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SMIT

SMIT HOLDINGS LIMITED

國微控股有限公司

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

(股份代號：2239)

(Stock Code: 2239)

截至二零二零年六月三十日止六個月的中期業績公告

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2020

國微控股有限公司(「本公司」)董事會(「董事會」)謹此公佈本公司及其附屬公司(統稱為「本集團」)截至二零二零年六月三十日止六個月的未經審計簡明綜合業績以及二零一九年同期的比較數字。該等業績已由本公司外部核數師羅兵咸永道會計師事務所及本公司審核委員會審閱。

The board of directors (the “**Board**”) of SMIT Holdings Limited (the “**Company**”) hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2020 together with the comparative figures for the corresponding period in 2019. These results have been reviewed by PricewaterhouseCoopers, the external auditors of the Company, and the audit committee of the Company.

簡明綜合收益表

截至二零二零年六月三十日止六個月

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2020

		未經審計 Unaudited	
		截至該日期止六個月 Six months ended	
		六月三十日 二零二零年 30 June 2020	六月三十日 二零一九年 30 June 2019
		美元 USD	美元 USD
		附註 Note	
收益	Revenue	4	18,194,496
銷售成本	Cost of sales	8	(12,885,526)
			<hr/>
毛利	Gross profit		5,308,970
其他收益／(虧損)，淨額	Other gains/(losses), net	5	143,946
其他收入	Other income	5	3,176,879
研發開支	Research and development expenses	8	(6,018,770)
銷售及分銷開支	Selling and distribution expenses	8	(816,379)
一般及行政開支	General and administrative expenses	8	(4,267,299)
金融資產之減值淨虧損	Net impairment losses on financial assets	8	(181,507)
			<hr/>
經營虧損	Operating loss		(2,654,160)
融資收入	Finance income		276,718
融資成本	Finance costs		(53,387)
			<hr/>
融資收入，淨額	Finance income, net		223,331
分佔使用權益法入賬的 投資淨虧損	Share of net losses of investments accounted for using the equity method		(3,999,089)
			<hr/>
除所得稅前虧損	Loss before income tax		(6,429,918)
所得稅抵免	Income tax credit	9	16,716
			<hr/>
期內虧損	Loss for the period		(6,413,202)
			<hr/>
以下各項應佔虧損：	Loss is attributable to:		
本公司擁有人	Owners of the Company		(6,363,726)
非控股權益	Non-controlling interests		(49,476)
			<hr/>
			(6,413,202)
			<hr/>
期內本公司擁有人 應佔每股虧損 (以每股美元表示)	Loss per share attributable to owners of the Company for the period (expressed in USD per share)		
每股基本虧損	Basic loss per share	11	(0.02)
每股攤薄虧損	Diluted loss per share	11	(0.02)
			<hr/>
			(0.01)
			<hr/>
			(0.01)
			<hr/>

簡明綜合全面收益表

截至二零二零年六月三十日止六個月

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2020

		未經審計	
		Unaudited	
		截至該日期止六個月	
		Six months ended	
		六月三十日	六月三十日
		二零二零年	二零一九年
		30 June	30 June
		2020	2019
		美元	美元
		USD	USD
期內虧損	Loss for the period	(6,413,202)	(2,603,360)
其他全面虧損	Other comprehensive loss		
後續可能重新分類至損益的項目	Items that may be reclassified subsequently to profit or loss		
匯兌差額	Translation differences	(599,234)	(43,541)
分佔使用權益法入賬的投資匯兌差額	Share of translation differences of investments accounted for using the equity method	151,446	–
已重新分類至損益的項目	Item that has been reclassified to profit or loss		
於視作出售附屬公司後撥回的匯兌儲備	Exchange reserve released upon deemed disposal of a subsidiary	(27,900)	–
期內其他全面虧損，扣除稅項	Other comprehensive loss for the period, net of tax	(475,688)	(43,541)
期內全面虧損總額	Total comprehensive loss for the period	(6,888,890)	(2,646,901)
以下各項應佔：	Attributable to:		
本公司擁有人	Owners of the Company	(6,839,414)	(2,634,388)
非控股權益	Non-controlling interests	(49,476)	(12,513)
		(6,888,890)	(2,646,901)

簡明綜合財務狀況表

於二零二零年六月三十日

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

		未經審計 Unaudited 六月三十日 二零二零年 30 June 2020	經審計 Audited 十二月三十一日 二零一九年 31 December 2019
	附註 Note	美元 USD	美元 USD
資產			
非流動資產			
物業、廠房及設備		7,763,236	3,152,061
使用權資產		653,485	1,041,791
其他無形資產		1,150,238	396,294
商譽		6,064,017	6,153,809
按金及預付款項	6	4,316,083	1,174,419
使用權益法入賬的投資		60,706,014	43,519,749
透過損益按公平值入賬的 金融資產		13,712,515	14,596,569
遞延所得稅資產		3,212,477	3,218,233
		97,578,065	73,252,925
		97,578,065	73,252,925
流動資產			
存貨		5,932,368	13,525,373
貿易及其他應收款項及 預付款項	6	12,582,358	14,116,321
授予聯營公司的貸款		–	5,035,836
可收回所得稅		62,129	116,543
受限制銀行存款		–	519,266
現金及現金等價物		55,889,339	70,902,673
		74,466,194	104,216,012
		74,466,194	104,216,012
總資產		172,044,259	177,468,937
		172,044,259	177,468,937

		未經審計 Unaudited 六月三十日 二零二零年 30 June 2020	經審計 Audited 十二月三十一日 二零一九年 31 December 2019
	附註 Note	美元 USD	美元 USD
權益及負債			
權益			
股本	Share capital	6,373	6,364
股份溢價	Share premium	101,266,210	101,505,767
合併儲備	Merger reserve	(48,810,141)	(48,810,141)
以股份為基礎的付款儲備	Share-based payment reserve	15,992,597	16,105,925
法定儲備	Statutory reserve	4,914,429	4,913,464
保留盈利	Retained earnings	42,103,861	48,468,552
資本儲備	Capital reserve	1,212,543	1,212,543
匯兌儲備	Exchange reserve	(2,244,052)	(1,768,364)
		<hr/>	<hr/>
本公司擁有人應佔資本及儲備	Capital and reserves attributable to owners of the Company	114,441,820	121,634,110
非控股權益	Non-controlling interests	1,917,764	1,967,240
		<hr/>	<hr/>
總權益	Total equity	116,359,584	123,601,350
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負債			
非流動負債	Liabilities		
	Non-current liabilities		
租賃負債	Lease liabilities	472,915	658,318
其他應付款項	Other payable	48,862	47,612
遞延收入	Deferred income	7,513,567	7,560,012
		<hr/>	<hr/>
		8,035,344	8,265,942
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流動負債	Current liabilities		
貿易應付款項及應付票據	Trade and bills payables	7 2,071,498	9,220,640
應計費用及其他應付款項	Accruals and other payables	5,101,702	8,595,728
合約負債	Contract liabilities	941,375	433,121
銀行借款	Bank borrowings	6,409,587	-
遞延收入	Deferred income	32,608,749	26,730,507
租賃負債	Lease liabilities	343,949	449,178
應付所得稅	Income tax payable	172,471	172,471
		<hr/>	<hr/>
		47,649,331	45,601,645
		-----	-----
總負債	Total liabilities	55,684,675	53,867,587
		<hr/>	<hr/>
總權益及負債	Total equity and liabilities	172,044,259	177,468,937
		<hr/> <hr/>	<hr/> <hr/>

