.

6. DIVIDEND

No dividends were paid, declared or proposed by the Company during the six months ended 30 June 2017 (six months ended 30 June 2016: US\$3,000,000). Subsequent to the end of the current interim period, the directors of the Company have determined that an interim dividend of HK2 cents per share (2016: Nil) in respect of the six months ended 30 June 2017 will be paid to the shareholders whose names appeared on the register of members as at the close of business on 14 September 2017.

5. 所得稅費用

		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	903	1,171
PRC Enterprise Income Tax ("PRC EIT")	中國企業所得稅(「中國 企業所得稅」)	29	24
		932	1,195

本公司在開曼群島註冊成立並獲豁免繳納所得稅。

截至2017年6月30日止六個月，附屬公司在香港的適用稅率為16.5%(2016年：16.5%)

根據《中華人民共和國企業所得稅法》及企業所得稅法實施條例，在中國成立的實體於截至2017年及2016年6月30日止六個月的稅率為25%。深圳市芯智科技有限公司(「芯智科技深圳」)經深圳有關部門認證為「高新技術企業」，所以於截至2017年6月30日止六個月可享受15%(2016年：15%)的中國企業所得稅優惠稅率。因此，芯智科技深圳截至2017年6月30日止六個月的應課稅利潤按15%(2016年：15%)的稅率計算中國企業所得稅。

6. 股息

截至2017年6月30日止六個月，本公司並無派付、宣派或建議股息(截至2016年6月30日止六個月：3,000,000美元)。於本中期期末後，本公司董事已釐定截至2017年6月30日止六個月每股股份2港仙的中期股息(2016年：無)將派付予2017年9月14日營業結束時名列其股東名冊的股東。

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7. EARNINGS PER SHARE

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

7. 每股盈利

本期間本公司擁有人應佔基本每股盈利是按以下數據計算：

		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
Earnings	盈利		
Profit for the period attributable to owners of the Company for the purpose of basic earnings per share	就基本每股盈利而言本公司擁有人應佔期間利潤	5,436	4,800
		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日	30 June 2016 2016年6月30日
Number of ordinary shares	普通股數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	就基本每股盈利而言普通股的加權平均數	500,000,000	363,873,627

The number of ordinary shares for the purpose of calculating basic earnings per share for the period ended 30 June 2016 has been adjusted for the effect of (i) the Group Reorganisation and the capitalisation issue of shares of the Company in October 2016 that are deemed to have become effective since 1 January 2016; and (ii) the capital contributions by shareholders during the six months ended 30 June 2016.

No diluted earnings per share are presented for both periods as there were no potential ordinary shares in issue for the six months ended 30 June 2017 and 2016.

就計算截至2016年6月30日止期間的基本每股盈利而言，普通股的數目已就以下各項的影響作出調整(i)於2016年10月進行的集團重組及本公司股份的資本化發行(被視為已於2016年1月1日生效)；及(ii)股東於截至2016年6月30日止六個月的注資。

截至2017年及2016年6月30日止六個月並無已發行潛在普通股，因此並無就該兩個期間呈列已攤薄每股盈利。

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8. TRADE AND BILLS RECEIVABLES

		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	31 December 2016 2016年12月31日 US\$'000 千美元 (audited) (經審核)
Trade receivables	貿易應收款項	46,745	56,513
Less: Allowance for doubtful debts	減：呆賬撥備	-	(13)
Net Bills receivables	淨額 應收票據	46,745 570	56,500 -
		47,315	56,500

The Group entered into factoring agreements with certain banks so as to obtain bank advances. As at 30 June 2017, trade receivables of US\$37,640,000 (31 December 2016: US\$36,428,000) had been transferred to banks in accordance with the relevant non-recourse factoring agreements. Relevant trade receivables were derecognised as the directors of the Company are of the opinion that the substantial risks and rewards associated with the trade receivables have been transferred and therefore qualified for derecognition.

The Group allows credit period of 0 to 120 days (31 December 2016: 0 to 120 days) to its customers. The aged analysis of the Group's trade and bills receivables, net of allowance, based on invoice date at the end of each reporting period are as follows:

8. 貿易應收款項及應收票據

本集團與若干銀行訂立保理協議，以獲得銀行貸款。於2017年6月30日，37,640,000美元(2016年12月31日：36,428,000美元)的貿易應收款項已根據相關無追索權保理協議轉讓予銀行。本公司董事認為，與貿易應收款項相關的重大風險及回報已轉讓並因此符合終止確認資格，故相關貿易應收款項已予終止確認。