簡明綜合現金流量表

截至二零二零年六月三十日止六個月

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2020

		未經審計 Unaudited 截至該日期止六個月 Six months ended	
		六月三十日 二零二零年 30 June 2020 美元 USD	六月三十日 二零一九年 30 June 2019 美元 USD
		附註 Note	
經營活動所得現金流量	Cash flows from operating activities		
經營活動(所用)/所得現金	Cash (used in)/generated from operations		(1,787,079) 16,446,027
已付利息	Interest paid		(38,405) (95,000)
退回所得稅	Income tax refunded		30,351 1,124
經營活動(所用)/所得現金淨額	Net cash (used in)/generated from operating activities		(1,795,133) 16,352,151
投資活動所得現金流量	Cash flows from investing activities		
購買物業、廠房及設備	Purchase of property, plant and equipment		(4,095,697) (724,094)
出售物業、廠房及設備所得款項	Proceeds from sale of property, plant and equipment		15,456 311,674
購買其他無形資產	Purchase of other intangible assets		(882,944) –
收購使用權益法入賬的一項投資款項	Payment for acquisition of an investment accounted for using the equity method		(12,997,328) (810,239)
視作出售一間附屬公司的現金流出淨額	Net cash outflow from deemed disposal of a subsidiary		(28,100,692) –
受限制銀行存款減少/(增加)	Decrease/(increase) in restricted bank deposits		515,064 (1,200,000)
購買透過損益按公平值入賬的金融資產	Purchase of financial assets at fair value through profit or loss		(741,497) (1,466,964)
已收利息收入	Interest income received		297,747 489,362
聯營公司償還貸款及墊付款項的所得款項	Proceeds from repayment of loan and advance to associates		27,512,863 –
投資活動所用現金淨額	Net cash used in investing activities		(18,477,028) (3,400,261)
融資活動所得現金流量	Cash flows from financing activities		
支付股息	Payment for dividend	10	(408,159) (405,414)
行使購股權	Exercise of share options		55,283 78,444
銀行借款所得款項	Proceeds from bank borrowings		6,424,180 1,200,000
償還銀行借款	Repayment of bank borrowings		– (332,166)
租賃付款的本金部分	Principal elements of lease payments		(121,774) (78,662)
融資活動所得現金淨額	Net cash generated from financing activities		5,949,530 462,202
現金及現金等價物(減少)/增加淨額	Net (decrease)/increase in cash and cash equivalents		(14,322,631) 13,414,092
於一月一日的現金及現金等價物	Cash and cash equivalents at 1 January		70,902,673 54,962,324
外匯匯率變動對現金及現金等價物的影響	Effect of foreign exchange rate changes on cash and cash equivalents		(690,703) (374,260)
於六月三十日的現金及現金等價物	Cash and cash equivalents at 30 June		55,889,339 68,002,156

簡明綜合中期財務資料附註

1 一般資料

國微控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事以下業務：

- 開發及銷售條件接收模塊(「視密卡」)及移動銷售終端(「mPOS」)機，其可分別確保將數字內容分發及傳輸至電視及確保移動支付交易；及
- 電子設計自動化(「EDA」)產品和服務的開發及銷售，包括快速驗證系統與軟件以及其相關配套服務。

本公司為於開曼群島註冊成立及存冊的有限公司。其於開曼群島的註冊辦事處位於PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands，而其於中華人民共和國(「中國」)的註冊辦事處位於中國深圳市南山區沙河西路1801號國實大廈22樓。

本公司第一上市地為香港聯合交易所有限公司。

除非另有所指，本簡明綜合中期財務資料以美元(「美元」)呈列。

本簡明綜合中期財務資料未經審計。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

SMIT Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) principally engage in the following activities:

- development and sales of conditional access modules (“CAM”) and mobile point-of-sales (“mPOS”) devices that enable secure distribution and delivery of digital content to television and secure mobile payment transactions, respectively; and
- development and sales of electronic design automation (“EDA”) products and services, including rapid verification system and software and its related supporting services.

The Company is a limited liability company incorporated and domiciled in the Cayman Islands. The address of its registered office in the Cayman Islands is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its registered office in the People’s Republic of China (“PRC”) is 22F, Guoshi Building, No. 1801, Sha He Xi Avenue, Nanshan, Shenzhen, PRC.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in United States dollars (“USD”), unless otherwise stated.

This condensed consolidated interim financial information has not been audited.

2 編製基準及會計政策

截至二零二零年六月三十日止六個月的簡明綜合中期財務資料乃根據香港會計準則（「香港會計準則」）第34號「中期財務報告」而編製。

簡明綜合中期財務資料並不包括年度財務報表中通常包括的所有附註類別。因此，本簡明綜合中期財務資料須與截至二零一九年十二月三十一日止年度的年度財務報表（根據香港財務報告準則（「香港財務報告準則」）而編製）及本公司於中期報告期內作出的任何公告一併閱讀。

所應用的會計政策與截至二零一九年十二月三十一日止年度的年度財務報表所載者一致，惟不包括使用預期年度盈利總額所適用稅率對所得稅的估計、截至二零一九年十二月三十一日止年度的年度財務報表並無載述的會計政策及採納下文所載於截至二零一九年十二月三十一日止財政年度生效的經修訂準則及概念框架。

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

This condensed consolidated interim financial information for the six months ended 30 June 2020 has been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim Financial Reporting”.

The condensed consolidated interim financial information does not include all the notes of the type normally included in the annual financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”), and any public announcements made by the Company during the interim reporting period.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2019, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings, accounting policies not described in the annual financial statements for the year ended 31 December 2019, and the adoption of amended standards and conceptual framework effective for the financial year ending 31 December 2019 as described below.

2.1 截至二零一九年十二月三十一日止年度的年度財務報表並無載述的會計政策

(a) 確認提供服務的收益

提供服務收益在服務提供的會計期內確認，由於客戶同時收取及使用利益，收益乃根據至報告期末實際已提供的服務佔將提供總服務的比例確認。倘合約包括多項履約義務，交易價格將按獨立售價分配至各項履約義務。倘售價無法直接觀察獲得，則基於預期成本加利潤率估計。

2.2 本集團已採納的經修訂準則及概念框架

多項經修訂準則及概念框架適用於本報告期。本集團毋須就採納該等經修訂準則及概念框架而改變會計政策或進行追溯調整。

2.1 Accounting policies not described in the annual financial statements for the year ended 31 December 2019

(a) Revenue recognition for provision of services

Revenue from provision of services is recognised in the accounting period in which the services are rendered, based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

2.2 Amended standards and conceptual framework adopted by the Group

A number of amended standards and the conceptual framework became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards and conceptual framework.

3 分部資料

管理層根據主要營運決策人審閱的用於作出策略決策的資料釐定經營分部。主要營運決策人（「主要營運決策人」）已被確定為本公司執行董事。

截至二零二零年六月三十日止六個月，主要營運決策人通過審閱以下兩個可報告分部的業績以評估本集團的表現：視密卡與EDA分部，此與過往年度的分部分類有所不同，旨在使分部審核與重組後的內部管理及報告結構保持一致。比較期間的分部資料已予重列以符合本期間的分類。

視密卡－安全產品（視密卡及mPOS機）的開發及銷售，分別可確保安全地將數字內容分發及傳輸至電視及安全的移動支付交易。

EDA－芯片設計全流程電子設計自動化系統的開發與產品及相關服務的銷售。

主要營運決策人定期檢討本集團的表現及審閱本集團的內部報告，以評估表現及分配資源。主要營運決策人根據分部業績的計量評估經營分部的表現，包括有關經營分部的經調整經營虧損。開支（如適用）乃參考各分部的收益貢獻分配至經營分部。融資收入、融資成本以及未分配的收入及開支不計入本集團主要經營決策者所審閱的各經營分部業績。

3 SEGMENT INFORMATION

Management has determined the operating segments based on the information reviewed by the chief operating decision-maker that are used to making strategic decisions. The chief operating decision-maker (“CODM”) is identified as the Executive Directors of the Company.

During the six months ended 30 June 2020, the CODM assessed the performance of the Group by reviewing the results of two reportable segments: CAM and EDA, which is different from the segment categorisation in the prior year in order to align the segment review with the restructured internal management and reporting structure. The segment information of comparative period has been restated to conform to the current period categorisation.

CAM – development and sales of security products (CAM and mPOS devices) that enable secure distribution and delivery of digital content to television and secure mobile payment transactions respectively.

EDA – development and sales of products and relating services of full process electronic design automation system for chip design.

The CODM reviews the performance of the Group on a regular basis and reviews the Group’s internal reporting in order to assess performance and allocate resources. The CODM assesses the performance of the operating segments based on a measure of segment results, including adjusted operating loss of the relevant operating segments. Expenses, where appropriate, are allocated to operating segments with reference to revenue contributions of respective segments. Finance income, finance costs, and unallocated income and expenses are not included in the result for each operating segment that is reviewed by the Group’s CODM.

分部資產主要包括商譽、其他無形資產、使用權益法入賬的投資、透過損益按公平值入賬的金融資產、存貨、貿易及其他應收款項及預付款項以及授予聯營公司的貸款，但不包括遞延所得稅資產、物業、廠房及設備、使用權資產、可收回所得稅、現金及現金等價物、受限銀行存款以及公司及未分配資產。

與分部負債有關的資料並無予以披露，此乃由於該資料並非定期向主要營運決策人報告的資料。

向主要營運決策人提供的其他資料的計量方法與本文件所載的簡明綜合中期財務資料所採用者一致。

Segment assets consist primarily of goodwill, other intangible assets, investments accounted for using the equity method, financial assets at fair value through profit or loss, inventories, trade and other receivables and prepayments and loan to an associate but exclude deferred income tax assets, property, plant and equipment, right-of-use assets, income tax recoverable, cash and cash equivalents, restricted bank deposit and corporate and unallocated assets.

Information relating to segment liabilities is not disclosed as such information is not regularly reported to the CODM.

Other information provided to the CODM is measured in a manner consistent with that as adopted for the condensed consolidated interim financial information contained herein.

		視密卡 CAM 美元 USD	EDA EDA 美元 USD	總額 Total 美元 USD
截至二零二零年六月三十日 For the six months ended				
止六個月(未經審計) 30 June 2020 (Unaudited)				
分部收益	Segment revenue			
外部收益	External revenue	10,910,596	7,283,900	18,194,496
分部業績	Segment results	2,361,016	(5,523,833)	(3,162,817)
截至二零一九年六月三十日 For the six months ended				
止六個月(經重列) 30 June 2019 (Unaudited)				
分部收益(經重列)	Segment revenue (as restated)			
外部收益(經重列)	External revenue (as restated)	12,984,652	4,599,063	17,583,715
分部業績(經重列)	Segment results (as restated)	2,106,975	(1,795,025)	311,950

		視密卡 CAM 美元 USD	EDA EDA 美元 USD	總額 Total 美元 USD
於二零二零年六月三十日 (未經審計)	At 30 June 2020 (unaudited)			
分部資產	Segment assets	19,328,680	66,130,783	85,459,463
於二零一九年十二月三十一日 (經審計)	At 31 December 2019 (audited)			
分部資產(經重列)	Segment assets (as restated)	19,458,541	61,942,040	81,400,581

可報告分部業績與除所得稅前虧損的對賬如下：

A reconciliation of reportable segment results to loss before income tax is provided as follows:

		未經審計 Unaudited 截至該日期止六個月 Six months ended	
		六月三十日 二零二零年 30 June 2020 美元 USD	六月三十日 二零一九年 30 June 2019 美元 USD
可報告分部業績	Reportable segment results	(3,162,817)	311,950
公司及未分配開支，淨額	Corporate and unallocated expenses, net	(3,490,432)	(3,639,856)
		(6,653,249)	(3,327,906)
融資收入	Finance income	276,718	489,362
融資成本	Finance costs	(53,387)	(120,735)
除所得稅前虧損	Loss before income tax	(6,429,918)	(2,959,279)

可報告分部資產與總資產按以下方式對賬：

Reportable segment assets are reconciled to total assets as follows:

		未經審計 Unaudited 於二零二零年 六月三十日 As at 30 June 2020 美元 USD	經審計 Audited 於二零一九年 十二月三十一日 As at 31 December 2019 美元 USD
可報告分部資產	Reportable segment assets	85,459,463	81,400,581
遞延所得稅資產	Deferred income tax assets	3,212,477	3,218,233
物業、廠房及設備	Property, plant and equipment	7,763,236	3,152,061
使用權資產	Right-of-use assets	653,485	1,041,791
可收回所得稅	Income tax recoverable	62,129	116,543
現金及現金等價物	Cash and cash equivalents	55,889,339	70,902,673
受限制銀行存款	Restricted bank deposit	-	519,266
公司及未分配資產	Corporate and unallocated assets	19,004,130	17,117,789
依據簡明綜合財務狀況表 所得總資產	Total assets per condensed consolidated statement of financial position	172,044,259	177,468,937

4 收益

4 REVENUE

		未經審計 Unaudited 截至該日期止六個月 Six months ended 六月三十日 二零二零年 30 June 2020 美元 USD	經審計 Audited 六月三十日 二零一九年 30 June 2019 美元 USD
收益	Revenue		
— 視密卡	— CAM	10,431,968	10,269,083
— mPOS機	— mPOS devices	478,628	2,715,569
— 快速驗證系統與軟件	— Rapid verification system and software	6,365,021	4,599,063
— EDA服務	— EDA services	918,879	-
產品及服務銷售總額	Total sales of goods and services	18,194,496	17,583,715
確認收益時間	Timing of revenue recognition		
— 在某一時點	— At a point in time	17,275,617	17,583,715
— 按一段時間	— Over time	918,879	-
		18,194,496	17,583,715

5 其他收益／(虧損)淨額及其他收入

5 OTHER GAINS/(LOSSES), NET AND OTHER INCOME

		未經審計 Unaudited	
		截至該日期止六個月 Six months ended	
		六月三十日 二零二零年 30 June 2020 美元 USD	六月三十日 二零一九年 30 June 2019 美元 USD
其他收益／(虧損)·淨額	Other gains/(losses), net		
– 匯兌收益·淨額	– Exchange gains, net	136,450	86,375
– 透過損益按公平值入賬的 金融資產的公平值虧損	– Fair value losses on financial assets at fair value through profit or loss	(150,275)	(214,396)
– 應付或然代價的公平值虧損	– Fair value losses on contingent consideration payable	–	(51,943)
– 視作出售附屬公司的收益	– Gain on deemed disposal of a subsidiary	157,771	–
		<u>143,946</u>	<u>(179,964)</u>
其他收入	Other income		
– 政府補助	– Government grants	3,156,094	1,280,758
– 其他	– Others	20,785	15,658
		<u>3,176,879</u>	<u>1,296,416</u>

6 貿易及其他應收款項及預付款項

6 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

		未經審計 Unaudited 二零二零年 六月三十日 As at 30 June 2020 美元 USD	經審計 Audited 二零一九年 十二月三十一日 As at 31 December 2019 美元 USD
第三方貿易應收款項	Trade receivables from third parties	4,852,750	6,357,934
關聯方貿易應收款項	Trade receivables from a related party	–	358,361
聯營公司貿易應收款項	Trade receivables from associates	3,685,040	2,541,942
減：貿易應收款項減值撥備	Less: Provision for impairment of trade receivables	(2,038,446)	(1,954,107)
貿易應收款項 – 淨額	Trade receivables – net	6,499,344	7,304,130
授予第三方預付款項	Prepayments to third parties	5,981,422	4,708,149
授予聯營公司預付款項	Prepayment to an associate	405,859	–
應收票據	Notes receivable	–	135,994
第三方按金及其他應收款項	Deposits and other receivables from third parties	2,929,668	2,035,368
關聯方按金及其他應收款項	Deposits and other receivables from related parties	572,361	522,747
聯營公司其他應收款項	Other receivables from associates	509,787	584,352
		16,898,441	15,290,740
減：非即期按金及預付款項	Less: Non-current deposits and prepayments	(4,316,083)	(1,174,419)
即期部分	Current portion	12,582,358	14,116,321

本集團授予客戶的信用期通常為30至180天不等。按發票日期的貿易應收款項分析如下：

30天以內	Less than 30 days
31至60天	31 to 60 days
61至90天	61 to 90 days
91至180天	91 to 180 days
181至365天	181 to 365 days
365天以上	Over 365 days

The Group's credit terms granted to customers generally ranged from 30 to 180 days. An analysis of the trade receivables by invoice date is as follows:

未經審計 Unaudited 二零二零年 六月三十日 As at 30 June 2020 美元 USD	經審計 Audited 二零一九年 十二月三十一日 As at 31 December 2019 美元 USD
1,207,487	3,449,092
872,621	1,987,818
419,769	373,062
3,545,413	702,199
383,598	1,033,196
2,108,902	1,712,870
8,537,790	9,258,237

7 貿易應付款項及應付票據

於二零二零年六月三十日，按發票日期的貿易應付款項及應付票據的賬齡分析如下：

30天以內	Less than 30 days
31至90天	31 to 90 days
91至180天	91 to 180 days
181至365天	181 to 365 days
365天以上	Over 365 days

7 TRADE AND BILLS PAYABLES

As at 30 June 2020, the ageing analysis of the trade and bills payables based on invoice date is as follows:

未經審計 Unaudited 二零二零年 六月三十日 As at 30 June 2020 美元 USD	經審計 Audited 二零一九年 十二月三十一日 As at 31 December 2019 美元 USD
1,250,901	8,295,499
291,770	243,137
1,613	–
501,421	632,208
25,793	49,796
2,071,498	9,220,640

8 按性質劃分的開支

8 EXPENSES BY NATURE

		未經審計	
		Unaudited	
		截至該日期止六個月	
		Six months ended	
		六月三十日	六月三十日
		二零二零年	二零一九年
		30 June	30 June
		2020	2019
		美元	美元
		USD	USD
核數師酬金	Auditors' remuneration		
— 核數服務	— Audit services	241,898	235,555
售出存貨成本	Cost of inventories sold	11,289,235	9,718,351
僱員福利開支(包括董事酬金)	Employee benefit expenses (including directors' emoluments)	6,074,404	6,965,722
短期租賃相關開支	Expenses relating to short-term leases	1,018,336	861,600
法律及專業費用	Legal and professional fees	626,610	772,781
物業、廠房及設備折舊	Depreciation of property, plant and equipment	756,416	283,647
特許權使用費	Royalty expenses	455,847	440,839
差旅及招待開支	Travelling and entertainment expenses	441,963	491,185
使用權資產折舊	Depreciation of right-of-use assets	215,789	136,013
貿易應收款項減值撥備	Provision for impairment of trade receivables	181,507	16,869
廣告成本	Advertising costs	113,288	160,203
存貨減值撥備/(撥備撥回)	Provision for/(reversal of provision for) impairment of inventories	109,739	(229,666)
其他無形資產攤銷	Amortisation of other intangible assets	93,353	231,910
其他稅項	Other taxes	84,533	87,244
出售物業、廠房及設備虧損	Loss on disposals of property, plant and equipment	38,687	25,825
出售其他無形資產虧損	Loss on disposals of other intangible assets	35,060	—
其他	Others	2,392,816	1,782,093
銷售成本、研發開支、銷售及 分銷開支、一般及行政開支及 金融資產之減值淨虧損總額	Total cost of sales, research and development expenses, selling and distribution expenses, general and administrative expenses and net impairment losses on financial assets	24,169,481	21,980,171

9 所得稅抵免

本集團的國內附屬公司(截至二零一九年六月三十日止六個月同為附屬公司)國微集團(深圳)有限公司(「SMIT 深圳」)及本集團的國內聯營公司(截至二零一九年六月三十日止六個月為附屬公司)思爾芯(上海)信息科技有限公司(「思爾芯上海」)分別於深圳經濟特區和上海成立。由於SMIT深圳及思爾芯上海均已獲中國相關主管稅務機關認可為高新技術企業(定義見新企業所得稅法)，SMIT深圳及思爾芯上海均有權享有15%的調減企業所得稅(「企業所得稅」)優惠稅率(「高新技術企業優惠稅率」)。截至二零二零年及二零一九年六月三十日止六個月已就SMIT深圳及思爾芯上海的應課稅溢利採用的企業所得稅稅率為15%(二零一九年：15%)。

截至二零二零年六月三十日止六個月，已根據期內估計應課稅溢利按16.5%(二零一九年：16.5%)的稅率應用香港利得稅撥備。境外溢利的稅項乃依照本集團經營所在國家的現有立法、詮釋及相關慣例，根據期內估計應課稅溢利，按有關國家通行的適用稅率計算所得。

計入簡明綜合收益表的所得稅金額如下：

即期所得稅－海外稅項	Current income tax – overseas tax
遞延所得稅	Deferred income tax
所得稅抵免總額	Total income tax credit

9 INCOME TAX CREDIT

SMIT Group Limited (“SMIT Shenzhen”), a PRC subsidiary (six months ended 30 June 2019: same) of the Group, and S2C Shanghai Co.,Ltd. (“S2C Shanghai”), a PRC associate (six months ended 30 June 2019: subsidiary) of the Group, were established in the Shenzhen Special Economic Zone and Shanghai, respectively. As a result of the approval obtained from the respective in-charge tax authorities in the PRC as a High/New Technology Enterprises (as defined under the New Enterprise Income Tax Law), both SMIT Shenzhen and S2C Shanghai are entitled to a reduced preferential enterprise income tax (“EIT”) rate at 15% (“HNTE Preferential Tax Rate”). An EIT tax rate at 15% (2019: 15%) was applied to the assessable profit of SMIT Shenzhen and S2C Shanghai for the six months ended 30 June 2020 and 2019.

For the six months ended 30 June 2020, Hong Kong profits tax has been applied at the rate of 16.5% (2019: 16.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the applicable rates of taxation prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The amount of income tax credited to the condensed consolidated income statement is as follows:

未經審計 Unaudited 截至該日期止六個月 Six months ended	
六月三十日 二零二零年 30 June 2020 美元 USD	六月三十日 二零一九年 30 June 2019 美元 USD

(23,993)	–
40,709	355,919
16,716	355,919

10 股息

截至二零一九年十二月三十一日止年度的股息408,159美元(二零一九年: 405,414美元)已於二零二零年六月派付。

董事會不建議就截至二零二零年六月三十日止六個月派發任何中期股息(截至二零一九年六月三十日止六個月: 零)。

11 每股虧損

每股基本虧損按本公司擁有人應佔本集團虧損除以普通股的加權平均數計算:

本公司擁有人應佔虧損(美元)	Loss attributable to owners of the Company (USD)
已發行普通股的加權平均數	Weighted average number of ordinary shares in issue
每股基本虧損(美元)	Basic loss per share (USD)

每股攤薄虧損通過調整發行在外的普通股加權平均數,以假設所有可能具有攤薄效應的普通股已經轉換而計算。就購股權而言,假設購股權獲行使時應已發行的股份數目扣除可按公平值(按相關期內每股平均市價釐定)發行的股份數目,所得相同的所得款項總額為無償發行的股份數目。因而產生的無償發行股份數目計入普通股加權平均數作為分母,以計算每股攤薄虧損。

截至二零二零年及二零一九年六月三十日止六個月,假設轉換購股權產生的潛在普通股對每股虧損並無攤薄影響。因此,每股攤薄虧損等同每股基本虧損。

10 DIVIDEND

A dividend of USD408,159 that relates to the year of 31 December 2019 was paid in June 2020 (2019: USD405,414).

The Board does not recommend any interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

11 LOSS PER SHARE

Basic loss per share is calculated by dividing the loss of the Group attributable to owners of the Company by the weighted average number of ordinary shares:

未經審計 Unaudited 截至該日期止六個月 Six months ended	
六月三十日 二零二零年 30 June 2020	六月三十日 二零一九年 30 June 2019

(6,363,726)	(2,589,316)
318,273,053	317,082,146
(0.02)	(0.01)

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares. For the share options, the number of shares that would have been issued assuming the exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price per share for the respective period) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted loss per share.

For the six months ended 30 June 2020 and 2019, the potential ordinary shares arising from the assumed conversion of the share options has no dilutive effect on loss per share. Therefore, diluted loss per share equals basic loss per share.