本集團向其客戶授出0至120天的信貸期(2016年12月31日：0至120天)。於各報告期末，本集團的貿易應收款項及應收票據(扣除撥備)按發票日期的賬齡分析如下：

		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	31 December 2016 2016年12月31日 US\$'000 千美元 (audited) (經審核)
0-30 days	0-30天	27,199	19,029
31-60 days	31-60天	5,991	16,344
61-90 days	61-90天	2,453	10,971
91-180 days	91-180天	11,324	10,052
Over 180 days	超過180天	348	104
		47,315	56,500

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9. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES 9. 按金、預付款項及其他應收款項

		30 June 2017 2017年6月30日 <i>US\$'000</i> 千美元 (unaudited) (未經審核)	31 December 2016 2016年12月31日 <i>US\$'000</i> 千美元 (audited) (經審核)
Deposits	按金	475	483
Payments for life insurance policies	壽險保單付款	8,299	2,878
Prepayments	預付款項	583	212
Other receivables	其他應收款項	1,145	836
Value-added tax recoverable	可收回增值稅	1,064	1,178
		11,566	5,587
Analysed as:	分析為：		
Non-current	非流動	8,880	2,869
Current	流動	2,686	2,718
		11,566	5,587

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9. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (continued)

During the six months ended 30 June 2017, the Group entered into two additional life insurance policies with an insurance company to insure the directors of the Company. Under these policies, the Group is the beneficiary and policy holder and the total insured sum is US\$15,000,000 in aggregate. The Group is required to pay a single premium totalling US\$5,388,000 at inception. The Group can, at any time, withdraw cash based on the account value of the policy (“**Account Value**”) at the date of withdrawal, which is determined by the gross premium paid plus accumulated guaranteed interest earned and minus any charges made in accordance with the terms and conditions of the policy. If withdrawal is made between the 1st to 18th policy year for the policies (collectively the “**Policy Years**”), there is a specified amount of surrender charge deducted from Account Value. This insurance company will pay the Group a guaranteed interest for the first year and a variable return per annum afterwards (with minimum guaranteed interest rate of 2% per annum) during the effective period of the policies. At the inception date of the policies, the upfront payment paid by the Group included a fixed policy premium charge and a deposit. Monthly policy expense and insurance charges will be incurred over the insurance period with reference to the terms set out in the life insurance policies. The policy premium, expense and insurance charges are recognised in profit or loss over the expected life of the policies and the deposit placed is carried at amortised cost using the effective interest method. As represented by the directors of the Company, the Group will not terminate the policies nor withdraw cash prior to the Policy Years and the expected life of the policies remained unchanged from the initial recognition.

9. 按金、預付款項及其他應收款項(續)

截至2017年6月30日止六個月，本集團為本公司董事向一家保險公司新購買兩項壽險保單。根據該等保單，本集團為受益人及投保人，投保總額為15,000,000美元。投保時，本集團須支付整付保費合共5,388,000美元。本集團可根據保單於退保日的賬戶價值(「**賬戶價值**」)隨時提取現金，該賬戶價值根據支付的保費總額加所賺取的累計保證利息及扣除根據保單條款及條件所作出的任何收費釐定。倘於該等保單第一至第十八個保單年度(統稱「**保單年度**」)之間退保，則須從賬戶價值扣除特定金額的退保費用。該保險公司將於第一年向本集團支付保證利息及其後在保單有效期內的每年浮動回報(最低保證利率為每年2%)。於開始投保日期，本集團支付的首筆費用包括固定保單費用及按金。每月保單開支及保險費用將在投保期間參考壽險保單所載條款而產生。保費、開支及保險費用在保單預期年期內於損益確認，而存放按金則使用實際利率法按攤銷成本列賬。本公司董事表示，本集團不會於保單年度之前終止保單或提取現金，自初次確認以來保單預期年期維持不變。

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10. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

The pledged bank deposits of the Group are pledged to banks for securing bank borrowings (note 13). The bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The pledged bank deposits/bank balances carry interest at market rates are 0.001% to 0.5% (31 December 2016: 0.001% to 0.5%) per annum.

11. TRADE AND BILLS PAYABLES

The credit period on trade purchases is 0 to 60 days (31 December 2016: 0 to 60 days).