管理層討論及分析

業務回顧

本集團是全球付費電視廣播接收的領先安全裝置供應商，通過銷售可讓終端使用者接收付費電視內容的條件接收模塊（或視密卡）產品，主要為全世界付費電視行業設計、開發及營銷安全裝置。

本集團於二零一八年取得必要批准承接「芯片設計全流程電子設計自動化系統開發與應用」之國家重大科技專項，正式啟動對電子設計自動化系統的研發，目前處於研發投入期。

視密卡

二零二零年上半年，視密卡市場整體銷售同比穩中有升，原因是市場需求整體上升。本集團視密卡銷售收益較二零一九年上半年上升1.6%至約為10.4百萬美元（截至二零一九年六月三十日止六個月：10.3百萬美元），佔本集團總收益57.3%。

二零二零年上半年的收益增長主要得益於俄羅斯市場，其對比去年同期上升62.2%。而歐洲仍為視密卡最大市場，佔視密卡總銷售額的60.8%，對比去年同期上升1.4%。歐洲和俄羅斯二零二零年上半年雖受新型冠狀病毒大流行疫情影響，對視密卡的需求反而增長，且從競爭對手贏得部分客戶訂單，令我們的視密卡銷量增加。而新興市場因印度運營商市場庫存過多，今年暫無視密卡採購計劃，因此對比去年同期銷量下滑。國內市場亦由於在廣電營業廳的銷售渠道二零二零年上半年受新型冠狀病毒大流行疫情影響較大而有所下降。

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a leading security devices provider globally for pay-TV broadcasting access. It designs, develops and markets security devices primarily for the pay TV industry worldwide through sales of conditional access modules, or CAMs, products which provide end users with access to pay-TV content.

The Group obtained requisite approval for the implementation of the national science and technology project of "Development and Application of Full Process Electronic Design Automation ("EDA") System for Chip Design" in 2018 and duly launched the research and development of EDA system, which is currently in the input period of the research and development.

CAM

In the first half of 2020, as the overall market sales of CAMs steadily rose compared to the same period last year due to overall increase in market demand, the Group's revenue generated from CAM sales amounted to approximately US\$10.4 million, representing an increase of 1.6% when compared to that in the first half of 2019 (for the six months ended 30 June 2019: US\$10.3 million), and accounted for 57.3% of the Group's total revenue.

The revenue growth in the first half of 2020 mainly came from the Russian market, which increased by 62.2% compared to the same period last year. The European market remained the largest market for the Group's CAM sales, and made up around 60.8% of total CAM sales, representing an increase of 1.4% compared to the same period last year. Although Europe and Russia were affected by the COVID-19 pandemic in the first half of 2020, the demand for CAM increased which, coupled with some customer orders won over from our competitors, increased our CAM sales. Whereas in the emerging markets, due to the excessive inventory of the market operators in India, there is no procurement plan for CAM this year, resulting in a decrease in sales volume compared to the same period of last year. The domestic market also declined due to the fact that the sales channels in the broadcasting and TV sales network (廣電營業廳) were greatly affected by the COVID-19 pandemic in the first half of 2020.

二零二零年下半年由於海外新型冠狀病毒大流行疫情仍較為嚴峻，各類展會計劃暫時擱置。海外市場將繼續保持與客戶的緊密溝通，確保訂單庫存量以及時響應新增需求，並關注新型冠狀病毒大流行疫情的發展對物流的影響，保障產品的交付。國內市場則持續推進USB接口類別產品在運營商市場的滲透，並進一步打開酒店合作市場，同時關注4K超高清節目廣播帶來的機會。

電子設計自動化(EDA)系統

二零二零年上半年，本集團所承接的「芯片設計全流程電子設計自動化系統開發與應用」之國家重大科技專項在基礎研發設施建設、團隊建設等方面取得了一定成效。內部研發管理不斷完善的同時，部分芯片設計流程內已有軟件工具進入預研階段，並有方案進入硬件打樣試製階段。為配合核心技術積累、保護知識產權所開展的專利申請工作亦取得一定進展。

In the second half of 2020, as the overseas COVID-19 pandemic is still acute, various exhibition plans have been temporarily put on hold. In the overseas market, we will continue to work closely with customers to ensure that inventory stock can meet additional demands in a timely manner. The Company will closely monitor the development of the COVID-19 pandemic and its impact on logistics to ensure product delivery. In the domestic market, we will continue to promote the penetration of USB interface products in the operators' market and pursuit further cooperation in the hotel market, while paying attention to opportunities brought by 4K ultra-high-definition program broadcasting.

Electronic design automation (EDA) system

In the first half of 2020, the Group's national science and technology project of "Development and Application of Full Process Electronic Design Automation ("EDA") System for Chip Design" had made certain achievements in the construction of fundamental research and development facilities and team building. While the internal R&D management continues to improve, some software tools in the chip design processes have already entered the pre-research stage, and some have entered the hardware proofing and trial production stage. Certain progress has also been made in patent application to support the accumulation of core technologies and protect intellectual property rights.

除加強內部人才培養外，集團亦持續深化與各大高校的合作，增強專家團隊的儲備。二零二零年六月十二日，中國科學院院士、微電子學專家、西安電子科技大學教授、博士生導師郝躍教授正式受聘成為SMIT深圳首席科學家，全面提升集團科技發展實力。二零二零年七月五日，西安國微EDA研發中心（西安國微半導體有限公司）於西安市高新區正式開業。西安國微半導體有限公司為SMIT深圳全資子公司，是國微集團為面向國家重大戰略需求，在西安高新區部署集成電路電子設計自動化系統研發、安全芯片設計應用等關鍵研發業務，投資設立的西安國微EDA研發中心。該研發中心將借助西安高新區、西安電子科技大學等高校的人才與技術優勢，建設成為集團的重要研發機構，推動集團EDA技術基礎研發。

二零二零年上半年，本集團電子設計自動化系統的研發經費支出約為5.0百萬美元，未來本集團將持續加大對電子設計自動化系統的研發投入，著力培育下一個營收增長點。

In addition to stepping up internal talent training, the Group also continues to deepen cooperation with major universities to strengthen the pool of expert teams. On 12 June 2020, Professor Hao Yue, an academic of the Chinese Academy of Sciences, expert in microelectronics, a professor at Xidian University and instructor of doctoral students, was appointed as chief scientist of SMIT Shenzhen to comprehensively enhance the Group's scientific and technological development capabilities. On 5 July 2020, SMIT Xi'an EDA Research Center (SMIT (Xi'an) Limited) (西安國微EDA研發中心) (西安國微半導體有限公司) was officially opened in Xi'an Hi-tech Zone. SMIT (Xi'an) Limited is a wholly-owned subsidiary of SMIT Shenzhen, which is an EDA research center invested and established for the deployment of electronic design automation for IC system design, as well as design and application of security chips in Xi'an High-tech Zone in response to major strategic needs of the country. The EDA research center will leverage on the talents and technological advantages of Xi'an High-tech Zone and universities such as Xidian University to build an important R&D arm for the Group and promote the research and development of the Group's EDA technology.

In the first half of 2020, the research and development expenses of the Group's EDA system amounted to approximately US\$5.0 million. In the future, the Group will continue to increase its R&D investment in EDA systems and focus on cultivating the next revenue growth point.

財務回顧

收益

截至二零二零年六月三十日止六個月，本集團的收益為18.2百萬美元(二零一九年同期：17.6百萬美元)。下表列示按業務分部劃分的收益明細：

		截至六月三十日止六個月				
		Six Months Ended 30 June				
		二零二零年		二零一九年		
		2020		2019		
		百萬美元	%	百萬美元	%	變動百分比
		US\$ Million	%	US\$ Million	%	Change in %
視密卡	CAM	10.9	60.0%	13.0	73.8%	-16.2%
EDA	EDA	7.3	40.0%	4.6	26.2%	58.7%
		18.2	100%	17.6	100%	3.4%

於回顧期內，本集團收益較二零一九年同期增加3.4%，主要由於EDA收益增加。

毛利及毛利率

截至二零二零年六月三十日止六個月的毛利為5.3百萬美元，較二零一九年同期下降1.8百萬美元；毛利率為29.2%（二零一九年同期：40.6%），主要由於EDA分部毛利下降。

研發開支

研發開支主要包括本集團研發人員的薪金及福利、租金及辦公開支、條件接收認證費用、專業服務費及交通及住宿。於回顧期內，研發開支對比去年同期增加38.1%至6.0百萬美元，主要由於研發人員薪資福利增加及研發項目支出增加。

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2020, the Group generated revenue of US\$18.2 million (for the same period in 2019: US\$17.6 million). The following table shows revenue breakdown by business segments:

During the review period, the Group's revenue increased by 3.4% compared with the same period in 2019, which was mainly attributable to increase of EDA revenue.

Gross Profit and Gross Profit Margin

Gross profit amounted to US\$5.3 million for the six months ended 30 June 2020, representing a decrease of US\$1.8 million compared with the same period in 2019. Gross profit margin amounted to 29.2% (for the same period of 2019: 40.6%), which was mainly attributable to decline of gross profit from the EDA segment.

Research and Development Expenses

Research and development expenses mainly include salaries and benefits of the Group's research and development staff, rental and office expenses, CA certification fees, professional service fees and transportation and lodging. During the review period, research and development expenses increased by 38.1% to US\$6.0 million compared with the same period last year, mainly due to increase in salaries and benefits of R&D personnel and R&D project expenditure.

銷售及分銷開支

銷售及分銷開支主要包括銷售及營銷人員的薪金及福利、營銷、培訓及推廣開支、差旅及招待費及租金及辦公開支。於回顧期內，銷售及分銷開支為0.8百萬美元，較去年同期下降56.7%。主要由於思爾芯上海不再為本集團附屬公司，二零二零年上半年綜合報表不存在思爾芯上海的銷售及分銷開支。

一般及行政開支

一般及行政開支主要包括管理層、行政及財務人員的薪金及福利、專業服務費、租金及辦公開支以及差旅及招待費。於回顧期內，一般及行政開支與去年同期對比下降19.2%至4.3百萬美元，主要由於思爾芯上海不再為本集團附屬公司，二零二零年上半年綜合報表不存在思爾芯上海的一般及行政開支。

所得稅抵免

截至二零二零年六月三十日止期間，本集團錄得1.7萬美元的所得稅抵免，這主要包括海外所得稅開支及基於稅項虧損的遞延所得稅和其他暫時性差異。截至二零一九年六月三十日止期間，本集團所得稅抵免淨額為0.4百萬美元，這主要包括遞延所得稅抵免。所得稅抵免的減少主要是由於遞延所得稅的減少，而遞延所得稅的減少是由於本集團中國及香港附屬公司稅項虧損減少。

期內虧損

期內虧損為6.4百萬美元，較二零一九年同期上升146.3%，主要是由於研發開支增加及分佔使用權益法入賬的投資淨虧損增加。

Selling and Distribution Expenses

Selling and distribution expenses mainly include salaries and benefits of sales and marketing staff, marketing, training and promotion expenses, travel and entertainment and rental and office expenses. During the review period, selling and distribution expenses amounted to US\$0.8 million, representing a decrease of 56.7% compared with the same period last year, mainly due to the absence of selling and distribution expenses of S2C Shanghai in the consolidated statement in the first half of 2020 due to S2C Shanghai ceasing to be a subsidiary of the Group.

General and Administrative Expenses

General and administrative expenses mainly include salaries and benefits of management, administrative and finance staff, professional service fees, rental and office expenses, and travel and entertainment. During the review period, general and administrative expenses amounted to US\$4.3 million, representing a decrease of 19.2% compared with the same period last year, mainly due to the absence of general and administrative expenses of S2C Shanghai in the consolidated statement in the first half of 2020 due to S2C Shanghai ceasing to be a subsidiary of the Group.

Income Tax Credit

For the period ended 30 June 2020, income tax credit of US\$17 thousand consists of overseas income tax expenses and deferred income tax on tax losses and other temporary differences. For the period ended 30 June 2019, the net income tax credit of US\$0.4 million consisted of deferred income tax credit. The decrease in income tax credit was mainly due to the decrease in deferred income tax as a result of the decrease in tax losses of the PRC and Hong Kong subsidiaries.

Loss for the Period

The loss for the period amounted to US\$6.4 million, representing an increase of 146.3% compared to the same period in 2019, mainly due to increased R&D expenses and increased share of net losses of investments accounted for using the equity method.

流動資金、財務資源及債務結構

回顧期內，本集團繼續維持良好及穩健的流動資金狀況。於二零二零年六月三十日，本集團之現金及現金等價物合計為55.9百萬美元（二零一九年十二月三十一日：70.9百萬美元）。本集團於二零二零年六月三十日的現金及現金等價物主要分別以人民幣及美元列值。於二零二零年六月三十日，本集團錄得流動資產淨值26.8百萬美元（二零一九年十二月三十一日：58.6百萬美元）及流動比率為156.3%（二零一九年十二月三十一日：228.5%）。

於二零二零年六月三十日，本集團尚未償還的銀行固定利率人民幣借款餘額為6.4百萬美元（二零一九年十二月三十一日：無），且無相關銀行借款抵押受限制銀行存款（二零一九年十二月三十一日：無）。除此之外本集團概無任何其他尚未償還債務、銀行融資或任何發行在外或已授權但尚未發行的債券、定期貸款、其他借款或性質上屬於借款的債務、承兌信用、租購承擔、抵押及押記、或然負債或尚未解除的擔保。除上述銀行借款外，於二零二零年六月三十日，本集團分別在中國內地及香港持有未動用的銀行融資人民幣54.6百萬元（相等於7.7百萬美元）（二零一九年十二月三十一日：人民幣7.9百萬元（相等於1.1百萬美元））及15.0百萬美元（二零一九年十二月三十一日：15.0百萬美元）。於二零二零年六月三十日，本集團資產負債比率（按銀行借款總額除以權益總額計算）為5.5%（二零一九年十二月三十一日：不適用）。

資本承擔

於二零二零年六月三十日，本集團有3.6百萬美元（二零一九年十二月三十一日：2.4百萬美元）已訂約但未撥備之資本承擔，並無已授權但未訂約之資本承擔（二零一九年十二月三十一日：無）。

Liquidity, Financial Resources and Debt Structure

During the review period, the Group continued to maintain a healthy and solid liquidity position. As at 30 June 2020, total cash and cash equivalents of the Group amounted to US\$55.9 million (as at 31 December 2019: US\$70.9 million). As at 30 June 2020, the cash and cash equivalents of the Group were mainly denominated in RMB and US dollars. The Group recorded net current assets amounting to US\$26.8 million (as at 31 December 2019: US\$58.6 million) and its current ratio was 156.3% (as at 31 December 2019: 228.5%) as at 30 June 2020.

As at 30 June 2020, the Group's outstanding balance of fixed rate RMB bank loan amounted to US\$6.4 million (as at 31 December 2019: Nil), and no restricted bank deposit pledged in relation to relevant bank borrowing (as at 31 December 2019: Nil). In addition, the Group did not have any other outstanding indebtedness, banking facilities or any outstanding or authorized but unissued debt securities, term loans, other borrowings or indebtedness in the nature of borrowing, acceptance credits, hire purchase commitments, mortgages and charges, contingent liabilities or guarantees outstanding. Apart from the bank borrowings mentioned above, the Group holds undrawn banking facilities in Mainland China and Hong Kong respectively of RMB54.6 million (equivalent to US\$7.7 million) (as at 31 December 2019: RMB7.9 million (equivalent to US\$1.1 million)) and US\$15.0 million (as at 31 December 2019: US\$15.0 million) in Mainland China and Hong Kong respectively, as at 30 June 2020. The Group's gearing ratio, as calculated by dividing total bank borrowings by total equity, was 5.5% (as at 31 December 2019: N/A) as at 30 June 2020.

Capital Commitments

As at 30 June 2020, the Group has capital commitments of US\$3.6 million (as at 31 December 2019: US\$2.4 million) contracted, but not provided for, and did not have any authorised but not contracted for capital commitments (as at 31 December 2019: nil).