10. 已抵押銀行存款／銀行結餘及現金

為取得銀行借款，本集團的已抵押銀行存款抵押給銀行(附註13)。銀行結餘及現金包括本集團持有的現金及原到期日為三個月或以下的短期銀行存款。已抵押銀行存款／銀行結餘按0.001%至0.5%(2016年12月31日：0.001%至0.5%)的市場利率計息。

11. 貿易應付款項及應付票據

貿易採購款的信貸期為0至60天(2016年12月31日：0至60天)。

		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	31 December 2016 2016年12月31日 US\$'000 千美元 (audited) (經審核)
Trade payables	貿易應付款項	39,544	68,669
Bills payables	應付票據	10,072	-
		49,616	68,669

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11. TRADE AND BILLS PAYABLES (continued)

Ageing analysis of the Group's trade and bills payables based on invoice date at the end of each reporting period is as follows:

		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	31 December 2016 2016年12月31日 US\$'000 千美元 (audited) (經審核)
0-30 days	0-30天	41,112	43,531
31-60 days	31-60天	8,502	24,849
61-90 days	61-90天	-	120
Over 90 days	超過90天	2	169
		49,616	68,669

11. 貿易應付款項及應付票據(續)

於各報告期末，根據發票日期計算的本集團貿易應付款項及應付票據賬齡分析如下：

12. OTHER PAYABLES AND ACCRUED CHARGES

		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	31 December 2016 2016年12月31日 US\$'000 千美元 (audited) (經審核)
Accrued expenses	應計費用	10,546	10,594
Deposits received from customers	已收客戶按金	994	1,132
Other payables	其他應付款項	1,800	1,914
		13,340	13,640

12. 其他應付款項及應計費用

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13. BANK BORROWINGS

13. 銀行借貸

		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	31 December 2016 2016年12月31日 US\$'000 千美元 (audited) (經審核)
Secured bank borrowings	有抵押銀行借貸	382	490
Secured import and export loans	有抵押進出口貸款	11,373	22,063
		11,755	22,553
Carrying amounts of repayable (according to schedules repayable term):	(按原定還款期)償還的借貸 賬面值：		
– within one year	— 一年內	11,577	22,266
– in the second year	— 第二年	178	204
– in the third to fifth years	— 第三至第五年	–	83
		11,755	22,553
Carrying amounts that contain a repayable on demand clause (shown under current liabilities)	按要求償還的借款賬面值 (於流動負債項下列示)	11,755	22,553

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13. BANK BORROWINGS (continued)

The banking facilities contain various covenants which include the maintenance of certain financial ratios and restrictions on the maximum amounts due from a director and related companies. The directors of the Company have reviewed the covenants compliance and represented that they were not aware of any breach during the six months ended 30 June 2017.

As at 30 June 2017 and 31 December 2016, the secured bank borrowings and secured import and export loans are secured by (i) available-for-sale investments, (ii) life insurance policies (note 9); and (iii) pledged bank deposits (note 10).

The effective variable interest rates of the Group's bank borrowings are 2.27% to 5.25% (2016: 3.32% to 5.25%) per annum.

14. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurement of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

13. 銀行借貸(續)

銀行融資載有若干契諾，包括維持一定的財務比率，並對應收一名董事及關聯公司款項的最高金額設有限制。本公司董事已審閱契諾遵守情況並表示就他們所知，截至2017年6月30日止六個月並不存在違規情況。

於2017年6月30日及2016年12月31日，有抵押銀行借貸及有抵押進出口貸款通過以下方式擔保(i)可供出售投資；(ii)壽險保單(附註9)；及(iii)已抵押銀行存款(附註10)。

本集團銀行借貸的實際浮動利率為每年2.27%至5.25%(2016年：3.32%至5.25%)。

14. 金融工具的公平值計量

經常以公平值計量的本集團金融資產的公平值的計量

本集團部分金融資產按報告期末的公平值計量。下表載列釐定這些金融資產的公平值的資料(尤其是估值方法以及所使用的輸入數據)。

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未經審核簡明綜合財務報表附註

For the six months ended 30 June 2017
截至2017年6月30日止六個月

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14. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Fair value measurement of the Group's financial assets that are measured at fair value on a recurring basis (continued)

14. 金融工具的公平值計量(續)

經常以公平值計量的本集團金融資產的公平值的計量(續)

Financial assets 金融資產	Fair value as at 公平值於		Fair value hierarchy 公平值層級	Valuation technique(s) and key input(s) 估值方法及關鍵輸入數據
	30 June 2017 2017年6月30日 (Unaudited) (未經審核)	31 December 216 2016年12月31日 (Audited) (經審核)		
1) Listed available-for-sale investments 1) 上市可供出售投資	Listed debt securities in HK: US\$1,300,000 在香港上市的債務證券： 1,300,000美元	Listed debt securities in HK: US\$1,277,000 1,277,000美元	Level 1 第一級	Quoted price in active market 活躍市場報價
2) Unlisted available-for-sale investments 2) 非上市可供出售投資	Unit trust funds US\$6,535,000 單位信託基金 6,535,000美元	Unit trust funds US\$6,495,000 單位信託基金 6,495,000美元	Level 2 第二級	Based on the net asset values of the funds, determined with reference to the observable (quoted) prices of underlying investment portfolio and adjustments of related expenses 基於基金的資產淨值，參考相關投資組合的可觀察(報價)價格及有關費用調整後確定

There were no transfers between Level 1 and 2 for the period.