重大投資、重要收購、出售附屬公司及聯營公司

於二零二零年一月三十一日，國微集團（深圳）有限公司（「SMIT深圳」）與深圳鴻泰鴻芯股權投資基金合夥企業（有限合夥）（「鴻泰鴻芯基金」）訂立注資協議，據此，SMIT深圳將向深圳鴻芯微納技術有限公司（「鴻芯微納」）注資人民幣90百萬元（相等於約13百萬美元）。緊接注資前，鴻芯微納分別由鴻泰鴻芯基金持有99.01%權益及SMIT深圳持有0.99%權益。於注資完成後，鴻芯微納將分別由鴻泰鴻芯基金持有90.91%權益及SMIT深圳持有9.09%權益，而鴻芯微納成為本集團的聯營公司。

於二零二零年三月三十一日，本公司全資附屬公司SMIT深圳與若干獨立投資者（「投資者」）訂立股權轉讓協議，據此，投資者馮媛媛女士、投資者施海勇先生及投資者陳雲海先生將分別就上海國微芯芯半導體有限公司（「國微芯芯」）的27%、20%及3%股權承擔對國微芯芯的支付責任。投資者馮媛媛女士亦就國微芯芯的1%股權向SMIT深圳支付人民幣1百萬元。股權轉讓前，國微芯芯為本公司的全資附屬公司，而國微芯芯的財務業績及財務狀況乃於本公司綜合財務報表綜合入賬。股權轉讓完成後，國微芯芯不再為本公司的附屬公司，而成為本公司的聯營公司，據此國微芯芯的財務業績及財務狀況不再於本集團綜合財務報表綜合入賬。

於回顧期內，本集團並無持有任何重大投資。

或然負債

於二零二零年六月三十日，本集團並無任何重大或然負債。

Significant Investment, Material Acquisition and Disposal of Subsidiaries and Associates

On 31 January 2020, SMIT Group Limited (“SMIT Shenzhen”) entered into a capital injection agreement with Shenzhen Giga Hongtai Hongxin Share Investment Fund Partnership (Limited Partnership) (“HTHX Fund”), pursuant to which SMIT Shenzhen will make a capital injection of RMB90 million (equivalent to approximately USD13 million) in Shenzhen Giga Design Automation Co., Ltd. (“Shenzhen Giga”). Immediately prior to the capital injection, Shenzhen Giga was held as to 99.01% by the HTHX Fund and 0.99% by SMIT Shenzhen respectively. Upon completion of the capital injection, Shenzhen Giga will be held as to 90.91% by the HTHX Fund and 9.09% by SMIT Shenzhen, and Shenzhen Giga became an associate of the Group.

On 31 March 2020, SMIT Shenzhen, a wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with certain independent investors (the “Investors”), pursuant to which Investor Ms. Feng Yuanyuan (馮媛媛), Investor Mr. Shi Haiyong (施海勇) and Investor Mr. Chen Yunhai (陳雲海) would assume the payment obligation owed to Shanghai SMIT Xinxin Semiconductor Co., Limited (“SMIT Xinxin”) for 27%, 20% and 3% equity interest of SMIT Xinxin, respectively. Investor Ms. Feng Yuanyuan (馮媛媛) also paid RMB1 million to SMIT Shenzhen for 1% equity interest of SMIT Xinxin. Prior to equity transfer, SMIT Xinxin was a wholly-owned subsidiary of the SMIT Shenzhen and the financial results and financial positions of SMIT Xinxin were consolidated in the consolidated financial statements of the Group. Upon completion of the equity transfer, SMIT Xinxin ceased to be a subsidiary of the Group and became an associate of the Group whereby the financial results and financial position of SMIT Xinxin ceased to be consolidated in the consolidated financial statements of the Group.

The Group did not hold any significant investment during the review period.

Contingent Liabilities

As at 30 June 2020, the Group did not have any significant contingent liabilities.

貨幣風險及管理

本集團主要於歐洲(美元計值交易)及中國(人民幣計值交易)進行銷售。本集團的視密卡銷售主要以美元計值，而快速驗證系統與軟件銷售主要以美元及人民幣計值。本集團生產成本主要以人民幣計值。

於回顧期內，本集團並無訂立任何外匯遠期合約或使用任何衍生工具合約來對沖貨幣風險。本集團密切監視外匯匯率變化以管理貨幣風險並會在必要時考慮對沖重大外匯風險。

僱員及薪酬政策

於二零二零年六月三十日，本集團聘用243名僱員(二零一九年十二月三十一日：290名僱員)，其中234名駐於中國內地、7名駐於香港及2名駐於德國。本集團的員工成本(包括薪酬、花紅、社會保障、公積金及股份激勵計劃)總額為6.1百萬美元，佔本集團總收益33.4%。

本集團與所有全職僱員均訂立僱傭協議。若干高級管理層及主要研發人員已與本集團簽訂保密協議及不競爭協議。各高級行政人員已同意於僱傭協議生效期間及之後的一段時間內對本公司的任何保密資料、商業秘密或專業知識或本集團收到的任何第三方的機密資料絕對保密，且除職務上需要外，彼等不會對該等保密資料加以利用。此外，各高級行政人員已同意於受僱期結束後兩年內受不競爭限制的約束。

Currency Risk and Management

The Group's sales are primarily made in Europe (in US dollar-denominated transactions) and the PRC (in RMB-denominated transactions). The Group's CAM sales were predominantly denominated in US dollars, while sales of rapid verification system and software were predominantly denominated in US dollars and RMB. The Group's costs of production are predominantly denominated in RMB.

During the review period, the Group did not enter into any foreign currency forward contracts or use any derivative contracts to hedge against its currency exposure. The Group manages its currency risk by closely monitoring the movement of foreign currency rates and may consider hedging significant foreign currency exposure should the need arise.

Employees and Remuneration Policy

As at 30 June 2020, the Group employed 243 employees (as at 31 December 2019: 290 employees), of whom 234 were based in Mainland China, 7 in Hong Kong and 2 in Germany. The Group's staff costs (including salaries, bonus, social insurance, provident funds and share incentive plan) amounted to USD6.1 million in aggregate, representing 33.4% of the total revenue of the Group.

The Group has entered into employment agreements with all of its full-time employees. Certain senior management and key research and development personnel have signed confidentiality agreements and non-competition agreements with the Group. Each senior executive officer has agreed to hold, both during and after the effective period of his or her employment agreement, in strict confidence and not to use, except as required in the performance of his or her employment duties, any confidential information, trade secrets or know-how of the Group or the confidential information of any third party received by the Group. Additionally, each senior executive officer has agreed to be bound by non-competition restrictions for a period of two years following the expiry of his or her term of employment.

本集團的成功依賴其吸引、挽留及激勵合資格人員的能力。本集團亦致力培訓及發展我們的僱員。本集團利用研發中心、研究實驗室及項目管理團隊，確保每名僱員通過接受從技術、解決方案及服務，直至客戶、市場及行業等方面課題上進行的持續培訓來維持現時的技能，本集團為所有新僱員提供入職培訓，以及在職培訓以持續提升僱員的技術、專業及管理能力。

展望

新型冠狀病毒大流行疫情的演變持續衝擊全球經濟，跨國貿易制裁亦不斷升級，國內外行業格局處於重大變革階段。面對如此嚴峻的形勢，集團順應國家戰略發展提高芯片及開發工具的國內生產能力以應對危機，不斷加強自身技術佈局與積累，提升自主研發實力。

視密卡業務方面，繼續推進新的視密卡芯片平台的研發進程，力求年內取得突破性進展。同時進一步從性能、安全性及成本等方面提升現有芯片產品的競爭力。市場方面，將針對不同區域推廣不同類型的主打產品，如將面相歐洲市場推出新型號的無卡視密卡，在新興市場如印度一帶推動CI+2.0標準強制的政策落地，國內則利用運營商渠道推動USB接口的定制化產品。

The Group's success depends on its ability to attract, retain and motivate qualified personnel. The Group is also dedicated to the training and development of employees. Towards that end, the Group leverages on the resources of its research and development centre, research laboratories and project management team to ensure that each employee maintains a current skill-set through continuous training on topics ranging from technologies, solutions and services to clients, markets and the industry. The Group provides introductory training and orientation for all new employees, as well as on-the-job training to continuously improve employees' technical, professional and management skills.