The directors of the Company consider that the carrying amounts of the financial assets recorded at amortised cost in the unaudited condensed consolidated financial statements approximate their fair value.

於本期間，第一級與第二級之間並無任何轉撥。

本公司之董事認為未經審核簡明綜合財務報表內以攤銷成本入賬之金融資產的賬面值與彼等之公平值相若。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

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15. SHARE CAPITAL

At 1 January 2016, the capital represented the aggregate share capital of SMC International HK, SMC Cloud HK and the Company of HK\$10,000,000 (equivalent to US\$1,282,000), HK\$1,000,000 (equivalent to US\$128,000) and US\$0.1, respectively.

The share capital at 30 June 2017 and 30 June 2016 represents the issued share capital of the Company as detailed below.

15. 股本

於2016年1月1日，股本為芯智國際香港的股本10,000,000港元(相當於1,282,000美元)、芯智雲香港的股本1,000,000港元(相當於128,000美元)及本公司的股本0.1美元的總和。

於2017年6月30日及2016年6月30日，股本為本公司已發行股本，詳情載列如下。

		Number of shares 股份數目	Amount 金額 US\$'000 千美元
Ordinary shares of HK\$0.01 each Authorised: At 1 January 2016, 30 June 2016, 31 December 2016 and 30 June 2017	每股面值0.01港元的普通股 法定： 於2016年1月1日、2016年6 月30日、2016年12月31日 及2017年6月30日	5,000,000,000	50
Issued and fully paid: At 31 December 2015 and 1 January 2016 (audited)	已發行及繳足： 於2015年12月31日及 2016年1月1日(經審核)	10,000	-
Issue of shares on 24 February 2016 (note 1)	於2016年2月24日發行股份 (附註1)	10,000	-
At 30 June 2016 (unaudited)	於2016年6月30日(未經審核)	20,000	-
Capitalisation issue (note 2)	資本化發行(附註2)	374,980,000	4
Issue of shares on 7 October 2016 (note 3)	於2016年10月7日發行股份 (附註3)	125,000,000	1
At 31 December 2016 (audited) and 30 June 2017 (unaudited)	於2016年12月31日(經審核)及 2017年6月30日(未經審核)	500,000,000	5

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 June 2017
截至2017年6月30日止六個月

15. SHARE CAPITAL (continued)

Notes:

- On 24 February 2016, the Company allotted and issued additional 7,000 shares to Smart IC Limited and 3,000 shares to Insight Limited for a consideration of US\$14,359,834.30 and US\$6,154,315.70, respectively, which were fully paid in cash and a share premium of US\$20,514,000 was resulted accordingly.
- Pursuant to the written resolutions passed by the then shareholders of the Company on 19 September 2016, conditional upon the share premium account of the Company being credited as a result of the initial public offering and listing of the Company's shares on the Stock Exchange, the directors of the Company were authorised to capitalise the amount of US\$3,749.80 from the amount standing to the credit of the share premium account of the Company to pay up in full at par a total of 374,980,000 ordinary shares of US\$0.00001 each for allotment and issue to the shareholders as of 30 June 2016, on a pro rata basis.
- On 7 October 2016, the Company issued 125,000,000 new shares at US\$0.00001 per share for a total gross proceeds of approximately US\$29,747,000 by way of initial public offering of the Company on the Stock Exchange.

The shares allotted and issued above rank pari passu in all respects with the then existing shares of the Company.

16. RELATED PARTIES DISCLOSURE

- (a) The Group had the following transactions with a related party during the period:

Name of related party 關聯方名稱	Nature of transaction 交易性質	Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
Smart-Core Technology Co., Ltd 芯智股份有限公司	Sales of goods 商品銷售	367	178

Mr. Tian is a shareholder of the related company.

田先生為關聯公司股東。

15. 股本(續)

附註：

- 於2016年2月24日，本公司向Smart IC Limited及Insight Limited分別配發及發行額外7,000股及3,000股股份，代價分別為14,359,834.30美元及6,154,315.70美元，已用現金全部付清，產生股份溢價20,514,000美元。
- 根據本公司當時股東於2016年9月19日通過的書面決議案，待本公司的股份溢價賬因首次公開發售及本公司股份於聯交所上市而產生進賬後，授權本公司董事將股份溢價賬內的進賬金額3,749.80美元撥充資本，並按面值繳足合共374,980,000股每股面值0.00001美元的普通股，以按比例向於2016年6月30日的股東配發及發行股份。
- 於2016年10月7日，本公司透過本公司在聯交所首次公開發售的方式，發行125,000,000股每股面值0.00001美元的新股份，合共籌集所得款項總額約29,747,000美元。

已配發及發行的股份與本公司當時現有股份在各方面享有同等權益。

16. 關聯方披露

- (a) 本集團在本期間與關聯方的交易如下：

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16. RELATED PARTIES DISCLOSURE (continued)

- (b) The amount due from a related company is of trade nature, unsecured, non-interest bearing and with a credit period of 120 days. At 30 June 2017, the balance is aged 91 to 180 days. Mr. Tian is a shareholder of the related company.

(c) Compensation of key management personnel

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

16. 關聯方披露(續)

- (b) 應收關聯公司款項屬貿易性質、無抵押及免息，信貸期為120天。於2017年6月30日，結餘賬齡為91至180天。田先生為關聯公司股東。

(c) 主要管理人員薪酬

本公司董事及其他主要管理層成員的酬金如下：

		Six months ended 截至以下日期止六個月	
		30 June 2017 2017年6月30日 US\$'000 千美元 (unaudited) (未經審核)	30 June 2016 2016年6月30日 US\$'000 千美元 (unaudited) (未經審核)
Short term benefits	短期福利	338	258
Post-employment benefits	離職後福利	6	8
		344	266

The remuneration of key management personnel is determined by the management of the Company having regard to the performance of individuals and market trends.

主要管理人員的酬金由本公司管理層根據個人績效和市場趨勢釐定。

ERP	ERP	Enterprise resources planning, is the integrated management of core business processes, often in real-time and mediated by software and technology.	企業資源規劃，為核心業務流程的綜合管理，通常為實時及透過軟件及技術進行。
FTTx	FTTx	Fiber to the x, is a generic term for any broadband network architecture using optical fiber to provide all or part of the local loop used for last mile telecommunications.	光纖到X，為通用述語，用於任何使用光纖取代所有或部分作最後一英里通訊之用的區域迴路的寬帶網絡結構。
HDMI	HDMI	High-definition multimedia interface, a proprietary audio/video interface for transferring uncompressed video data and compressed or uncompressed audio data, some of which makes use of optical fiber for such data transfer.	高清多媒體接口，一種專門傳送未壓縮視頻數據及壓縮或未壓縮音頻數據的音頻／視頻接口，其中一些接口利用光纖傳送這些數據。
IC	IC	A miniaturised electronic circuit (consisting mainly of semiconductor devices, as well as passive and interconnecting components) that has been manufactured in the surface of a thin substrate of semiconductor material. Integrated circuits are used in almost all electronic equipment, such as computers, mobiles phones, televisions and other digital appliances.	造於半導體材料薄基板表面的小型電子電路(主要包括半導體設備以及被動及互連組件)。集成電路被用於幾乎所有的電子設備，如計算器、移動電話、電視機及其他數碼設備。
IT	資訊科技	Information technology, is the application of computers to store, study, retrieve, transmit, and manipulate data, or information, often in the context of a business or other enterprise.	資訊科技，通常就一項業務或其他企業而言，為使用電腦進行儲存、研究、檢索、傳輸及處理數據或資料。
NFC	NFC	Near-field communication, is a set of communication protocols that enable two electronic devices, one of which is usually a portable device such as a smartphone, to establish communication by bringing them within 4 cm of each other.	近場通信，一組通信標準協議，使兩個電子設備，其中一個通常是便攜式設備如智能電話，通過此標準裝置使它們在4厘米內彼此建立通信。

Glossary of Technical Terms

技術詞彙

OLED	OLED	An organic light-emitting diode, is a light-emitting diode in which the emissive electroluminescent layer is a film of organic compound that emits light in response to an electric current.	有機發光二極管，一種用於平板顯示器的技術，其放射性電致發光塗層為一層有機化合物薄膜，透過電流發光。
SoC	SoC	System-on-chip, an IC that integrates all components and electronic system into a single chip, which may contain analog, digital, mixed-signal and offer radio frequency function all on a single chip substrate.	系統芯片，一種將電子系統的所有部件整合到單一芯片的集成電路，其可將模擬、數碼、混合信號及射頻功能全部包含在單一芯片基板上。
TV	TV	Television	電視機

SMART-CORE HOLDINGS LIMITED
芯智控股有限公司

Stock Code 股份代號：2166