OUTLOOK

As the evolution of the COVID-19 pandemic continues to impact the global economy and transnational trade sanctions also keep escalating, the landscapes of domestic and international industries are in a stage of substantial changes. Faced with such severe situation, the Group has followed China's state strategic development to increase the domestic production capabilities for chips and development tools in response to crisis, and has continuously strengthened its own technological layout and accumulation to enhance its capabilities of independent research and development.

In respect of the CAM business, the Group will continue to advance the research and development process of the new CAM chip platform, striving to achieve breakthrough progress during the year. Meanwhile, the Group will further enhance the competitiveness of existing chip products in terms of performance, safety and cost. In respect of the market, the Group will promote different types of flagship products for different regions. For example, it will launch a new model of cardless CAM for the European market, promote implementation of the CI+2.0 standard mandatory policy in emerging markets such as India, while domestically it will promote customized products with USB interface using the operator channels.

EDA業務方面，通過與高校開展研發項目合作，探討專利等方面的共同拓展，進一步健全和優化人才培養體系，加強團隊建設專業化，增加專利儲備，強化核心技術實力。加強各地研發中心管理的同時，做好行業內的系統分析與研判，積極關注產業最新動向，及時抓住與行業或產業鏈內具備技術優勢且能與集團業務產生協同效應的優秀企業合作或投資的機遇，從人才、資本、技術合作等多方位不斷加大發展力度，全面佈局EDA領域。

未來集團將堅持以集成電路設計為核心，貫徹自主研發、產學研結合、投資併購並舉的策略，加快自主創新進程，推進EDA佈局及全流程系統研發，為集團新營收增長點奠定堅實的基礎，助力國產集成電路設計提高自我造血機能。全面提升集團的綜合實力，以期為股東創造更大價值。

In respect of the EDA business, through cooperation with universities in research and development projects to explore joint development in patents and other aspects, the Group will further improve and optimize the talent training system, strengthen team building specialization, increase patent reserves and enhance core technical strengths. While strengthening the management of R&D centers in various regions, the Group will perform systematic analysis and assessment of the industry, closely follow the latest industry trends, and timely grasp opportunities for cooperation with or investment in outstanding enterprises in the industry or the industry chain that have technological advantages and can generate synergy with the business of the Group, so as to strengthen ongoing development efforts from various aspects such as talent, capital and technical cooperation for comprehensive deployment in the EDA field.

In the future, by sticking to IC design as the core focus, the Group will adhere to the strategy of independent research and development coupled with combination of industry, academy and research, investment and mergers and acquisitions to accelerate the process of independent innovation, promote EDA layout and full-process system research and development to lay a solid foundation for the Group's new revenue growth, and leverage domestic integrated circuit design to improve its self-hematopoietic function. The Group will enhance its overall strength with a view to create greater value for shareholders.

回顧期結束後重大事項

於回顧期後直至本公告日期，並無發生重大事項。

中期股息

董事會不建議就截至二零二零年六月三十日止六個月派發任何中期股息（截至二零一九年六月三十日止六個月：零）。

購買、出售或贖回本公司上市證券

截至二零二零年六月三十日止六個月，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

公眾持股量

根據公開予本公司查閱的資料並就董事會所知，截至本公告日期，本公司維持上市規則所訂明不少於25%的公眾持股量。

遵守企業管治守則

自本公司股份於二零一六年三月三十日上市起，本公司已採納上市規則附錄十四所載的企業管治守則及企業管治報告（「企業管治守則」），作為其本身的企業管治守則。於截至二零二零年六月三十日止六個月，本公司一直遵守企業管治守則所載的守則條文，惟守則條文第A.2.1條除外。

SIGNIFICANT EVENTS AFTER THE END OF THE REVIEW PERIOD

There has been no significant events occurring after the end of the review period up to the date of this announcement.

INTERIM DIVIDEND

The Board does not recommend any interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2020, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

PUBLIC FLOAT

Based on information that was publicly available to the Company and to the best knowledge of the Board, as at the date of this announcement, the Company maintained the prescribed public float of no less than 25% under the Listing Rules.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has adopted 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 since the listing of the Company's shares on 30 March 2016. The Company has complied with the code provisions of the CG Code set out therein except for the code provision A.2.1 of the CG Code throughout the six months ended 30 June 2020.

根據企業管治守則條文第A.2.1條，其規定主席及行政總裁的角色應予區分，且不應由同一人士出任。由於本公司主席與首席執行官的職責均由黃學良先生履行，本公司因而偏離企業管治守則條文第A.2.1條。董事會相信，基於黃學良先生於業內的豐富經驗、個人履歷及其對本集團及本集團過往發展所擔當的關鍵角色，由其出任主席兼首席執行官實屬必要。董事會相信，一人身兼兩職的安排能提供強勢及貫徹的領導，並有助本集團進行更有效的規劃及管理。由於所有主要決策將於諮詢董事會成員後作出，且董事會有三名獨立非執行董事提供獨立意見，故董事會認為，目前有充足保障措施，確保董事會內有足夠的權力制衡。董事會亦將繼續檢討及監察本公司的常規，以遵守企業管治守則及讓本公司維持高水準的企業管治常規。

遵守上市公司董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載標準守則為董事進行本公司證券交易的行為守則。向全體董事作出具體查詢後，本公司確認全體董事於截至二零二零年六月三十日止六個月一直遵守標準守則所規定的標準。

Pursuant to CG Code provision A.2.1, the role(s) of chairman and chief executive should be separated and should not be performed by the same individual. As the duties of chairman and chief executive of the Company are performed by Mr. Huang Xueliang, the Company has deviated from the CG Code provision A.2.1. The Board believes that it is necessary to vest both of the roles of chairman and chief executive in Mr. Huang Xueliang due to Mr. Huang Xueliang's extensive experience in the industry, personal resume and Mr. Huang Xueliang's critical role in the Group and the past development of the Group. The Board believes the dual role arrangement provides strong and consistent leadership and is critical for efficient planning and management of the Group. As all major decisions are made in consultation with the members of the Board, and there are three independent non-executive Directors in the Board offering independent perspectives, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will also continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED COMPANIES

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct in respect of transactions in securities of the Company by the Directors. Having made specific enquiries with all the Directors, the Company confirms that all the Directors have complied with the required standards as set out in the Model Code during the six months ended 30 June 2020.

審閱中期業績

審核委員會已審閱本集團截至二零二零年六月三十日止六個月的未經審計簡明綜合中期財務資料。本公司外部核數師羅兵咸永道會計師事務所已應董事會要求按照香港會計師公會發出的香港審閱工作準則第2410號對該等未經審計簡明綜合中期財務資料進行審閱。

刊發中期業績及中期報告

本公司的中期報告將於適當時候寄發予本公司股東，並將會登載於香港交易及結算所有限公司網站(www.hkexnews.hk)及本公司網站(www.smit.com.cn)，以供閱覽。

承董事會命
國微控股有限公司
主席
黃學良

香港，二零二零年八月二十日

於本公告日期，執行董事為黃學良先生（主席兼首席執行官）、帥紅宇先生及龍文駿先生；非執行董事為關重遠先生及劉洋先生；及獨立非執行董事為張俊傑先生、胡家棟先生及金玉豐先生。

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the Group's unaudited condensed consolidated interim financial information for the six months ended 30 June 2020. At the request of the Board, the Company's external auditor, PricewaterhouseCoopers, has carried out a review of the unaudited condensed consolidated interim financial information in accordance with Hong Kong Standard on Review Engagement 2410 issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim report of the Company will be dispatched to the shareholders of the Company and published on the Hong Kong Exchanges and Clearing Limited's website (www.hkexnews.hk) and the Company's website (www.smit.com.cn) for review in due course.

By order of the Board
SMIT Holdings Limited
Huang Xueliang
Chairman

Hong Kong, 20 August 2020

As at the date of this announcement, the executive Directors are Mr. Huang Xueliang (chairman and chief executive officer), Mr. Shuai Hongyu and Mr. Loong, Manfred Man-tsun; the non-executive Directors are Mr. Kwan, Allan Chung-yuen and Mr. Liu Yang; and the independent non-executive Directors are Mr. Zhang Junjie, Mr. Woo Kar Tung, Raymond and Mr. Jin Yufeng.